

Small Business “BIG” Profits

**Ingenious, Inexpensive, Deadly Accurate
Marketing Techniques For:**

- 1. Skyrocketing Your Sales...**
- 2. Slashing Your Marketing Costs...**
- 3. And Leaving Your Competition In The Dust!**

By Bob Serling

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Section 1:

Foundation Principles for Increasing Your Sales and Profits, Keeping Your Customers Satisfied, and Growing Your Business in Record Time

Introduction:

Welcome to Small Business/Big Profits!

In this course, you'll learn everything you need to know to double or triple your sales and profits in the shortest time possible.

The great American dream is to succeed in your own business. Millions of Americans dream of having the ability to control their own personal and financial futures. And the key to achieving these crucial goals, is to be able to sell your product or service to as many customers as possible.

The problem is, few business owners have even the slightest clue as to how to do this.

One of the main reasons business owners don't know how to market, is the poor quality of information you'll find in the huge volume of books that have been written about marketing. Quite frankly, the vast majority of these books fall terribly short of their goal. They tell you what to do, but give you only sketchy details on how to actually do it.

Why This Course Is So Different – And So Much More Successful – Than The Other Courses You’ll Find

This course is very different. First of all, there's no textbook theory. Everything you'll learn has been tested and proven over and over again the only place where it really counts – in the marketplace. Every strategy and technique you'll find in this course is here for one reason only: it works like crazy. It's produced substantial profits with complete consistency and reliability over many years.

Secondly, unlike other marketing books, you'll be getting the complete picture, not just a thumb-nail sketch. I'll leave no stone unturned. You'll get comprehensive information on every strategy and technique that can boost your profits. Together, you and I will concentrate on the details of all three components that are necessary for creating the kind of marketing that gets powerful results:

1. What to do.
2. Why you're doing it.
3. Precise, step-by-step details of how to do it.

Of these three components, step three is the most important. I firmly believe the reason most businesses fail is not that they lack good marketing ideas. Rather, they lack the skills to successfully implement their marketing ideas.

That's particularly unfortunate, because implementing your ideas is actually very easy once you understand how. But the real reason you want to become a master at putting your marketing ideas into action is because **you can make a lot of money!**

Now I'm not saying that solid marketing ideas aren't important. They most definitely are. And you'll get dozens of powerful, innovative marketing ideas and techniques in

this course. But I've run across very few people who have problems coming up with good ideas, and tons of people who can't seem to carry out the ideas they have.

Let me put it another way – a way that could have a profound affect on your bank account. There are a lot of brilliant people in the world with incredible ideas. The problem is, they lack the skill to carry out their ideas.

On the other hand, there are a lot of millionaires who have only fair-to-good ideas but have mastered the skills for carrying them out. Putting their ideas into action is what has allowed them to maximize their profits.

Given the choice, I'd much prefer to have a solid idea and flawless implementation skills than dozens of brilliant ideas coupled with the inability to bring them to fruition.

To sum up, “idea people” are a dime a dozen!

What You'll Get From This Course

I've designed this course to give you all the “what to do,” “why to do it,” and “how to do it” information you'll need to make your marketing as successful as possible. By the time you finish this course, you'll have everything you need to:

1. Get as many new customers as possible,
2. Convert one-shot customers to loyal, repeat customers who buy from you again and again,
3. And increase the average dollar amount of every sale you make, day-in and day-out, every day of the year.

And the way that you'll accomplish all of this is remarkably simple and inexpensive. You see, my basic premise is that success can be “modeled.” So you can take techniques and systems that have proven themselves time and time again in the marketplace, and use them as models for creating your own successful marketing.

I know this works. Because the way I made my business so successful was by carefully studying the marketing techniques of other highly successful businesses and then building a comprehensive model incorporating all the best techniques of each.

This was my starting point. Over the years, I've refined it – fine-tuned it for even greater results. I've added dozens of techniques of my own, gotten rid of techniques that didn't prove successful, and modified others to make them perform even better.

Now it's your turn to cash in on these powerful techniques. You'll get dozens of proven strategies, techniques, ads, and sales letters that have sold millions of dollars worth of products and services. And you'll be shown precisely how to use them to produce maximum sales and profits in your own business.

That's it for this introduction. Again, I want to welcome you to this course. Now it's time to strap on your seat belt and get ready for the ride of your life. I promise the results you'll get will greatly exceed everything you've ever dreamed of!

Lesson 1:

The 12 Fundamentals Of Maximum Profit Marketing

In this chapter, you'll get a wealth of information that will show you how to consistently get a multitude of new customers, increase the amount that each customer spends every time they do business with you, and make sure every customer becomes a frequent, repeat buyer. In short, a direct pipeline to dramatically increasing your profits in the quickest possible time frame.

In order to achieve this there are a couple of ground rules you should know about.

First, I want to introduce you to the way I write to soften or “cushion” some of your reactions. I write exactly the way I'd work with you if you were sitting in my office for a face-to-face consultation. Often, that means the first thing I have to do is find out what you need help with and to identify any specific problems you may be having with your marketing.

Clarity about the task at hand is absolutely essential to making rapid, impactful progress. I'll give you an example. The majority of clients who come to see me, and this includes many extremely successful and savvy marketers, invariably tell me they want my help in order to make more money.

Now that's an awfully broad request – sort of like going into a restaurant and saying, “I'd like some food please, I'm hungry.” In order for me to really help a client, I need to clearly determine specifically what they need and in which marketing areas.

After a little probing, “I'd like to make more money” usually means you'd like to generate more leads, or close more sales, or get more FREE publicity, or increase your store traffic, or make your least profitable sales people produce as much as your most profitable, and so on.

What this means, then, is that I have to determine what the problem is before I can develop an effective solution. So when I write, I often begin a subject by focusing on the most painful, uncomfortable consequences you suffer by not handling a marketing area properly.

Some readers may find this approach to be a little too negative for their liking. But let me assure you, it serves a definite purpose.

The proper understanding of some of the worst marketing problems that can plague you will help you avoid them. And it helps you gauge precisely where you stand. Are you mired in the depths of this problem, does it just affect you mildly, or are you just starting out and can you avoid the majority of the pitfalls?

One more thing. Even though I may start with some of the uglier aspects of a given marketing situation, I'll always get to the flip-side in rather short order. But it's the understanding of both sides that will help you become as profitable as possible.

Secondly, you'll find that I repeat myself at times. Not word for word, but I'll often

give a key concept different turns or view them from many different perspectives.

This is because I want to impress their importance upon you and bum them into your brain however I can. Sometimes one cut at a concept doesn't strike home, but shift the view slightly, and its full impact registers.

Also, the majority of powerful marketing concepts and techniques don't exist in a vacuum. They weave together and work synergistically to create a cumulative effect that's much more dynamic than when taken on their own. So certain concepts may be joined with others and viewed from a new perspective for maximum benefit.

With those things in mind, let's get right to it!

The One Common Denominator That Severely Limits Every Company's Profitability And Growth

If there's one thing I've found to be absolutely true about every business owner I've ever met, it's this: *no one is ever satisfied with the level of profits their business is producing.*

Actually, that's a good thing. Because with rare exception, there just aren't many businesses today that even begin to scratch the surface of their true profit potential.

You'll hear all kinds of excuses as to why companies aren't reaping the profits they could be:

- There's too much competition.
- Times are tough.
- Wages are astronomical even for mediocre services.
- Cash flow is horrendously slow.
- Costs of plants and services are excessive.
- And on and on.

But I'll tell you something. Those are just excuses. They may sound reasonable, but if you give into them, they'll lead you around in circles and completely deplete your time and energy. Here's the real reason why businesses don't even begin to come close to realizing their maximum profit potential:

**They don't understand exactly what it takes to sell
more and more of their products and services.**

The facts of business life are simple. If you don't sell, you don't survive. It doesn't matter how wonderful your product or service is... Or how low your price is... Or how many superior features you offer... Or how fast and friendly your customer service may be... Or how noble your intentions are.

If you can't sell what you have to offer, all of those glowing attributes mean next to

nothing. Bottom line, companies fail for one reason only: *They don't bring in more money through sales than they spend.*

Alright, that's the ugly truth. It may sound cold and calculating, but it doesn't have to be. You can still concentrate on all of those attributes that give your business meaning for you – and I strongly encourage you to do so. But I also strongly encourage you to look your problems in the eye and be brutally frank in assessing your situation.

Now, here's the good news. Selling more of your products and services, selling them more often, and significantly increasing your profits are goals that are not that difficult to achieve. In fact, you can probably achieve all of them much faster than you ever imagined.

All it takes is the correct understanding of what really works to ethically increase your sales. And for that, you've come to the right place. In this chapter, I'm going to give you a powerful start on how to **double or triple your business through simple, effective marketing**.

Everything you'll learn is easy to apply, completely practical, and very powerful from a marketing standpoint. Good marketing is not a mystery. Actually, it's just the opposite. Nearly always, good marketing consists of simple, and sometimes ingenious, applications of common sense.

What You'll Learn In The Rest Of This Chapter

In this chapter, I'm going to introduce you to twelve fundamental concepts that will change the entire way you think about the marketing and selling of your products and services. They'll give you a fresh perspective on marketing and help you see what you've been doing wrong, what you've been doing right, and what you still need to add to your marketing.

My basic philosophy of marketing is to build long-term relationships with your customers and to ethically use these relationships to sell them as many different but related products and services as possible. So, in effect, you build a pipeline of consistent repeat sales and perpetual profits.

In order to do this successfully, your company must master the art of:

1. Focusing exclusively on your customers' needs (as opposed to your own).
2. Servicing those customers far beyond any level of service that your competition might offer.

If you can achieve these two objectives, I promise you'll be far more profitable than you ever dreamed of.

The 12 Fundamentals Of Maximum Profit Marketing

1. All of your business, all of your marketing, all of your profits depend on your customer.

This may seem obvious, but based on the failure rate of businesses today, it isn't obvious at all. The true function of any successful business is to sell people precisely what they want to buy. A logical extension of this is to tie your product or service to the most important needs of your customers in order to increase your sales.

Everything you do must be carefully designed to satisfy your customers' needs. The comprehensive care of, concern for, and diligent servicing of your customers is the foundation for a growing, thriving business.

Put another way, customers don't care in the least about you or your business. They shouldn't be asked to. All they care about is how you can make their lives easier or better. Once you recognize and start operating in tune with this, sales and profits fall into place.

Now, I don't mean for this to sound unnecessarily harsh. It's just a simple fact of human nature. To prove this point beyond a shadow of a doubt, I'm going to use someone as an example whose experience you couldn't possibly refute – YOU!

Let's say it's a nice, breezy Saturday afternoon in the springtime. You know what I mean; the first round of the NBA playoffs is just winding down, baseball season is just gearing up, and either love or shopping are on your mind. For the purpose of our example, let's say it's shopping.

Okay, let's take it one step further and say that the object of your shopping desire is a snappy new convertible. You walk into the showroom of Acme Auto ready, willing, and able to drop major bucks on the car of your dreams – the red convertible with the fawn interior.

You go for a test ride merely as a formality. You already know exactly what you want. During the test drive and obligatory tour of the dealer's lot, you become pretty well acquainted with your salesperson. She's intelligent, well-versed in her products, and not at all pushy like most auto sales people.

Now we find you sitting in her office when she comes back in with the disappointing news. She can only get you the car you want in red with a black interior or midnight green with the fawn interior. But if you buy the car from her, she'll give you a super deal because this sale will put her over the top in the quarterly sales contest for her entire district. Which means she'll win an all expense paid week in Maui.

So what do you do? Do you buy the car and help her out? Do you settle for a little less than what you really want to do her a favor?

Of course not!

You may sympathize with your salesperson's situation, but you came here for one thing and one thing only – that red convertible with the fawn interior. So you wish her

well, get up and leave Acme Auto, and head over to Main Motors to see if they have the exact color and interior your heart is set on.

The point is that you really don't care about the sales person. You also don't care about the dealer and any benefits he'd derive from you buying a car. All you truly care about is what's going to satisfy your fondest desire. And that's the exact car you want in the right color with the right interior.

If you ask any more of your customers than you ask of yourself – if you expect them to care in the least about your best interests, you're sadly mistaken. In fact, you're severely compromising your ability to make as many sales and generate as much profit as you possibly can.

If you want to sell as much as you possibly can and as often as you possibly can, the formula is simple. Find out what your customers really want and sell it to them. Make their lives easier. Make their lives better. Solve their problems. Deliver their dreams to their doorsteps. And watch your company grow beyond belief.

Remember, the care of, concern for, and diligent servicing of your customers is the surest, most direct route to business success.

2. Your company must have a definitive theme – your ESA.

Your ESA is your Essential Selling Advantage. It is a statement of the essential advantages you bring your customers that set you apart from your competitors.

In keeping with the first fundamental point, your ESA is always stated in terms of the benefit it delivers to your customers. Powerful advantages include best prices, superior customer service, elevated status, broadest selection, stronger guarantees, highest quality, serving specially targeted groups such as senior citizens, and on and on. The possibilities are limitless.

There's a key component that's critical to formulating and implementing your ESA. That key is the spirit you bring to it. Look, anybody can claim they have the lowest prices in town. Or, you can go to any city in the country, open up the paper and find some company shouting, “We're America's Number One Seller Of Whizzboppers!!!”

Empty promises are worthless. Worse, they can actually harm your business. People see right through them and might not want to do business with you.

You must infuse your Essential Selling Advantage with spirit, give it real teeth. A perfect example of a powerful ESA is Domino Pizza's, “Fresh, Hot Pizza Delivered In 30 Minutes Or Less, Guaranteed.”

Think about how that compares to some lukewarm ESA like “The Fastest Delivery In Town.” That means nothing. So what? There's no way to measure it. No way to keep the company who offers it accountable.

Domino's guarantees it. If your pizza isn't there in 30 minutes, you get it for free.

Want another terrific example? Baskin-Robbins 31 Flavors. Their name is their ESA! A simple, yet brilliant way of honing in on precisely what the customer wants, and

promising in no uncertain terms that you'll deliver.

Every time you go to Baskin-Robbins, you know you're going to have the choice of at least 31 different flavors of ice cream. The perfect embodiment of a broad selection ESA. So powerful, it actually established Baskin-Robbins as an industry leader.

Are you beginning to see how a powerful ESA can put you head and shoulders above your competition? My own ESA is, “Marketing That Gets Results – Or It Costs You Nothing.”

Can you imagine what that does to my competitors when I bid on new business? Ad agencies and consultants never guarantee results. They just take a fat retainer, give you some marketing designed according to a canned formula, and wish you well.

My competitors are paid whether they perform or not. I'm paid only if and when I get you results. Do you see how that gives me a powerful advantage in winning new business? By putting my customers' needs far ahead of my own, I secure a greater share of the market.

That brings us to a key point about your Essential Selling Advantage. It forces you to be clear and define precisely what advantages your customers can expect from doing business with you. So, it helps you precisely focus on what the nature of your business really is.

A clear statement of your ESA is essential to your success in marketing. It will become the cornerstone of your business. As such, it will drive every aspect of your marketing and profoundly affect your operations and customer service policies.

Sit down and develop your ESA today. It should be no more than three sentences long and one sentence is preferable. Keep chipping away at it. Eliminate any and all dead weight. Then, once you have a completely clear, concise, powerful ESA, immediately begin to put it into action.

I can't stress this point strongly enough. And I know what you're thinking. You think that you don't need to write down your ESA. After all, you already know what business you're in and what makes your business go.

Don't kid yourself. If you actually can sit down and immediately state your ESA in one lean, tight sentence, you won't waste more than a few minutes. If you can't, this step is absolutely crucial.

3. Lifetime value of a customer – the key to maximizing your profits.

Sadly, most businesses have no idea what the lifetime value of a customer means. Or if they do, they don't know how to calculate this crucial figure. Worse yet, they don't have even the most remote inkling of how to harness the full force of this extremely powerful concept to shoot their profits through the roof.

I'm going to explain lifetime value to you now, simply and clearly:

Lifetime value is expressed as the total dollar value of your average customer over the entire period that they're likely to do business with you.

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There are two ways to arrive at this amount. If you have actual sales figures for a number of years, you can come up with an exact figure. If not, you'll have to estimate. But don't worry, I'll show you a pretty accurate way to make your estimate.

Let's start with actuals. For our example, we'll say that you've determined that your customers stay with you an average of three years. And you have 3,000 steady customers. Your net profits over these past three years has been \$780,000.

$$\begin{aligned}\text{Lifetime Value} &= \$780,000/3,000 \\ \$260 &= \$780,000/3,000\end{aligned}$$

So each new customer you can get and keep is worth an average of \$260 profit to you over the average customer life of three years.

Now, if you need to estimate, the key is to be conservative. Most companies who haven't kept accurate records tend to overestimate on these figures. My advice to you is to be extremely cautious and estimate conservatively as these figures will have a significant impact on your bottom line,

When estimating, you should already know what your profits were for the past few years. What you'll need to estimate is how many steady customers you have. The lifetime value calculation is exactly the same whether you use actual figures or estimated figures.

Now, here's why lifetime value is so important and how you can use it to outfox your competition. If you run an ad that costs \$1,000 and you get 35 sales at \$25 per sale, your revenue ($35 \times \$25 = \875) doesn't even cover your costs.

Most businesses would consider these results a failure. But you won't once you understand lifetime value. If you know that every customer you get represents an average lifetime value of \$260 profit, you've actually just invested \$28.57 ($\$1,000/35$ customers) per customer to get a \$260 return.

Stated another way, you're investing \$28.57 now for a future profit of \$260. I don't know about you, but I'll take as many new customers like that as you can find me!

We've just come to the most powerful, but intangible, aspect of lifetime value and how it affects your marketing perspective. Once you've realized that customers are actually an ongoing revenue source rather than a one-shot sale, you can shift your marketing focus.

You're no longer locked into the constant struggle to keep getting more and more new customers. Now you can begin concentrating on keeping your existing customers longer and selling to them more often. You can actually leverage your earnings and profits several times without ever increasing your customer base.

Also, with this new understanding, you realize that you can afford to spend more than you thought to gain new customers. You can make much stronger, more attractive offers in order to win the customers today who will contribute to your fortune tomorrow. As long as your cash flow can support it, you can invest more in the beginning to take larger profits later on down the line.

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The proper understanding of lifetime value shifts your perspective significantly. Most businesses are caught in a constant scramble to continually get more and more one-shot sales. By realizing that customers actually represent much more than a single sale, you gain two distinct advantages over your competition.

First, you can increase your profits significantly by making more and more repeat sales. Secondly, you can dramatically improve your customer acquisition rate by offering new prospects much more than your competitors offer.

Your competitors won't understand this. Without the long-term perspective of lifetime value, your competitors will assume you're just trying to low-ball them to make a sale. They may even relax their own marketing efforts, confident that you're in the process of running yourself out of business.

The truth is, they'll never know what hit them!

4. How to leverage your assets for maximum efficiency and profits.

Leverage is a very broad topic and I can't possibly cover it all here, but I'll give you a solid introduction. In financial terms, leverage means to multiply the productivity of a resource.

Here's an example. If I can show your sales people how to get customers to increase their average purchase amount by 20% with no additional cost or effort, I've just leveraged your sales staff. I've increased their productivity and your profits by 20%.

Let's take another example. If we change your copy and the new ad outpulls the old by 5%, that's 5% more profit in your pocket for exactly the same cost and effort.

You'd be surprised, even shocked, by which of your resources you can leverage significantly. These include ads, headlines, prices, publicity, in-store sales, field sales, average purchase amount, repeat sales, referrals, new customer leads, lead conversion and on and on.

One final point. Leverage can have a profound affect on your business. If you increase the response to your ads, and boost your average sales amount, and increase the number of times each customer buys from you annually, the leveraged affect is exponential. It can quite easily double or triple your profits!

The object of any sound marketing policy is to get many elements working in concert to produce as many increases in sales and profits as possible. The overall affect of all these increases is far greater than the sum of the parts. So every marketing dollar actually carries more than its own weight and virtually does the work of 2, 3, 5 or 10 dollars.

5. The vital importance of headlines.

All ads, sales letters, brochures, news releases, and commercials need a headline. Period.

This isn't for reasons of style or preference. Test after test has proven that a promotional piece with a headline – any headline – will outpull a promotional piece

without a headline. And if you can craft a headline centered on the major benefit you bring to your customers, the difference in response can be astounding.

More than once I've seen just the change of a headline pull three times as much as an ad with a weaker headline. The copy and graphics were exactly the same. The offer was exactly the same. And the ad or sales letter reached precisely the same audience. The only change was a different headline. Improvements of that magnitude are just too good to pass up.

6. Reverse the risk and watch your sales soar.

Have you ever noticed how most businesses put the risk of doing business on you, the customer? Here's a perfect example.

The other day I was in a gift shop. On a wall behind the counter, the owner had posted their return policy. It said, “Absolutely No Refunds After 7 Days.” What a foolish way to kill customer goodwill.

Why state things so negatively and risk chasing off even one customer? The exact same policy could have been stated positively and contributed its small part to building strong customer relations. What if it said, “We Will Cheerfully Refund Your Full Purchase Price Within 7 Days.”

Do you see the difference? The first statement seems to limit the customer and put the burden of responsibility in the customer's court. The second statement implies that you'll take the risk and bend over backwards to help the customer out.

Now the above example is minor and probably won't kill a lot of sales, but why state things so negatively when the same statement can be made positively?

Businesses constantly amaze me with their anti-customer policies. Look, if you have a solid product or service, if you know it will perform the way you say it will, why not go all out to let your customers know about it?

“Our Prices Are the Lowest In Town Or We'll Refund Double the Difference.”

**“If We Don't Have Your Size In Stock, We'll Special Order
and Have It Here Within 2 Days.”**

“Marketing That Gets Results – Or It Costs You Nothing.”

Do you see how powerful these statements are? Do you see how they put the risk on the business, not the customer? If you can perform, you should do everything you can to proclaim it. Even if you get a few more returns or refund requests, they'll be inconsequential compared to all of the new business you'll generate.

7. To maximize your profits, you must have a back-end.

Back-end offers, regardless of what business you're in, are what makes the difference between marginal profits and truly staggering profits. Working your back-end is a snap. You simply make regularly scheduled offers to your customer base.

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Look, if you've come anywhere close to delivering what you promised to, you've established a tremendous amount of trust and goodwill among your customers. All it takes to harvest the rewards of this goodwill is an offer from you.

There are far more examples of ways to do this than I have room to go into here. For now, I want you to understand how working your back-end can turn marginal advertising efforts into lucrative profit centers. Let's say you spend \$2,500 to run an ad that gets you 50 new customers and each one of them is worth \$50 in profits. You've just broken even.

But if you call them or send them another offer 30 days later and sell 20% of them at \$75 profit, your net profit is \$750. Better yet, if you can lock them into an annual contract with 4, 6, or 12 purchases a year, you've built an ongoing profit center.

Now, obviously you'd prefer to have ads that generate profits on their own plus a successful back-end. But even ads that break even or sustain a loss can be profitable when you're filling your pipeline with customers who become profitable a little later in the cycle.

This is what makes book and record club offers work so well. They use a one-dollar or one-cent offer to hook you in, then make all their profits on the back-end.

Always remember, attracting new leads and converting them to customers is the most expensive process for any business. Selling your existing and previous customers again and again is easier and far more lucrative.

Don't get me wrong. I'm not suggesting for a second that you stop trying to get as many new customers as you can. Just that you start giving proper attention to the immense value of your back-end potential. And begin to work it like the vein of gold it actually is.

It's a shame that most businesses never even attempt to resell their customers. Not even once. They don't realize what a costly, unfortunate error this is.

8. Your current customers are the fastest, easiest way of increasing your profits.

This point builds on the previous point we just discussed, but I'm going to add some important details.

Most businesses consider themselves lead generating businesses. Their major objective is to get as many customers as possible in the door – or into the selling cycle. Consequently, nearly all of their advertising and promotions are geared exclusively to generating more prospects.

This is a fatal error.

Please read the last sentence again. You see, I'm trying to shock you back to your senses. I've seen businesses sit by and watch sales steadily erode while continuing to try to stimulate more new business.

New business is not the primary source of increased profits. Your existing customer base is. Look at it this way: the first sale you make to a customer rarely represents the

total of their capacity to do business with you. In actuality, a first purchase usually represents a customer's test of your ability to deliver on your promise.

If you have delivered on your promise, you almost always have the green light to sell them more of what they've already bought or something else. You've got them primed. You have their trust. Why in the world would you not want to use this to the mutual benefit of both you and your customer?

Let me give you some extremely valuable advice. If you take this advice to heart, over the life of your business, it will prove to be worth tens, even hundreds of times what you paid for this entire course:

- 60% of all your marketing efforts should be devoted to reselling your current customers.
- 25% of your efforts should be spent converting inactive customers back to active, repeat buyers.
- 15% of your marketing should be devoted to gaining new leads and converting them to active customers.

There's one caveat to keep in mind here. These figures must necessarily fluctuate depending on the status of your business. If you're a start-up, nearly all of your marketing will concentrate on converting prospects to customers.

The figures continue to shift emphasis up to the two year point. Once you've been in business for two years or more, you're essentially established. You always want to be adding new customers to your nucleus, but your most lucrative area for increasing profits will always be your current customer base!

9. Existing relationships are the fastest, surest way of getting more new customers.

Most lead generating advertising is at best extremely wasteful and at worst a complete disaster. Want proof? Get six consecutive months of your favorite magazine. Now thumb through them and see how many ads are repeated.

Precious few ever run more than once. And there is only one reason why. The ads failed to generate enough new business to justify ever being run again.

Yet every business I talk to continues to focus on this futile type of advertising to generate fresh new leads. They continue to pour huge chunks of their budget into these wasteful types of ads, always telling themselves, “This time, this one will really work!”

Or how about direct mail? Do you realize that the accepted industry response – the yardstick by which success is measured – is an abominable 2%? That means that every time you accept this sickly “success” rate you're also accepting a 98% failure rate.

I don't tolerate that type of response for my clients. Simply because there's no reason to ever have to. And I'll give you the two reasons why.

Small Business, “BIG” Profits

First of all, almost any ad can be optimized to get a better response. There are many ways to do this including improving the headline, body copy, offer, and call to action.

But, in actuality, the most potent cure is to shift to another form of lead generation altogether because blind ads and sales letters mailed to blind lists are always a high risk. Let me clarify what I mean by “blind.” Media reps and list reps will tell you that their medium is highly targeted. I don't agree.

What sales reps call “highly targeted” is in reality, minimally targeted. Need proof? It's easy to come by. Just ask the sales rep to guarantee your response. Or to refund your money if their medium isn't successful for your promotion.

I don't have to tell you what the answer will be. The fact is, these so-called “highly targeted” mediums are a hit-and-miss proposition at best. And most often you'll miss.

Sorry to paint such a dismal picture, but it's true. However, there's great news on the horizon. You see, a tremendous source for pulling in as many qualified prospects as you can handle already exists.

This tremendous source is the existing relationships you already have with customers, suppliers, vendors, distributors, and other businesses. The trick is to give each of these sources a strong enough incentive to endorse your products and services and refer you to their customers. Here are some examples.

Let's say you own an accounting firm and you provide tax and bookkeeping services. Go through your list of clients. Every business that you provide services for can probably refer you to 5 or 10 other businesses.

If you do bookkeeping/taxes for doctors, it only takes one referral to get your promotional materials in front of an entire association of doctors. And nothing pulls response like an endorsement from a satisfied customer.

Every vendor, supplier, and distributor has loads of other businesses they work with. How many of them will endorse your services to their other customers? You could trade them a percentage of the first year's fees for every referral who becomes a client. Or swap a year's worth of free tax return preparation in exchange for an endorsement letter to their customer list.

The possibilities are endless. And they apply to whatever business or profession you may be in. So there's no reason to ever again waste precious time, money, and effort in generating a constant flow of qualified leads!

Think about it. Most people sincerely welcome a strong word-of-mouth referral from someone who they've come to trust.

Let's say you walk into your dry cleaner's and he tells you the best shoe store in town is a few blocks away. Then he gives you a coupon worth \$10 off on any purchase at this particular shoe store. If you've been doing business with the dry cleaner for a couple of years and respect his opinion, wouldn't you be tempted to at least check out the shoe store? I know I would be.

This kind of endorsed referral benefits everyone. You increase your customer base.

Your endorsers increase their goodwill with their customers by alerting them to valuable products or services. The customers end up getting more of what they want or need. Everybody wins.

I hope you begin to see how well this would work for your business!

10. Testing is the key to cutting your losses and maximizing your profits.

This is one of the single most profound marketing truths you'll ever encounter. And also one of the single most ignored. I'm going to let you in on a secret:

Companies that take the time to test outperform their competitors by as much as ten fold.

It's just simple logic. The same ad, identical in all respects may pull differently during different months. Or, changing your offer can result in a performance difference of 300% or more, in either direction! You just don't know what works best until you test.

There are so many different elements you could potentially test, I can't possibly cover them all here. But I'm going to give you a powerful introduction.

Here's how to make your testing really pay off: Always test small before committing major funds to any product or any aspect of your marketing. Don't ever agree to a discounted rate for running a new ad multiple times. Always waste a few dollars up front to run it one time to see how it works.

If it works once, it will work again and you'll quickly recover the few extra dollars you spent on a single run test ad. But if it fails multiple times, there's nothing you can do but take a huge loss for getting seduced by the multiple run discount.

Companies that fail to test usually do so out of a fatal character flaw. They assume that they already know what their customers want. In fact, they assume that they know better than their customers. Then they're shocked when their bright, shiny ad campaign fails to win more than a handful of sales.

Please understand: You cannot tell the market what to do. Quite the opposite. The market will always tell you exactly what it's going to do!

My advice to you is this: Treat every ad, every sales letter, every promotion, every product as a test. Take only prudent, completely controllable action at first. Once something has been proven in the market, there's plenty of time to reap the bounty.

I'm going to emphatically take this one step further. If you're really serious about becoming wealthy, testing must become the cornerstone of all your marketing activities. Only by careful, continual testing can you tell which ads, which headlines, which appeals, which lists and media, which regions of the country or world, which segments of the population produce the strongest, most profitable results for you.

I can't stress this strongly enough. If you really want to be successful, make continual testing a way of life in your marketing.

11. All of your advertising should be direct response advertising.

Every ad, every sales letter, commercial, promotion, and news release you produce should be geared to getting your prospects or customers to respond in some way, to take some kind of action. What that action is will depend on what you're trying to achieve.

For lead generation, you'll want someone to call and make an appointment or specifically request more information. For selling, you want them to place an order. For publicity, you want the media to let you know if and when they'll be featuring information about your product.

Whatever response you're looking for, the key is that you always need to get some kind of response. Because only through a directly attributable response will you be able to determine how effective each of your marketing efforts are.

And to be as successful as possible, it's essential to be able to tell precisely how well or how poorly each of your marketing efforts performed. It's not enough to know that your sales are up over the same period from the previous year. You have to know why they're up.

Which marketing efforts are blockbusters? Which are marginally profitable? Which are revenue-draining dogs? Without this crucial information, you'll continue to pour money into worthless efforts. Money you could be dedicating to beefing up your most powerful performers.

There are two rules you should bum into your brain about every marketing effort you take part in:

1. Every marketing effort must be completely measurable.
2. You should strive to constantly eliminate dead weight. If a marketing format doesn't produce profit, either modify it and test again or drop it.

In order to be measurable, your marketing efforts must culminate in making your prospects or customers take some kind of action. Measuring and improving the results of your marketing will allow you to cut your costs significantly and get much better results for every marketing dollar you invest.

12. All it takes to dramatically improve your profits is a slight edge.

Most of my clients come to me with the idea that they'll need to overhaul their entire marketing operation in order to produce powerful results. That simply isn't true.

In actuality, all you need to outperform your previous efforts, and your competition, is a slight edge. Time and time again, I've seen explosive results from simply changing a headline or restructuring an offer. The copy, design, and media remained entirely the same. Occasionally, giant steps are called for, but most often, this is not the case.

Look, if you can increase your customer base by 7%, up your average sales amount by 5 or 10 dollars, and make just one more repeat sale to each of your customers

every year, you can realize very real profit increases of 30% or more. And better yet, you can do it safely, with very little effort, and almost no additional expense.

Always remember Serling's Law Of The Slight Edge:

Start first by taking those steps that return the most profit for the least time, effort, and expense.

The cumulative effect of small but consistent gains over a period of years will grow your business to astounding proportions.

A Survey Of The Types Of Marketing Available To You

Now that you understand the 12 fundamental concepts of successful marketing, let's take a quick look at the different avenues you have for putting these concepts into action.

1. Print Advertising

Print ads are those that you run in newspapers, magazines, trade journals, and newsletters. They can be used to either make sales directly or to generate leads for your business,

2. Direct Mail

Direct mail is anything that you send to customers or prospects through the mail. It involves using your house list of customers or outside lists that you rent or barter for. Outside lists are available in the widest variety imaginable.

For example, you can get lists of magazine subscribers, credit card holders, Honda owners, dentists, women, men, senior citizens, residents of any geographical location, business owners, new business owners, or people who have purchased products similar to yours, just to name a few. The selection options are endless.

Direct mail takes a variety of forms, from a simple postcard to full-blown four-color packages that contain six or seven pieces. But the most effective direct mail nearly always centers on a sales letter. The other pieces are meant to support and augment your sales letter.

3. Telemarketing

Telemarketing has two basic formats, inbound and outbound. Inbound telemarketing consists of the sales procedures you use when someone calls your company. Outbound telemarketing involves using sophisticated sales scripts and trained sales people with a high degree of product knowledge to sell over the phone. Outbound telemarketing sales people are nearly always paid on commission.

4. Publicity

Publicity is FREE coverage in magazines, newspapers, trade journals, newsletters, and on radio and television. Publicity can be extremely valuable. Since it's written by the particular media's staff, as opposed to ads you pay for, it carries an implicit

editorial endorsement. That means your credibility comes in at an all-time high.

The drawbacks to publicity are that you have no control over if or when the piece will run. Nor do you have any control over what the media will say about you or your product.

5. Sales Promotions

These are the various events, contests, and sponsorships you might want to run or participate in. Grand openings, giant sales, prize drawings, and community events are examples of common sales promotions. They help draw attention to your company or product. They're often used for image building within your market, as well as for making sales.

6. Yellow Pages Advertising

I'm sure this format doesn't require any introduction. However, it's worth noting that this format is becoming more complex as more yellow pages publishers enter the arena and geographic regions are carved into finer subdivisions.

7. Radio

Another media that doesn't require much introduction. You should understand, though, that radio is a complex and tricky medium to master. That's partially because it's much more expensive to test than other areas.

8. Television

You can make more money faster in television than in any other advertising medium. Unfortunately, you can lose more money just as quickly. A sophisticated, complex, expensive medium that requires a deep marketing budget.

9. Packaging

The design of the package for your product, both art and copy, can dramatically affect your sales. Art design is one area in particular where most people require outside expertise to get the job done properly.

10. “POP” (Point of Purchase) Displays

Point of purchase displays are the set-ups, racks, and holders you see in retail stores and some other business establishments. They're usually designed to promote the product. They can range from simple cardboard displays and dispensers to full-blown tables and kiosks designed around a special theme.

11. Inserts

Inserts are printed fliers carrying your message that are placed in with another company's product. They can be put into shopping bags, tipped into magazines and newspapers, or tucked into outgoing envelopes.

12. Classified Ads

Classified ads are small ads that run in special classified sections of magazines, newspapers, and trade journals. One-step classifieds are ads that try to make a sale directly. Two-step classifieds are ads that get prospects to request information from you in the first step. As the second step, you send your complete package of sales literature in order to get the customer to take action.

13. Outside Sales

These are made by sales people who make presentations away from your place of business. Compensation structures vary from salaried to commissioned to draw against commission, and a host of others.

An outside sales force can be made up of sales people who do it all from start to finish or broken down into very specialized categories. Some companies use different members of their sales force to generate leads, make the initial contact, educate the prospect, and close the deal.

14. Inside Sales

These are the sales made by people who work on your premises. They can be salaried, commissioned, or anywhere in between. Their experience and product knowledge can range from minimal to thoroughly detailed.

15. Manufacturers Representatives

These are experienced sales people who independently represent the products of many different companies. They are always commissioned sales people. Their advantage to a company is that they bring years of experience and many established accounts with them.

16. Joint Ventures

This type of marketing involves teaming up with another company to sell your products to their customers or their products to your customers. Few marketing consultants or advertising agencies know anything about how to structure and implement solid joint venture deals. Of those that do, they always stress that you look for noncompetitive businesses to cut a deal with. I disagree with this completely.

For many areas of interest, people buy as many products or services as are available. Perfect examples of this are health products, diet products, books, records and tapes, and any type of how-to information. Competitive companies could easily share customers in these areas and increase profits for both partners.

The 6 Basic Components Of Any Successful Marketing Piece

All areas of marketing have one thing in common – their essential purpose is to make a sales pitch. That means that you have to gear every marketing piece you use to make a complete pitch that will move your prospects or customers to take the action you want them to.

In order to do that most effectively, the following six steps should be included in all of your marketing efforts. This includes every ad, sales letter, commercial, press release, and sales pitch made by your sales staff.

1. A powerful headline or opening paragraph

You have only a few seconds to get your prospect's attention and prove that your marketing piece is worth reading or listening to. You must open with a powerful headline or opening paragraph if you want to successfully draw someone into your piece.

2. An irresistible offer

The offer you'll be making to your audience can make or break your marketing. An extremely enticing offer can shoot your results through the roof, while a weak offer can guarantee the failure of your piece.

3. Body copy that delivers your basic story

Here's where you lay out all the fine details. What's in it for your customer, what your product does for them, how other folks just like them have benefitted from your product and so on.

4. Your Iron-clad guarantee

A strong guarantee can nudge fence-sitters over to your side. It enhances your credibility and makes it clear that you believe in your product strongly enough to stand behind it.

5. The call to action

This is where you tell your prospects precisely what you want them to do. You can't be timid or subtle here. Because if you don't tell people exactly what you want them to do, most of them won't do anything at all. Make it very clear what action you'd like them to take.

6. An incentive to act now

This gives you one final chance to convert more of your undecided prospects into paying customers. A strong incentive, which usually takes the form of some type of added bonus, can turn marginal results into winning results.

Fine Tune Your Marketing To Cut Costs And Maximize Profits

This will become an ongoing procedure for as long as you're in business. As the lifetime value of your average customer increases, you can afford to invest more in your marketing. The same goes for any other areas you improve on that increase your revenue.

Successful companies constantly work at finding the right mix of marketing techniques that provide the optimum results. Even when you have known winners working for you, you need to keep testing other avenues. All marketing has a useful life span. Eventually, it wears out and is no longer productive. So you need to keep testing new ideas to replace the old.

Here are the steps you use to fine-tune your marketing and keep it humming at optimum levels.

1. Determine how much you can afford to spend on attracting new customers.

The longer a customer stays with you, the more each customer spends each time they buy, and the more repeat sales you make all contribute to how much you can afford to spend on winning new customers.

If you know that each customer represents \$100 in profits every year for five years, you could get rich by spending \$100 now to get the customer and reaping the profits later. Of course, you'd have to have the cash flow to accommodate this.

2. Spend more to spend less.

Commit as much money as you can up front to bring in back-end profits. Remember, the easiest, most cost-effective sales to make are repeat sales to satisfied customers. Once you have an established customer base, your marketing costs diminish significantly.

3. Continually experiment with your best marketing pieces.

Your strongest performing marketing piece is called your control. Even when you have the most lucrative control you've ever developed working for you, you should still try to improve it.

Test headlines, offers, basic information, prices, packages, and guarantees. Often taking separate products and packaging them together at a higher price can produce a significant jump in sales.

Also, if an element works in one marketing piece, adapt it to your other marketing. If you have a particularly powerful headline in an ad, use it in a sales letter too. Or adapt it to a new pitch for your sales staff.

Whatever you do, keep testing. Test, test, test. And then test some more. That's how you'll discover the real winners.

4. Change your marketing based only on the hard facts produced by your testing.

Are you bored with your advertising? Are your employees sick of the same old offer week in and week out? Would your family like to see you change a little something here or there?

So what!

As long as your marketing is working, as long as it's bringing in sales, don't mess with it! The only time you should replace your marketing is when your testing has proven that something else works even better.

Your end goal in using this planning and fine-tuning approach is to come up with as many different marketing techniques that work for you as possible. But let me throw in a word of caution here. Start slowly and work your way up. Start with those concepts and techniques that you think will provide the most benefit for the least expense and effort.

Don't take on more than you can handle. It's far better to have two or three techniques producing solid, consistent profits than to overwhelm yourself with six or eight techniques that you can't devote the proper attention to.

Take things one step at a time. And remember to have some fun while you're doing it!

Conclusion

Congratulations! You've just taken your first step towards becoming a master marketer. There are two quick points that I want to leave you with.

The first is probably obvious, but I'll cover it anyway. Although I've covered each of the various fundamentals and supporting points individually, they really aren't meant to stand on their own.

Each concept and technique works with, weaves in and out of, and connects with the others. Sort of like the characters on a soap opera. These interrelationships cause a net affect that's much more powerful than each technique judged on its own merit.

You've already seen that increasing sales gives you more money to spend on marketing, which then increases the lifetime value of your customer and your repeat sales and, in turn, gives you even more money to spend on marketing.

Consistent marketing creates an ever-increasing upward spiral of profits. Do you see how relatively easy it actually is to double or triple your business?

Finally, I want you to know that even though this is just an overview - a broad sampling of concepts and techniques, you're already light years ahead of your competition.

Look at the way your competition markets, if they even market at all. Most likely, they have a one-shot, stand alone mentality. And I'm certain that 99% of your

competitors market from the standpoint of what's in it for them not what's in it for their customers. You, however, now know what a waste of precious time, effort, and money that kind of marketing really is.

I'm going to close this chapter by repeating once again the keys to building a strong, long-term business:

1. Focus exclusively on your customers' needs (as opposed to your own).
2. Service your customers far beyond any level of service your competition might offer.

Do these two things on a consistent basis and *the sky's the limit!*

A Suggestion For Exponentially Increasing Your Ability To Market Like A Pro!

Alright, we've just about come to the end of this chapter. I've presented twelve extremely powerful marketing concepts. Together, they introduce a new marketing perspective that you've probably never even thought about. Yet it's immediately obvious that these concepts and this perspective make complete sense.

What I recommend is that you read this chapter again at least one more time. The concepts you've just discovered represent many years of experience and a great deal of expense to accumulate.

You'll find that repeat readings will solidify the concepts for you and trigger new ideas for how they can best be used to their full advantage.

I'm sure you're excited by this newly discovered perspective on marketing and I'm happy that you are. After all, you now possess an incredible edge over all of your competition. In fact, you hold this same edge over nearly anyone doing business today!

Lesson 2:

The One Crucial Reason Why Advertising Fails – And What You To Do To Make Sure Yours Succeeds

For many small businesses, advertising can be a costly and disappointing effort. Part of the problem is that most books on increasing advertising effectiveness are geared toward the big budget, image building campaigns of large corporations. These techniques don't work for small businesses, start-up operations, or entrepreneurs.

As a small business, you're probably working with a limited budget. You can't afford to waste precious advertising dollars developing visibility or building an image. Your advertising serves one major purpose – to sell more of your products or services.

The second part of the problem is that most advertisers waste enormous amounts of time, effort, and money on aspects of their advertising that won't significantly improve results. This is truly a shame, because these misfires are based on your best intentions.

The material in this chapter assumes two things. First, that you do have a limited budget and want to make every dollar work harder. And second, that you're interested in getting the maximum results from your marketing efforts.

What Works For Better Marketing, Why It Works, And How To Use This Information To Increase Your Profits

This chapter will show you precisely what you need to do to create successful advertising. Advertising that gets more leads and sales. And how to do it without increasing your advertising budget.

In fact, in many cases you can actually cut your advertising costs. By concentrating on improving those areas that yield the highest returns, you can often eliminate costs associated with other less fruitful areas.

How are we going to achieve such a lofty goal? By focusing on the one crucial factor that can make or break your advertising. That factor is:

Selecting the right people to advertise to.

In this chapter you'll learn why the correct selection of your customer base is so critical. Then you'll find out how to use this information to get better results from your advertising. And better results mean more profit!

Why The Correct Selection Of Customers Is The Most Crucial Aspect Of Any Advertising Campaign

There are many books and many theories about how to improve advertising performance. Some insist that the headline is everything because it's used to catch your customer's attention. Others emphasize that the creative use of color will easily outdistance black and white ads. Plus, there are dozens of other theories.

There's good news and bad news about these theories. The good news is they are right – to some degree. The bad news is that improving any aspect of an ad will prove worthless if you haven't addressed the single factor that most affects your advertising success.

That factor is: *audience, audience, audience.*

It doesn't matter how creative or colorful your ad is. It doesn't matter how powerful a headline you have or how persuasive your copy is. It doesn't even matter that you have the greatest product on the market at a price that cuts all of your competitors.

None of these factors matter if you're advertising in media that doesn't interest your customers or mailing your promotions to people who have no use for your product. In order for any advertising to be effective, first and foremost, it must reach your target audience.

A lukewarm ad presented to the proper audience will result in far more sales than a solid ad presented to the wrong audience. Now Just think how far you could get with a superior ad directed to the proper audience.

The Rule Of 40-40-20

Let's look at the mathematics of why audience is so important. A well-known, but seldom followed, rule of advertising states that success is:

40% – Your audience

40% – Your company, your product, your offer

20% – Creative (graphics, copy, color, theme)

Here's why the 40% of audience is even more important than it first appears. The second category is made up of three components – your company, product, and offer. Each component, then, really only represents a bit over 13% (for a total of 40%).

The numbers drop even more significantly in the Creative category. Here, each of the four components yields only 5% of the total benefit. Yet Creative is the primary area that advertisers put the most effort into improving.

As an example, let's look at the results achieved by upgrading the color of an ad. To go from black and white to one additional color will increase your costs by 20-30 percent. And to expand to full-blown four color with a bleed could easily triple your costs. The net result would be that you'd pay 300% more to increase your sales by only 5%.

Looking at the numbers, concentrating the majority of your efforts on improving Creative simply doesn't make sense. Worse yet, it could completely wipe out any profits you might otherwise gain from your campaign.

The Golden Rule Of Advertising Success

It should now be clear that improving areas that have marginal impact on your results are a waste of your time, effort, and money.

As a small business, these resources are too valuable to waste. The most productive use of your resources can be found in properly defining and understanding your customer base. That leads us to my **Golden Rule Of Advertising Success:**

To build a profitable company, concentrate your efforts on correctly identifying the broadest possible audience who will buy your product or service.

Let's take this one step further. Here's how to turn your small business into a big business. Once you've identified your customer base, find out what these customers need.

Create a short questionnaire, about six questions. What are their problems, their needs? What new products would help your customers be more successful? Then develop these products and sell them to your customers again and again.

How To Make Sure Your Advertising Gets The Results You Want

Now that you know why focusing on your customers is the most important factor of any ad campaign, let's find out how to create effective customer-driven advertising.

Here's a checklist for making sure your advertising is generating maximum results:

1. Identify your customers' most vital needs.

Use short questionnaires, phone calls, and your gut instincts for quick, low-cost research. Then make sure your advertising starts by demonstrating that you understand their needs. A good way to do this is to dramatize their most nagging problems, followed by strong proof that your product will provide the solutions.

2. Follow your customers' needs by showing them the powerful benefits they'll get from using your product or service.

Benefits are the key to strong sales. Most advertising concentrates on features. This is a mistake. Features focus on your company or your product. Benefits talk directly to your customers about what they get.

For example, if you're a CPA who sells payroll and accounting software, don't just print a laundry list of your system's features. Show your prospective customers precisely how they can save money, eliminate the aggravating discrepancies of manual balancing procedures, and free up valuable time.

It's benefits like these that make customers want to buy. Because everyone wants to save time, make their own life easier, or make more money.

3. Make your customers a powerful offer – and put a time limit on it.

Give them a reduced price, a rebate, a month of free service -something of value. By limiting how long your special offer is available, you motivate your customers to take action now.

In short, gear every aspect of your advertising materials to your customers' point of view. Demonstrate that you can fulfill their needs, solve their problems, and help them achieve what they want. Do this, and you'll surely increase your sales.

Choose Media That Will Get The Best Results For Your Ads

Selecting the right media can be a complicated process. But there's one key element that's common to all good selections. Go with the media that your customers read, listen to, and watch. The more clearly and specifically you can define your target customer profile, the more accurately you'll be able to select the correct media.

When selecting media, avoid being a groundbreaker. If your competition is successful with certain magazines, you probably will be too. If you can't resist the urge to branch out, start by trying similar magazines in the same category.

Test new areas prudently, one step at a time. Don't commit all of your funds to an experimental campaign, or you might find yourself without operating capital. Experimenting with uncharted territory is an expensive undertaking best left to large corporations with huge budgets. Most small businesses can't afford the dubious luxury of pioneering.

Mailing Lists – How To Cash In With Your Customer Profile

Here's a checklist for selecting mailing lists that will get you the most leads, sales, and profits:

- ❑ **Select lists of people who have a history of buying through the mail.** And if they've purchased a product similar to yours, the list is even better.
- ❑ **Go for the golden duplicates.** Too many advertisers have the wrong (i.e. unprofitable) attitude about names that show up on more than one list. When these advertisers buy multiple lists they run them through a merge/purge procedure to eliminate the duplicates.

Don't let yourself make the same mistake. By all means, run a merge/purge. But instead of getting rid of them, cultivate your duplicates. Put them in a separate HOT file. These customers are heavy hitters. They've shown that they purchase by mail again and again.

Here's how to make maximum use of your duplicates. Mail to them now, and mail again one month later. You can even mail the same package to them twice. Your response from these highly active buyers should far outdistance the rest of your purchased lists.

- ❑ **Take HOTLINE names if they're available.** These are names of people who have purchased within the past 3 to 6 months. The slightly higher cost of these recent buyers will be more than rewarded.

These customers are more likely to be living at the same address. But more importantly, test after test has proven that people who have bought something by mail recently are more apt to buy again now.

- ❑ **Use the size of previous orders as a yardstick.** Here's another factor that tests have shown indicates a strong likelihood of ordering again. This can be attributed to the fact that customers who are willing to spend higher amounts through the mail have fewer fears of mail order.

You won't have to waste time convincing them that mail order is a reliable method for purchasing quality products and services.

- ❑ **Rely on a professional list broker.** A good list broker can help you get more from your mailings. And their service is free to you. Brokers fees are paid by the list owner.

Using your target customer profile and other pertinent information such as geographical area, purchasing habits, income, and profession, a broker can guide you to lists you didn't even know existed. Or customize an existing list for stronger response. Using a professional broker's services can bring you more money through the mail.

Your Customers – The Key To Your Success

The reason you bought this course is because you want to learn how to increase the effectiveness of your advertising. To get more new customers, keep selling to your steady customers, and build a successful business.

The best advice I can give you is to think like a customer. Your customers – who they are, what they need, and when they need it – are the key to building a vital, growing business.

This should seem obvious, but it isn't. Just look at the majority of ads in any magazine or newspaper. How many ads actually focus on what the customer will get? Very few, I'm afraid.

Don't let yourself repeat this mistake. Use the information in this chapter to create a powerful, customer-driven advertising program. Focus on the needs of your customers. Describe the benefits they'll get in no uncertain terms. Make them a tantalizing offer.

Do these things, and your bank account will reflect the result of your efforts!

Lesson 3:

Product Development – The Secret to Making A Fortune By Developing the Ideal Product

If you've ever tried to launch a new product or if you're thinking about developing a new product, you probably recognize what a major challenge this can truly be.

Quite simply, the vast majority of new products fall flat on their face.

They fail to capture the attention of the marketplace, they fail to generate enough interest to move them off store shelves, and they fail to earn back even a fraction of their development costs. Most people who have tried will tell you it's nearly impossible to successfully bring a new product to market.

They're wrong – dead wrong.

To understand the true reason why almost every new product fails, what you really need to realize is where the ideas for these products came from.

We've all heard stories about people who have been driving down the street when suddenly they were struck by a brilliant idea that they built from scratch on a shoestring budget and parlayed into a tremendous fortune. This might happen occasionally, but the truth is, this type of success is extremely rare.

Most new product ideas, especially the type that's likely to fit into your current operation, are born within your business. Either you or someone on your staff gets a new idea that sounds like a real winner. Then you talk about it some more with your friends and other employees. You might even run it by some other expert in your industry for a final verification of your new product's viability.

After that, it's hit the market and hit it hard. And make sure that no one breathes a word about it so you can corner the market. Unfortunately, this wonderful dream usually turns out to be completely wrong as the product dies a quick death – sucking down all the time, effort, and money you invested with it.

Okay, now you know where almost 99% of all ideas for new products come from and what results you can usually expect. But that only solves one half of the problem. The other half, the half that's critical to your success is:

Where do successful ideas for new products come from?

Well hang in there. Because I'm going to show you precisely where you can find as many ideas as you could possibly need for a viable, tremendously successful new product.

I'll also give you a six-step plan for developing a new product that will either make

you tons of money or cut your losses to the absolute bare minimum. It's a formula you can safely use over and over again until you strike paydirt.

So if you're ready, let's get right to it!

How To Develop An Ideal, Super-Profitable Product

I've already told you where a lot of dismal new product ideas come from, but I'm sure what you really want to know is where the ideas for ideal products come from. So I'm going to ask you this question:

Where do you think the ideas for the most obscenely profitable and highly successful products come from?

Do you think they come from new technology? Do they come from an innovative, revolutionary new idea? Do they come from identifying some new, undiscovered opportunity?

Not really. Although all of these and many other factors may play important roles in the development of the ideal product, there is really only one key factor that, in the end, determines the success of any new product.

That factor is your customer's need for the product. And this leads us to **Serling's Rule For Developing Successful, Highly Profitable New Products:**

All enormously successful new product ideas must be derived from your customers.

I'll put it to you as straight as I possibly can. No idea, regardless of how wonderful or innovative it may be, can be successful if your market has no need for it. But a product that fulfills the true needs and desires of your customers is bound to be a major winner.

Your Six-Step Plan For Developing An Ideal Product... And Taking It To Market

As I mentioned earlier, there are six simple steps for developing an ideal product that will either make you a lot of money or cut your losses to the bare minimum. These steps cover everything you need to do to come up with a solid product idea, test that idea, and succeed in the marketplace with it.

First I'm going to list all six steps so you'll have a strong overview of what really gets the job done. Then I'll elaborate on each step, giving you the details necessary to ensure your success.

Here are the six steps for developing and cashing in on the ideal product:

1. Find out precisely what your market wants and needs.
2. Calculate the downside risk of developing a product that satisfies your customers' wants and needs.
3. Calculate the upside payoff of developing a product that satisfies your customers' wants and needs.
4. If the payoff is large enough, test your market as prudently as possible.
5. If your first test proves out, test again – no more than 5 times larger than your first test.
6. If your second test proves out, roll out your product to your entire market.

These are the six steps that are absolutely essential to your success in developing and marketing a new product. Skip any one of them and the whole thing becomes a crapshoot. Now, let's take a look at the ins and outs of each step.

Step 1: Find Out Precisely What Your Market Wants And Needs

Please remember that all enormously successful new product ideas must be derived from your customers.

In order to do this, you're going to need to do a little research. Not high-cost, multi-page studies that sound like they were written by robots, not costly focus groups, not double-blind surveys, just a little old-fashioned shirt-sleeve research.

The way you do this is pick up your phone and call 10 or 15 of your best customers (or best prospects if you're a start-up business). Ask them what kinds of products or services that you specialize in would be particularly helpful to them. When a pattern emerges, you're onto something hot.

Here's another exceptional way to use your research to uncover as yet undiscovered pockets of profit. Ask your customers how they use your product that's different from the way it was intended to be used.

Maybe you manufacture a glass cleaning compound that an engineering firm has discovered is perfect for diluting powdered graphite for thorough application to its equipment. Bingo! You have an entirely new, highly lucrative product line.

At this point, I know what you might be thinking. You might think that you've been in business so long and know your market so well, you can skip the research stage. But you're wrong. Here's a true story that makes this point really hit home.

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A few years back, a pet food manufacturer decided to develop a perfectly balanced gourmet cat food that would be more beneficial for cats than anything else on the market. In fact, the ingredients would be so top rate, no other cat food would even come close.

Of course, he figured that he'd need to keep this under tight wraps so none of his competitors would find out about his plans and beat him to market.

He hired the finest food scientists, nutrition experts, veterinarians, and technicians to develop his formula. He hired the finest graphic artists to design his packaging and a major advertising agency to mount an all-out assault on the market.

When his product was complete, he tested it on hundreds of cat owners. Everyone loved his new cat food. Veterinarians lined up to endorse this product.

Finally, the big day came. After a major marketing campaign that saturated his target market, his product went on sale. And it sold out in record time.

Yes, it seems like he did everything right and he had the results to prove it. But things aren't always what they seem to be. After the first month, sales of this revolutionary new cat food dropped to next to nothing. Within six months, the company went belly-up.

What was wrong? How could he have possibly failed? Before he went out of business, he conducted a final survey. This survey revealed to him what the crucial mistake was he had made. His fatal error was:

Cats hated his food!

That's right, cats couldn't stand the stuff. They wouldn't eat it. They ran from it. And nobody bothered to do the simple research necessary to discover this flaw until it was much too late.

So even though the product seemed to be an overnight success, there were no subsequent sales and the bottom dropped out of the market.

HERE'S MY EXTREME CAUTION TO YOU:

Whatever you do, do not skip the research stage regardless of how well you might think you know your market. If you do, you're risking your entire investment.

I have one more caution for you. If you employ an outside sales force, be very wary of the suggestions your sales people make for new products or for improving old products.

Salespeople have a lot of idle time on their hands. They spend hours on the road or in coffee shops between sales calls. During this down time, they often come up with ideas they think will be real winners.

Now, since salespeople are persuasive by nature, it doesn't take much for them to convince you of the merit of their new product idea. But again, I caution you.

Regardless of how strong a case your salesperson builds for a new product idea, test the idea on your customers first. The people who actually shell out their hard-earned dollars for your products are the only truly accurate yardstick you'll ever have for judging a new product idea.

Step 2: Calculate The Downside Risk Of Developing Product That Satisfies Your Customers' Wants And Needs

Once you've discovered a great new product idea by talking to your customers, you have to put your pencil to the paper. You need to calculate all of the costs involved in bringing your product to market.

Don't cut corners here. Anything you underestimate will eat into your profits when you actually start to sell your product. The factors you need to consider are:

- Production costs
- Marketing costs
- Warehousing costs
- Maintenance costs
- Support effort costs
- Overhead
- Sales commissions
- Distributors' commissions
- Wholesalers' commissions

You might also need to figure in costs for factors I've overlooked. You know your business better than anyone. You need to rigorously account for every penny of expense associated with taking your new product idea to the marketplace.

Step 3: Calculate The Upside Payoff Of Developing A Product That Satisfies Your Customers' Wants And Needs

The next step is to determine how much profit is potentially available from this new product idea. To do this you need to arrive at the best price for your product and estimate as accurately as possible how much of your product you're likely to sell.

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I can't go into an elaborate discussion here on how to determine the best price for your product. It really depends on a number of factors. First, there's how you plan to position your product – bargain priced, mid-range, top of the line and so on.

Then you must consider how rare the product is. The fewer similar products available, the more you can charge. Also, it's often important to consider what your competition charges for similar products.

In any case, you probably know your market well enough to determine the optimum price. Don't forget, though, you can always do the same kind of shirt-sleeve research with your customer to see what they'd really be willing to pay for your new product.

Once you've arrived at the optimum price for your product and you've accurately projected your sales, you multiply the two to arrive at your gross sales figure.

Now comes the next landmark in your discovery process. By subtracting your expenses from Step 2 from gross profits you've just calculated, you arrive at your net profits before taxes.

Obviously, your profits must be worthwhile enough to keep pursuing the new idea. But before you drop a potentially good idea there a couple of things to consider. If your initial profits are low, or even if there is a loss, is this a reusable product that will pay off in a big way in the future? Or, can this product be used to establish a relationship with your customers and profit by selling them other products you offer in the future?

If your research and paperwork reveals that it's in your best interest to continue this process, then you move on to the next step. If it reveals that the profit possibilities aren't substantial enough, you've just prevented the loss of a considerable sum of money by not taking this product to market.

Step 4: If The Payoff Is Large Enough, Test Your Market As Prudently As Possible

This is the place in this process where many companies go wrong. They come up with a good idea, the figures look great on paper, and they commit to full-tilt production. Before they know it, their brainchild is sucking up every spare dollar they have and more.

Don't let this happen to you. Test your market with as small and as inexpensive a test as you possibly can. Here's an example of a prudent product test I conducted a number of years ago.

About a year after my son was born, I began to notice that my wife bought every type of a certain kind of novelty product available. So I decided to conduct a little shirt-sleeve research.

I began to talk to all of our friends who had young children to see if a pattern

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emerged. Sure enough, almost every mother we knew was buying as many of these items as they could get their hands on. Fathers bought some too, but the heaviest buyers were always the mothers.

My next step was to research even further. I did this by going to a local mall that had a store specializing in items for infants and toddlers. Again, my hunch was verified. The items I had in mind were strong sellers, primarily to women.

So I proceeded on to the next step. I calculated the costs, projected my sales, and determined what I could reasonably expect in terms of profits. It still looked good, so I moved on to Step 4.

At Step 4, I determined that the easiest way to test was to develop a prototype and try to sell it to store owners. Creating my prototype took about a week and cost me about \$45.

I took the prototype and did two things with it. First, I showed it to as many new mothers as I could. Their reaction was quite enthusiastic and they agreed that my price was fair.

Second, I took one full day and made sales calls to owners of the types of stores I thought would be interested my product. This revealed some surprising results. I had initially targeted four types of businesses and ranked them as to how I thought they would perform.

I was right about my first choice, but my second choice bombed completely! My third choice turned out to be a powerful performer and my fourth choice performed well enough to keep it in the mix. This just proves what I consider to be one of the most important rules of powerful marketing:

The market will always tell you what it wants and needs.

I don't care how well you know your business, your product, and your customers. Even the most informed projection is still a guess and if you go on your own instincts instead of the truth of the market, you're liable to get burned.

My overall results turned out to be that 40% of the stores I visited ordered my product based only on the prototype. Not only was this a tremendous response that exceeded my expectations, but I had also uncovered a powerful new market. My third choice that turned out to be such a strong performer represented a huge market, much larger than my first choice.

I was able to get an appointment with the buyer from a large national chain who told me they would order tens of thousands of pieces if the finished product met certain conditions.

This is a perfect example of the way simple, inexpensive, prudent testing can be extremely beneficial.

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By the way, I never took my product to market. After weighing all the positives and negatives, I decided I didn't want to be in that business full time. But the reason I haven't told you what the product is, is that I still might market it myself or license the rights to someone else to market it sometime in the future.

Let's look at some other ways to conduct a prudent, inexpensive test. My rule of thumb for effective testing is:

Spend as little as possible to get the results you need.

Here are a number of tips to help you achieve that goal:

1. If you're running a space ad for your test, **run as small an ad as possible** and run it only once. The magazines or newspapers you run in will try to sell you a larger ad, a second color, or a special rate if you run three times. Forget about all that.

Pay a slightly higher rate to test your small ad once in basic black and white. If it works, you can always upgrade. If it fails, you've saved yourself some money.

2. If you need to actually produce the product to test it, **produce as few as possible**. Even if you pay an exorbitant rate for a small batch, your goal is to determine whether the product will sell, not to make money on your test.

Whenever possible, go with a good mock-up or prototype as opposed to producing the complete product, I always tell publishers to try to sell a new book idea as a report first, because most printers won't accept an order for less than 2000 books.

3. If you're using direct mail to **conduct your test, mail as few pieces as possible**. For many items, tests of 100 to 500 pieces are more than adequate at this stage.

Also, mail your first test with first-class postage. You want your results as quickly as possible. Third-class, if you mail enough pieces to qualify, will slow your results by at least two or three weeks.

Here's one last story about the benefits of testing and how to keep your costs down. I recently tested a new marketing program I'd developed. I used direct mail and sent 700 pieces to a list made up of marketing managers and business owners.

The piece was expensive to mail, close to two dollars per piece in the mail. To cut my costs, I took on a partner. She invested 50% and did all the labor. In return, she was to receive 40% of all profits. If the program was successful, she stood to make a substantial sum of money.

Well, the test failed. I had actually expected to make a few thousand on the test alone, but didn't. However, the test revealed that everyone who ordered was the owner of a business. My partner decided to drop out, but I'm going to continue. Obviously, I'll forget about marketing managers and concentrate on business owners in my next test!

Step 5: If Your First Test Proves Out, Test Again – No More Than 5 Times Larger Than Your First Test

Okay, you've done your research, calculated all your figures, tested your market and gotten satisfactory results – you're ready to go! Right?

Wrong, you're ready for another test. Sure, you're in good shape, but you're still not ready to run full force with your new product.

Here's why. Your first test was simply a test of your product's viability. It does not constitute a complete enough test of your market. It's possible that your first test could have given you false results.

Now, I'll admit that this probably isn't likely and chances are strongly in your favor that you have a winner. But “5 times larger” is an old rule culled from direct marketing that will never lead you astray.

I can't tell you how many times I've seen companies jump immediately from a test of a single, small ad to a full page ad, often for multiple runs in more than one publication, and fall flat on their faces with their big roll-outs.

Don't cheat here. Be patient and carry out this crucial step. If it defers your wealth, it will only be for a short time. If it saves you a fortune, it's money you'll be able to put to better use on some other project.

Step 6: If Your Second Test Does Well, Roll Out Your Product To Your Entire Market

If you've made it this far, you're in an exceptional position. You've successfully developed an ideal new product that could make you a fortune!

Now, and only now, is the time to commit major resources to your new product. Get your marketing campaign in order, crank up production, arrange for financing, finalize your distribution, and all the other things necessary in your line of business. In short, get that hot item to market!

However, I do have one caveat for you. Even when rolling out on a major scale, I advise that you do it with caution. Pay attention to your results and see if any patterns emerge.

Sometimes, certain geographical areas will vastly outperform others. Or maybe you'll notice that one gender or a specific age group buys your product heavily. Perhaps certain seasons or economic conditions make for favorable sales patterns.

I advise you to roll out in segments rather than to go with your entire market in one bold stroke. Often, the results you'll get will show you how to modify your marketing plan to cut your costs and realize even greater profits.

Conclusion

You're now well on your way toward developing and cashing in on an ideal product. I hope you've found this step of the journey worthwhile. But more importantly, I hope you'll continue on with the journey.

Too many times, I've seen companies commit tremendous resources to a project based on a hunch. And nearly all of the time, they wind up disappointed and lose substantial sums of money.

Now, don't get me wrong. I have absolutely nothing against hunches. Some remarkable products and substantial fortunes have been generated out of hunches. All I'm saying is that you must test your hunch as prudently as possible against the reality of the marketplace.

But, better yet, you don't have to wait for a hunch to inspire you. Your market will always tell you what it wants and needs. All you have to do is ask.

There's another benefit to favoring ideas generated by your market rather than ideas based on a hunch. Most hunches never pan out. But a high percentage of market-based ideas turn out to be successful. So why waste a lot of time spinning your wheels when plenty of solid, profitable ideas are there for the taking?

If you follow the steps I've shown you in this chapter, it won't be long before you develop a new product that will be extremely profitable. Now you have a foolproof way to keep your losses to the bare minimum and greatly expand your chances for success!

Lesson 4:

Marketing Leverage – 9 Fast Ways To Gain Much More Profit For The Same Time, Effort, and Expense

Everyone wants to make more money. Everyone wants to make their marketing more effective... to get better results... to convert more leads... to make more sales... to increase their profits as much as possible.

But few people know how. Few people really understand how to force every marketing dollar to work harder – to do the job of 2 or 3 or 5 or 10 dollars. In fact, of all the clients I've worked with in the past year, and all those who time wouldn't permit me to work with, only one came even close to achieving their full marketing and profit potential.

Even this client, as admirable as his efforts and results were, only realized 70% of the profits he could be reaping. Most of my clients, which includes some very savvy marketers, are only realizing 50% or less of their full profit potential!

You're probably in the same boat. That's what motivated you to order this course. Because your marketing is getting lukewarm results.

You aren't getting the number of qualified leads you need. You aren't increasing your customer base. Sales are in a holding pattern. And you know you aren't generating the kind of profits you really need to keep your business healthy.

Well, that's all about to change.

Right here, and right now!

I mean it. It's far easier to do than you ever imagined. In this chapter, I'm going to show you exactly which factors are limiting your profits. Then I'll give you 9 simple, inexpensive, powerful steps you can take to leverage your marketing.

I'll show you everything you need to know to make each of your marketing dollars work as hard as they possibly can to increase your effectiveness, boost your profits, and cut your expenses.

By the time you've completed this chapter, you'll have a comprehensive set of powerful new tools you can use to make sure your marketing is firing on all cylinders and doing what you really need it to: generating more leads, winning more sales, and shooting your profits through the roof!

What Marketing Leverage Is And How It Can Make Your Business Much More Profitable!

What exactly is leverage?

For our purposes, it's the ability to improve a component part of your marketing resulting in the increase of your sales and profits many times. Now, that might sound a bit technical or complicated, but in actual use, it couldn't be simpler.

Leverage is merely the ability to make more money for exactly the same amount of time, effort, and expense.

Here are a few real life examples.

The most widely understood use of leverage is in real estate. In most real estate transactions, you can get 100% of the use and financial benefit of a property for just 20% down. So you've leveraged your investment by 80%.

Now, let's look at how leverage applies to your marketing. If I can show you a simple sales technique to get your customers to increase their average purchase amount by 20% with no additional cost or effort on your part, I've just leveraged your sales staff. I've increased their productivity and your profits by 20%.

Here's another example. If we change your copy and the new ad outpulls your old ad by 35%, that's 35% more profit in your pocket for exactly the same cost and effort.

In actual application, I've seen slight changes in copy increase profits by as much as 300% to 400%. And in his classic book, “Tested Advertising Methods,” John Caples documents examples of simple copy changes that improved response by as much as 2,100%!

There's one more concept you should understand about increasing your marketing leverage. There are so many areas of your marketing that can be leveraged, the results can be phenomenal.

These include ads, headlines, mailing lists, media, prices, offers, publicity, in-store sales, field sales, average purchase amount, repeat sales, referrals, new customer leads, lead conversion and on and on.

Taken alone, each of these components may increase your sales and profits just a few percentage points. But get them all working together, and they can shoot your profits through the roof!

9 Fast Ways To Leverage Your Marketing Success!

Now that you understand what marketing leverage is, let's look at the nine fastest, easiest ways to use it to boost your sales and profits.

1. Leverage Your Mailing Lists And Advertising Media

I'm going to cover this point first because lists and media are the most critical components of any campaign. I don't care how great your product is, how powerful your offer is, how low your price is, how well written your copy may be, or how striking a layout you've used.

Mail to the wrong list or advertise in inappropriate media and all of your time, effort, and money is completely wasted.

Here's the hard, cold truth. A mediocre piece mailed to precisely the right people or run in the right media will get significantly better results than the most powerful piece sent to the wrong list or run in the wrong media.

Leveraging your list and media usage isn't difficult. Here's how to do it. For mailing lists, always use a list broker. In fact, use 3 to 5 list brokers.

Once you have your package together, send it to 3 to 5 list brokers and ask them to recommend lists they think will respond well. To start, test those lists that are recommended by more than one broker. Once you've had good results with a broker or brokers, test other lists they recommend.

Always ask your brokers what fields they specialize in and try to find brokers with experience in your type of business. By the way, it won't cost you anything to use as many brokers as you'd like, since their fees are paid by the list owner, not by you.

For advertising, always use media brokers exactly the same way I've advised you to use list brokers. Just keep in mind that media brokers usually specialize by the type of media rather than by type of business.

Print, radio, and television are usually represented most effectively by different media brokers. But I've also seen good brokers who handle more than one type of media. As with list brokers, media brokers' fees are paid by the media, so they cost you nothing.

List and media selection are time-consuming, sophisticated activities. A good broker keeps a finger on the pulse of what's working. Take advantage of list and media brokers' expertise to amplify the results of your ads and mailings.

2. Leverage Your Credibility - The Key To Making More And More Sales

After the right list and media, credibility is the next most significant factor in selling more of your products or services. If your prospective customers have never heard of

your company or your product, you face a tough, uphill climb.

You see, people are generally creatures of habit. Once they've found a product and become comfortable with it, it's difficult to budge them out of their comfort zone.

Think about it. How many different restaurants do you go to on a regular basis? How many different brands of cars have you bought? How often do you change your brand of toothpaste? If you're like most people, you tend to stick to a fairly limited range of products.

Secondly, most customers are naturally skeptical. Everyone has been burned more than once by products or services that didn't perform as promised.

When neither your company or product have any credibility with your prospects, the amount of education and persuasion it takes to get them to buy can kill you. So one of your major tasks as a marketer is to increase your company and product credibility.

By the way, of the two, company credibility is more important to have than product credibility. If people know and trust you, they'll usually take a chance on a new product that you're offering. But you'll encounter much more buyer reluctance if people know about your product but have no basis for trusting your company.

Here's how you get the credibility that's vital to your business:

Offer a powerful, money-back guarantee. Make it unconditional and make it cover a long period of time. Six months minimum, but preferably a year.

The longer your guarantee period, the more serious you appear to be about your products. Also, tests have conclusively proven that the longer a customer has your product, the less likely they are to return it. So a short guarantee period can actually increase your returns!

Give your prospective customers testimonials from other people Just like them. Get specific testimonials from your satisfied customers that tell what benefits they've gotten or what problems were solved.

“We cut our taxes by 13% annually using your advice,” is much more believable and effective than, “We saved a lot of money on our taxes.”

Also, get permission to use a satisfied customer's full name, job title, and company name whenever possible. Specifics compound your credibility.

If you don't have any testimonials of this type, drop a short note to some of your better customers. Tell them exactly what you want. Ask them to give you a specific testimonial and permission to use it in your marketing.

A great way to increase the number of testimonials you get is to offer some type of reward A discount off their next order, a copy of a special report, or extending a

warranty period are all effective ways of showing your appreciation.

“Borrow” another company's credibility and use it to sell your products. This is a tremendous way to eliminate much of the risk of launching a new product or a new company. If you don't have much credibility, go to a business that sells related products to your market and strike a deal to sell to their customers.

Here's how this works. Let's say you sell hand-made gourmet chocolates by direct mail. A great way to increase your sales and profits would be to contact a business that sells fine wines by mail and suggest a joint-venture.

In return for a percentage of the profits, the wine seller would send a letter to his customer list endorsing your chocolates and offering a special deal to try your product.

Because his customers know and trust him, the likelihood of them accepting his endorsed offer is high. You would “borrow” the wine seller's company credibility to make far more sales than you could by mailing to outside lists.

The percentage of profits you'd offer would vary depending on how much you make on each sale. Usually, it would be from 15% to 30%. The key is to make the deal very attractive for your joint-venture partner.

Your increased sales will more than compensate for the costs of the profit sharing. Plus, you gain a lot of new customers who you can turn into steady, repeat buyers.

Also, I recommend that you pay all costs for the mailing. You'd have to pay to mail to an outside list anyway, so there's really no additional expense.

Actually, your expenses will probably be reduced. Mailing an endorsed offer to 20,000 house customers is nearly always more profitable than mailing cold to an outside list of 100,000 prospects.

3. Leverage Your Headlines

Of all the components of your ad or sales letter that you can change to improve your results, the headline carries the most weight.

The headline is the most crucial component of your copy. It bears the responsibility of pulling people into your ad or sales letter. If you can't attract peoples' attention and convince them to read further, you won't make any sales.

Here's how to leverage your headlines to get maximum results:

Always test different headlines. Testing is the key to consistently improving your results. I've seen one headline outperform another by as much as 4 to 1. With differences of that magnitude, you'd have to be incredibly foolish not to test multiple headlines.

Be sure to change only the headline when you're headline testing. This same logic applies to any kind of test. If you change more than one component of your ad or sales letter when you test, you won't be able to tell which change caused the difference in results.

Keep a swipe file of powerful headlines. Whenever you see a headline that really makes you want to read an ad or sales letter, be sure to clip it or write it down.

Review your swipe file whenever you need to write headlines. You may be able to alter a great headline to suit your needs. Or at very least, great work has a way of stimulating your creative juices.

A headline should have all the subtlety of a hand-grenade. Look, you have only one brief chance to capture your reader's attention. Don't waste it. If you're clever, cute, or vague, you'll probably lose the reader.

The type of headline that gets the best results focuses on the most relevant benefit your customers get by doing business with you. A powerful, meaningful advantage, clearly stated, will always win you a strong share of qualified prospects.

4. Leverage Your Offer

Your headline and your offer are closely connected. In fact, many times your best headline is a compelling statement of your offer. “Cashmere Sweaters At 30% Below Our Lowest Prices” is a powerful example.

In order to leverage your offer, first you must create a powerful offer. This might sound obvious, but think about it for a minute. How many ads and sales letters do you see that carry a lukewarm offer? Or worse yet, no offer at all?

Take a look at your newspaper today or your mail. You'll see that very few marketers have even the foggiest notion of how to craft and present a powerful offer.

Here's the secret to formulating an irresistible offer. Use your offer to shift the risk from your customer to your own shoulders. If you can assure your customers that they have absolutely nothing to risk, and a whole lot to gain by purchasing your product, you greatly increase your odds of making the sale.

“... Now you can get the finest Cashmere Sweaters at 30% below our lowest prices. You have to feel this exquisite material to fully appreciate it. So here's what we're going to do.

Wear one of our luxurious sweaters for 30 days for FREE. Postdate your check until a month from now. If you aren't in sweater heaven after wearing one of these remarkable garments, just send it back and we'll return your check. No questions asked...”

Now that's an offer few sane buyers could refuse!

The next thing you need to do is feature your offer right up front. Unless you're an extremely experienced and sophisticated copywriter, burying your offer in your sales piece severely weakens your chance of making the sale. Place your offer within the headline or first couple of paragraphs of your piece. Then watch your orders soar!

5. Leverage The Price Of Your Product

When it comes to pricing, testing is the name of the game. What's the best price for your product or service? It's impossible to know without testing.

Sometimes raising the price of a product can actually increase your sales. Or increase your gross revenue even if the number of sales drops off. Here's an example. Let's say you sell a newsletter for \$79. And you get a response rate of 3%, which means you sell 30 subscriptions for every 1,000 letters you mail. Your gross sales are then \$2,370.

Now, if you raise your price to \$169 and your response rate drops to 2%, you're only making 20 sales for every 1,000 letters mailed. But your gross revenue increases to \$3,380. Also, your fulfillment costs are reduced. And, you may experience a lower rate of cancellations when your perceived value is greater.

Here's another tip for making more sales when you increase your price. The additional revenue allows you to offer extra bonus items as an incentive to get your customers to buy. These bonuses can increase the perceived value of your package and result in many more sales.

Now don't get me wrong. I'm not saying that the only way to adjust your price is up. Sometimes lowering your prices can result in a significant increase in sales. It's been my experience, though, that most companies tend to underprice their goods.

Bottom line, the only way to determine your optimum price is to test and test some more.

6. Leverage Your Advertising Copy

Copywriting is a very broad topic and I can't possibly cover it all here, but I'll give you a number of solid techniques to leverage your copy for maximum sales.

Test different focus points. Strong copy tends to have one major focus and a couple of minor focal points. When you clearly define the main point to focus on, the task of writing persuasive copy becomes much easier.

Focus points that can have a significant impact on your sales include your offer, your strongest benefits, your price, and your credibility. For example, you may try to sell the same product with two different letters – one that focuses on your benefits and the other that focuses on your credibility.

The credibility copy would open with powerful testimonials and be written in a

testimonial style. It could be in the form of a personalized case history of one customer's success caused by using your product.

The second piece would focus on a powerful benefit tied to an iron-clad guarantee. Either focal point could prove to be much more effective than the other. The only way to know for sure is to test.

Always write from the customer's point of interest. Customers don't care much about you, your company or your product. All they really care about is what they get from using your product. If you fail to show them a distinct, powerful advantage, you can't expect strong sales.

Show your customers beyond a shadow of a doubt exactly how their lives will be better or easier by trading a sum of money that's insignificant compared to what your product gives them.

Use benefit-rich sub-headers to break up your copy. There are two reasons for this. First, it makes your copy easier to look at and to read, which ought to help your sales.

But more importantly, a lot of people don't just start reading your letter. They browse it first. Benefit laden sub-headers give your readers a stunning overview of what to expect. By keying on special hot points, you can lure a great number of browsers into the body of your ad or sales letter.

Always tell your customers precisely what you want them to do. Or, stated another way, if you don't tell people what to do, most of them will probably do nothing.

Get right to the point. Tell your prospective customers to call you, to send in their order right away, to write for more information now, or whatever it is you want them to do. Tell them more than once. And offer them an incentive to do it now.

The majority of results are won at the point of initial reading. If your readers put your ad or sales letter down, the chances strongly increase that they won't pick it up later and won't take any action. To avoid this, tell them clearly and directly what you want them to do. And that you want them to do it now.

7. Leverage Your Repeat Sales

I'm going to let you in on a major secret. If you want to increase your profits by 25% to 75% quickly and easily, concentrate on repeat sales. Concentrate on selling more products to your existing customers.

I'm going to show you why you should concentrate on repeat sales and how to generate the maximum volume of repeat sales. But first, I need a minute to mount my soapbox.

Accept for a moment that what I've just told you is true – that you actually can increase your profits substantially by putting more effort into repeat sales. My

question then, is why don't more companies do just this?

I have to tell you, it absolutely baffles me that very few, if any, companies reap the easy profits available from repeat sales. In the last year, of all the clients I've consulted with and all the others who wanted to hire me, only one of them was doing what they should to collect these windfall profits!

Okay, enough of my lecturing. Here's what you need to do to get your fair share.

First, it's important to understand why repeat sales are so easy to make and so profitable. It gets back to the issue of credibility. Once you've made a sale and you've delivered the benefits you promised, you control a tremendous amount of credibility. Your customers now believe in you.

Offering them other products that you stand behind completely is the easiest way possible to make more sales. You can even offer the same product you've already sold them. They now know how good it is and may want another. They probably want more for their family and friends too.

You don't have to spend a cent convincing your existing customers to take a chance on you. You've already cleared that hurdle. And you don't have to spend the kind of money it takes to find new customers, because you have all the information you need. You couldn't come any closer to a sure thing!

How do you go about consistently making repeat sales? It's simple. All you do is systematically contact your existing customers at least once every month. Offer them great prices, special selection, stronger guarantees, or bonuses to do more business with you.

You'll be amazed at the response you get. Customers love to do business with someone they can trust. They've been taken advantage of so many times, all you have to do is treat them fairly and deliver what you promise and you can sell them over and over again for years.

Without exception, businesses today spend far too much time looking for new customers and neglect the gold that's buried in their existing customer list.

Try this out. It isn't unusual to make more profit off repeat sales than from any other area of your business.

8. Leverage The Average Dollar Amount Of Every Sale You Make

Another tremendous way to generate more profit is to increase the average dollar amount that your customers spend whenever they do business with you. You'd be surprised how easy it is to increase your profits by 15% to 40% just by making a minor change or two to the way you do business.

Here's how it's done. First, it's important to remember that the easiest person to sell

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more of your products to is an existing customer. But to extend this concept one step further, you can really make some serious money when you realize that the easiest and most convenient time to sell more to your current customers is right at the time that they're buying from you.

Look, you already have the person in your store or ordering from you if you're selling by mail or phone. They'll never be more willing to dig a little deeper into their wallets than at this point of sale. All you need to do to capitalize on the situation is offer your customer a strong incentive to buy more right now.

Getting your customers to spend a little more at the point of sale is a snap. The way you do this is by using a technique called the upsell. Here's how the upsell works. Essentially, you offer your customers the opportunity to buy even more of what you sell at an attractive discount once they've made the commitment to buy something else at the regular price.

If you own a retail store, you set up a special selection of items close by your cash register. Whenever your staff rings up a sale, they tell the customer that because they've purchased X dollars worth of goods, they're entitled to certain items in the special section at a discount of 15% (or whatever figure you choose).

Now the items you feature in your special section should be very popular, quick moving items. They should also be items that have a fairly high profit margin so you can give a liberal discount and still make a decent profit.

Successful upselling is a function of numbers. You'll find that 15% to 40% of your customers will take advantage of your special offer. But in order to reach these levels of additional sales, your sales people must present the upsell opportunity to every customer at the point of sale.

Using the upsell in direct mail or telephone selling is done in a similar way, but it's usually limited to just one upsell item. Offering people too many choices by mail or phone can backfire and actually dilute your sales. Also, when upselling by mail or phone, the upsell item should be related to the original item.

For example, if you sell cookware by mail, a good upsell item would be a cookbook. Another would be a set of kitchen utensils. Again, the upsell item is offered at an attractive discount, but only when the customer buys the original item you're offering at full price.

Upsells are simple, they require almost no additional effort or expense, and they work like wildfire!

9. Leverage Your Profits By Participating In Joint Ventures

Joint ventures are an exceptional way of adding sizable profits to your bottom line. You can use joint ventures to sell your products to the customers of other businesses. By doing this you'll not only profit immediately, you'll also add new customers to

your list. This is called a *Host Endorsed Joint Venture*.

Or you can use joint ventures to sell other companies' products to your own customers and virtually add or test additional product lines without risking a cent of your own money. This type of deal is called a *Guest Endorsed Joint Venture*.

For a **Host Endorsed Joint Venture**, you need to connect with another business that sells products that appeal to the same type of customers who buy from you. This host company will be sending a letter endorsing your product to their customers.

You'll create the mailing and pay all the costs of sending out this offer. In fact, your host incurs no expense whatsoever. In exchange, the host receives 15% to 30% of the net profit. It's up to you and the host to determine what's fair to both of you.

By endorsing your offer and playing off of his credibility, the host can easily generate response rates of 10% to 40%. The money you make can be tremendous, plus you get to add these new customers to your list for many more years of repeat sales.

All orders are received by the host and forwarded to you for fulfillment. There are two reasons for this. First, it's essential to make the offer appear as if it's being made by the host. It's the host's credibility that carries the weight here. Second, this allows the host to accurately track the number of orders generated.

Considering what you're getting, trading a percentage of profits to play off all of the time, effort, and money it took to build the host's customer list is an exceptional deal. You can use deals like this to build a substantial list of your own in a fraction of the time it would normally take.

A **Guest Endorsed Joint Venture** is similar, but here you act as the host to endorse your guest's product to your own house list. The guest should pay all expenses and reap the lion's share of the profits.

In a Guest Endorsed Joint Venture, you're gaining ancillary profits with very little effort and no cost on your part. It's purely found money. At the same time, it gives you a risk-free way to test other products you might want to consider adding to your business.

Conclusion

You're now on the road to becoming a marketing leverage expert. You're now ready to start compounding the results of every marketing dollar you invest.

I'm sure you're pleasantly surprised by the broad selection of marketing areas you can leverage significantly. Ads, headlines, prices, publicity, mailing lists, advertising media, in-store sales, field sales, average purchase amount, repeat sales, upsells, lead generation and conversion, referrals, offers, copy and more! The opportunities for improving your profits are nearly endless.

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But there's one thing I must warn you about. Don't let yourself get confused when considering the wide variety of areas you could possibly leverage. Don't get bogged down by all the possibilities and all the details of each.

Start small. Pick one area to get started on. Pick the one that looks like it will provide the most return for the least effort. Then kick it into gear.

The important thing is to get started. Once you've seen the results you'll get by actually leveraging a single area, you'll be highly motivated to take on a few more.

One final point: Leverage can have a profound affect on your business.

If you increase the response to your ads, and boost your average sales amount, and increase the number of times each customer buys from you annually, and extend the number of years each customer stays with you, the leveraged affect is exponential. It can easily double or triple your profits and increase both the size and value of your business!

Lesson 5: **Credibility – The Key To Making A Killing In Your Business**

Imagine walking into a room full of business owners and asking them, “What is the key to making a killing in your business?” Do you know what their answer would be? I can guarantee that 99% of them would answer, “Having a superior product at a competitive price.”

Be honest. Wouldn't that be your answer? Obviously from the title of this chapter, that answer would be dead wrong.

Now I'm not even remotely suggesting that a superior product and a competitive price don't give you certain advantages. What I am saying though, is that these certainly aren't the most important factors, and for many businesses, they may play little or no role at all.

What matters most is credibility. Credibility is the key to consistently generating increased sales and profits.

Credibility is the key to making a killing in your business!

Now, most likely, this leaves you with a problem. That problem has two dimensions. The first is that you currently do little or nothing to build and fully leverage your credibility. The second is that you have no idea how to build and leverage your credibility.

The net effect is that your business suffers lost sales and profits you could easily be making. It's as if you owned a diamond mine but the only tools you had to work with were buckets and shovels. Your profits would be limited by how deep you could dig and how much you could haul with such rudimentary tools.

If you aren't doing everything you can to use credibility as a major selling factor, you're missing a sophisticated and highly profitable marketing tool.

So much for the bad news. The good news is there's no reason to panic. Do you know the old saying, “Diagnosis is half the cure?” Well, it's absolutely true. The fact that you recognize that your sales and profits aren't all they could be is the first major step over the hurdle.

The second major step is getting the information you need to learn to use credibility to its full advantage. And you've come to the right place for that. In this chapter, I'm going to show you everything you need to know to leverage your credibility like a pro.

You'll learn precisely how to use credibility to increase the marketability of any

product. And I'm not talking about textbook theories, either. I'm talking about practical, down-to-earth techniques you can start using right away to shoot your profits through the roof.

You'll learn how to apply credibility to nearly any marketing situation and drastically reduce your risk. And you'll find out how to determine which products and selling situations severely limit your credibility and should be avoided at all costs.

So now that I've elevated your pulse a few notches, let's get going!

Credibility – What Is It? And Why Is It So Important?

Without credibility, the task of marketing is significantly more difficult and costly. On the other hand, when you have credibility, making sales becomes easier and costs much less.

Here's why. Human beings are creatures of habit. For the most part, they eat the same foods, use the same toothpaste, read the same magazines, and so on. In doing this, they form habits that put them in a comfort zone. And the key benefit of a comfort zone is predictability.

By doing something that's within a person's comfort zone, that person can reliably predict what type of experience they will have. But move someone too far out of their comfort zone and they're liable to become irritable, agitated, and highly skeptical.

That's where credibility comes in. Credibility is the logical extension of predictability. If someone has subscribed to your newsletter, chances are they'll re-subscribe rather than switching to a different but similar newsletter.

Once they've read a few issues, if you even come close to delivering what you promised, your subscriber develops a level of comfort with your newsletter. At this point, you've established credibility in the customer's mind. There's now a bond between you and your customer. That bond is your credibility. It consists of:

1. Your customer's belief in you as a company that delivers what was promised.
2. Your customer's belief in your product as something that satisfies their needs.

This puts you in a very powerful marketing position. You can now rely on that credibility and leverage it to sell more and more of what you have to offer.

Cashing In On Your Credibility

The more credibility you have, the easier it is to sell your products. It's much easier to sell something to someone who trusts you than it is to sell to someone who has never heard of you.

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If a prospect has never heard of you or your product, you have to educate them about your company's reliability and the benefit of using your product. And education is a costly, hit-or-miss process.

Look, I don't care how great your product is, how low your price is, how well written your copy may be, how arresting the layout of your piece is, what list your mailing to, or what media you're using. If a customer has never heard of you or your product, you're facing a tough, uphill climb. It may not be an impossible climb, but it will take all of the guts, determination, and energy you can possibly call upon to make it.

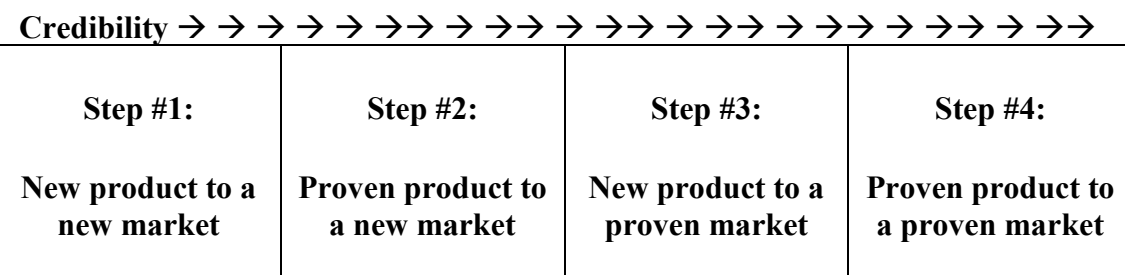
That's the primary reason so many new businesses fail. Lack of credibility. Have you ever seen a little hole-in-the-wall restaurant that's been around for 20 years outlast all of the fancier, more comfortable restaurants that come and go across the street? It's because their customers can reliably predict exactly what they'll get every time they go in.

When it comes to marketing, credibility is king! So the less credibility you have, either for your company or your product, the more risk you expose yourself to.

Now, here's where it begins to get fun. I'm about to show you precisely how to get all of the credibility you need to consistently boost your sales and profits!

The Marketing Ladder – A Tool For Tuning Your Business For Increased Profits

The Marketing Ladder is a tool that enables you to measure the balance of credibility versus risk for any product you're thinking about marketing. Here's what it looks like.



← Risk

You'll notice there are four steps on the Marketing Ladder. Risk and credibility increase in the direction pointed by the arrows. So as you progress up the ladder, your credibility increases and your risk decreases.

Each step has its own unique opportunities and pitfalls. In the next section, I'll go over each step individually and show you just what you need to do to get the most benefit at each step. But more importantly, I'll show you a number of simple, proven ways to move your offer up the Marketing Ladder and increase your credibility with the people you're trying to sell to.

How To Use The Marketing Ladder To Significantly Boost Your Profits

Step #4 – Selling A Proven Product To A Proven Market

Here you have the best situation possible. You have a product with a proven track record being sold to customers who have a proven buying history with your company. There's absolutely nothing left to do but keep selling your customers over and over again.

Are there any pitfalls hidden within this situation? You bet there are! The foremost pitfall of being at the top of the ladder is tunnel vision. Tunnel vision can rob you of 20% to 30% more profit every year. The most common form of tunnel vision is failing to see that you can sell the same product to the same customer more than once.

If you sell renewable products such as office supplies, you owe it to yourself to systematically contact your customers on a regular basis and sell them again and again. Now a lot of companies do this, but they do it so poorly, it defies all logic.

They adopt the position that their company is more important than the customer. So when they do contact their customers, it's by sending them some weak communication that's nearly guaranteed to flop. A typical offering is a bland catalog sent without a sales letter and containing absolutely no incentive to get your customers to buy now.

Here's how to turn that situation around and really cash in on the credibility you've worked so hard to build. Offer your customers an attractive incentive to do more business with you. Get their blood pumping a little. For example, on renewable products, give them a strong discount to accept an annual installment contract that commits them to a certain level of products every month.

Annual installment contracts can turn one-shot or intermittent sales into a real gold mine. They can be used with nearly any product or service. Just a few examples that immediately come to mind are pool cleaning, accounting services, book clubs, video clubs, pizza delivery, car washes, office supplies, food products, dry cleaning, and nearly anything that can be sold through the mail. If I missed your product, add it to the list!

One of the main things I do for my clients is help them discover all the ways they could be selling their products to both the same and different markets. Nearly every business I consult with could easily add another 10% to 50% profit to their business by reselling the same product to their same customers.

What if your product isn't renewable? You can still resell the same customers again and again! Let's say you sell high-quality stainless steel frying pans.

If you have a list of regular customers who have bought and used your frying pans, then you have built-in sales. All you have to do is contact those customers and offer

them an attractive deal on additional frying pans. Chances are they'll want another or have friends or relatives who want one.

This is the cheapest, most effective sale you'll ever make. It costs far less to sell a known product to known customers than it does to find new customers to sell to. Even when you factor in a heavy discount, you'll still come out miles ahead!

Step #3: Selling A New Product To A Proven Market

In this step, you would seem to be losing half your credibility, but in actuality you aren't. Remember, there are two kinds of credibility:

1. Your company's credibility
2. Your product's credibility

Of the two, the credibility of your company to your customers is the most important, and should be viewed as being worth closer to 75% of your total credibility. So you're still in a very strong position on this step of the Marketing Ladder.

I said earlier that the easiest sale to make is a proven product to previous buyers. The next easiest and least expensive sale to make is a new product to those same buyers.

Think about it. If you've been providing a good product at a fair price to people, you've established a certain level of trust. They're in their comfort zone. If you then offer another product with your endorsement and a strong guarantee, quite a few of your customers are likely to accept your offer.

The key ingredients here are your endorsement and a strong guarantee. These are the tools you use to overcome the lack of product credibility.

Here are a few more suggestions for getting the maximum results at this step of the ladder:

- **Offer items that have the widest appeal to your customers.** These don't necessarily have to be similar to your main product, but they should be in the same ballpark.

You'd have a hard time selling a steak dinner to a vegetarian. A client of mine sells sunglasses by mail order. About 80% of his customers are female, so he follows up with an offer for lady's purses that does exceptionally well.

- **Get items on consignment from other businesses when you're starting out.** Don't invest your own capital until you have a proven winner. If you own a dry cleaning business, try impulse items.

Women's scarves, men's ties, sunglasses, and costume jewelry can all be picked up on consignment and sold to your regular customers.

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- **Cut a joint venture deal with another business.** If you sell diet products, you could easily work out a deal with someone to sell their exercise equipment to your customers. Then the two of you split the profits.

This is a great way to “borrow” credibility. If you can work out a joint venture deal with a business whose product has a strong reputation, you can piggy-back their credibility to yours and make even more sales!

Step #2: Selling A Proven Product To A New Market

At this step, your risk goes up substantially, and your credibility drops. Even if your product is well known and has a solid reputation, selecting the right markets to expand into is both tricky and expensive.

The only effective way to develop new markets is to test many markets as prudently as possible. Test small. Kill the losers and expand on the winners.

Your risk is higher at this step because you have no history of doing business with the customers in these new markets. So they have no level of comfort with you.

A good way to overcome customer skepticism at this step is to use strong, direct testimonials and offer an iron-clad guarantee. Remove as much risk as possible from the customer. Shift that risk to yourself.

By shifting the majority of risk to your own shoulders, you'll definitely increase your sales. You may also increase your returns, but if you truly offer a good product that delivers what you claim it will, increased returns should be minimal. Besides, it's all a matter of numbers. If your returns increase by 2% but your sales increase by 10%, you're still miles ahead of the game.

The best way to reduce your risk when moving into new markets is to start by working with a joint venture partner. For example, let's say you sell life insurance to senior citizens and now you want to try to sell to younger people with families as well. You could approach any number of associations, unions, or other companies that do business with your targeted group and propose a joint venture.

I do this for my clients all the time. You simply tell your joint venture partner that in exchange for their endorsement to their customer list, you'll give them a percentage of all sales you make. It's pure gravy for the joint venture partner and a great way for you to expand into a new market.

By the way, I recommend that you offer to pay all marketing costs. You'd be paying all the costs if you went to a new market without a partner, so you aren't taking on any additional expense. Your partner's endorsement will boost your sales and easily make up for any profit you end up sharing.

How much of a percentage should you be willing to pay for your partner's participation? That really depends on the price of your product and the amount of

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profit you make on each sale. Percentages usually range from 10% to 30% of the profits.

My advice is to make it as attractive as possible to your partner. Don't forget, you're gaining customers you can keep and resell for many years. So your front-end profit can be low and you'll still reap generous profits from future sales.

By borrowing someone else's credibility like this, you've actually succeeded in moving yourself up the Marketing Ladder from Step 2 to Step 3. You've increased credibility and lowered risk, which puts you in a much better position to generate stronger sales and profits!

Step #1: Selling A New Product To A New Market

This is the step that you rarely want to find yourself at. It's also the step where nearly all new businesses begin, even though they don't have to. And, as I mentioned earlier, being in this position is the primary reason why so many new businesses fail.

No credibility for your business plus no credibility for your product puts you at the highest level of risk possible. I'll be frank with you – I don't advise doing business from this position ever! However, I'm also practical enough to know that many businesses will continue to be willing to take this sort of risk.

What are your options if you aren't willing to risk this much? You have to find a way to move up the Marketing Ladder. At this point, the only reliable way to accomplish that is to take on a joint venture partner.

You need to find someone who either has a similar product with a proven track record that you can market (this is the basis of franchising), or a solid company whose credibility you can borrow for a share of the profits.

In my opinion, operating with the amount of risk present at Step 1 is almost a set-up for failure. It may take more time to establish yourself by selling someone else's product or you may have to give up a substantial share of the profits when you take on a joint venture partner to start a business. But slow, sure growth is far superior to going down in flames.

The level of risk present at Step 1 should be enough to deter all but the most aggressive pioneers. Just remember, one definition of a pioneer is a guy with a lot of arrows in his back!

Conclusion

You now know precisely what you need to do to increase your credibility, lower your risk, and make a killing in your business.

The best part is that none of these techniques are difficult or expensive to put into action. And the results they'll produce can be astounding.

I've seen companies make more off a single joint venture deal than they were making off their primary business. And there are very few businesses that can't leverage their profits simply by offering other products they pick up on consignment.

All that's left is for you to go out and put these concepts into action. And, as you've already seen, there's good reason to do so. Since your overhead is already covered by your day-to-day operations, nearly all of the extra business you generate is pure profit!

Lesson 6: **Powerful Words That Will Win You More Customers Than You Can Handle**

You bought this course because you want to make more money in your business. To do that, there's one vital element that you must have – more customers.

I'm about to reveal to you an amazingly simple program, based on 7 powerful words, that will show you how to get and keep more customers than you ever dreamed possible. And by doing this, you'll be able to double or triple your income and profits.

Just so we understand each other, here's the exact purpose of this chapter:

To help you sell more of your products or services as quickly as possible to more people, at a low cost, and increase your profits.

That's quite a mouthful, but you'll be surprised by how easily this can be done. Also, there's little or no risk involved. This program is safe, sure, and easy to put into action.

What's more, it will work for any kind of business. It doesn't matter whether you deal in flowers, trash removal, computers, or professional services. Because what's common to any type of business is that you must sell what you have to offer. And in order to sell, you must have customers to sell to.

You're about to find out, down to the finest detail, how to win more customers and how to get them to buy more of what you have to sell!

How The “7 Word” Program Is Set Up

There are a couple more things I want to tell you before we get started. The full “7 Word” program is short and sweet. You see, I don't believe that you're interested in wasting a lot of time. So I haven't loaded this chapter up with a bunch of extra baggage just to fill up more pages. This chapter is tight, to the point, and shows you everything in complete detail using the shortest space possible.

Also, you won't find very much marketing philosophy or business school theory here. While I will explain (as briefly as possible) why these techniques work so well, the bulk of this chapter is roll-up-your-shirt-sleeves, how to do it information.

Okay, let's get right to it!

The 7 Powerful Words

There are seven simple, powerful words that act like a sales aphrodisiac with nearly any person. I don't care if they're a ditch digger, a doctor, a housewife, or the chief executive of a major corporation.

Seven powerful words will make them march right over to your business, open up their wallets, and plunk down their hard-earned money. These seven words are:

I will give you something for FREE.

As you can see by my emphasis, the most important word in this phrase is FREE. Why? Well, how much impact does the phrase have if you change it to, “I will give you something for \$10.50”? Not much. In fact, it would probably sabotage your results completely.

“I will give you something for FREE” really isn't a magical phrase. What it is, however, is the foundation of a simple yet powerful marketing plan that can make you wealthy. Now, let's find out exactly how you go about building and using this money making program.

How To Use These 7 Powerful Words To Skyrocket Your Profits

Putting this program to work for you takes only two steps. But to do it successfully, each step has to be done completely and consistently. Let me repeat that, because it's probably the most important element of making this program work for you. In order to double or triple your income, these steps need to be carried out completely and consistently.

Here are the two steps:

1. Collect the names and addresses of all of your customers and prospects.
2. Regularly and systematically offer your customers and prospects something for FREE as motivation for them to do business with you.

Actually, this program consists of two sets of these two steps, because the methods you use to carry out each of the steps are different depending on whether you're working with current customers or prospective customers.

To make things as easy as possible to understand, I'll start by showing you how to get your current customers to buy more of your products or services – and to buy more often. Then I'll show you how to turn so many prospects into new customers your head will spin.

One more thing. I told you earlier that this program applies to any kind of business.

And I'm going to prove it. For our examples in each category (current customers and prospective customers), I'm going to use two sample businesses.

Our first sample business will be Frodo's Frozen Yogurt Shop. The second sample business will be Elaine M. Johnson and Associates, an accounting firm. These samples, as different as night and day, will demonstrate how easily this program can be applied to any kind of business.

How To Get Your Current Customers To Buy More Of What You're Selling... Again And Again!

Before we get into “how” to get your customers to buy more, let's take a minute to talk about the “why” of it. It's simple really. You see, your current customers are like an unmined vein of gold. They represent the fastest and easiest way to increase your income.

Since these good folks already know about you and how wonderful your product or service is, it won't take much to gently prod them into doing more business with you. All it takes is knowing how to get them to take the action you want.

But the actual point of this discussion is why it is so important to do this. The reason why it is so vital that you aggressively go after more business with your current customers is that the real profit in any business lies in the value of repeat customers.

If you really want to be successful, it's critical that you understand this point. So let's take a look at what a repeat customer really means in terms of additional sales.

First, we'll calculate the value to Frodo's Frozen Yogurt Shop of a repeat customer. By observation, Frodo has determined that his best customers come in 3 times each week (some come in even more frequently). On the other hand, his marginal customers come in about once a month.

So if Frodo can upgrade one marginal customer to a repeat customer, he's increased his sales from 1 to 12 per month. Or from 12 to 144 sales per year. All with just one customer!

Now let's look at the affect this type of upgrade would have on Elaine M. Johnson and Associates. Ms. Johnson specializes in tax returns, estate planning, and personal financial planning. Ms. Johnson's dedicated clientele see her once each year (around 11:00 P.M., April 14th) to have their tax returns prepared. For this service, Ms. Johnson's fee averages \$300.

Now let's say that Ms. Johnson has noticed that those clients who see her for a mid-year review save \$450 more per year than her other clients. This is because their records are kept more accurately and they're able to adjust their investments for maximum tax benefits. This mid-year review costs the client \$125.

If Ms. Johnson can upgrade a client from a once a year appointment to twice a year,

she's increased her income by 42%. And saved her client a net of \$325!

All of these figures represent the additional gain for a single year only. When you consider that your goal is really to keep these repeat customers coming back year after year, you begin to appreciate how crucial they are to your financial success. With this in mind, let's get to the fun part, the how-to of winning more customers and getting them to buy more of what you're selling more often.

How To Collect The Names Of All Your Current Customers

First, let's find out what skills you need to accomplish our first step, which is collecting the names of all your current customers. For Elaine M. Johnson & Associates there's not much to it since they already have this information in each client's file. So it's just a matter of copying all of these names and addresses onto one list.

Now, for Frodo's Frozen Yogurt Shop, we face a bit more of a challenge. Frodo knows many of his customers' names and faces, but has no idea what their addresses are. How does he go about getting each one of his customers to write down their name and address? It's simple.

First, Frodo gets a big goldfish bowl. Next, he makes a large, colorful sign that says “Win a FREE Mountain-Sized Sundae For Four!” Maybe the sign has a drawing of a mountain range dwarfed by Frodo's huge frozen yogurt sundae.

Then Frodo has 500 to 1000 cards printed up. These cards look like this:

Mountain-sized Sundae Grand Prize Drawing!
Name: _____
Company: _____
Address: _____
City/State/Zip: _____

Frodo also hangs a big sign or banner in his front window that says, “Come On In to Win a FREE Mountain-Sized Sundae for Four!” He instructs all of his employees to be sure to hand out entry cards to every customer who comes in the shop.

Frodo collects these cards for 3 to 4 weeks. Then he picks a card and notifies the winner. What he does with the remaining cards is the truly inspired part. He uses them to begin to cash in on his newly found gold mine. You see, Frodo now contacts each and every one of his customers with his version of our 7 Powerful Words. To refresh

your memory, these words are: *I will give you something for FREE.*

How To Sell More Products To Your Current Customers

Here's how he does it. Frodo puts together a simple letter and sends it to every person on his customer list. Before continuing, please read his letter. It's Example 1 in the samples section located at the back of this chapter.

Okay, I know what may be crossing your pessimistic little mind at this very moment. You've got this nagging thought that's screaming, “NO WAY! I am not about to give away all of that frozen yogurt (or whatever your business is) for free!”

Hold on just a second. I am not asking you to give away the farm. Remember, what we're really talking about is upgrading your customers to repeat customers. So let's put some numbers to this and see what your results will really be.

We'll say that you mailed 800 letters and got a 10% response. That means 80 customers came in to collect their prize. Earlier, we agreed that a repeat customer represented 12 sales each month or 144 sales per year.

So, if each one of these folks become a repeat customer, it has cost you 80 sales to win 11,520 additional sales per year! And that doesn't even take into account that a lot of prize winners will bring friends and family (who can also be turned into repeat customers) in with them when they come to claim their prize.

Why This Simple Technique Works So Well

Giving a person something for FREE makes them feel good. It also makes them feel special when they come in and claim their winnings. And making a person feel good can cause them to become your customer for life.

Here's a real life example. When we were about to be married, my wife and I spent a considerable amount of time shopping for the perfect wedding cake. In most of the custom bakeries we went to, an undertrained clerk shoved a binder with pictures of cakes at us and told us to let her know when we made up our minds. She then headed south and was never heard from again.

Ah, but at Le Pafe in Glendale, California we had an altogether different experience. When we walked in, we were greeted by the owner. He invited us to have lunch in the restaurant section as his guests.

After lunch, he personally brought his display report over to our table. Just after he sat down, a waitress arrived with four large slices of gourmet cakes. The owner invited us to sample them, which we were more than happy to do.

He asked about the size of our wedding party, the color theme, and the time of day the reception was to be held. As he turned the pages of the sample report, he told us which of the four samples we were eating were available in each particular shape.

Of course we bought our wedding cake at Le Pafe. Once we had made our selection, the owner recommended small floral arrangements that would compliment the cake. We ordered those also.

After many years, I still stop by Le Pafe for lunch and a pastry when I'm in the area. And we've recommended their pastries and wedding cakes to friends and relatives. In short, this savvy business owner invested in, and won, two life-long repeat customers.

How To Sell More Services To Your Current Customers

Now that we've seen how Frodo's Frozen Yogurt begins to cash in on its customer list, let's find out how Elaine M. Johnson & Associates mines the gold in its list. Please look at Example 2 in the samples section at the back of this chapter before going on.

Is Elaine going out on a limb to make this kind of a guarantee? Not a chance! She knows from past experience that people lose receipts, forget to record important items, and have good intentions but never get around to shifting to tax preferred investments. The lesson here is that you want to make your offer based on a level you know you can deliver without endangering your business.

Now let's put Elaine's letter to the numbers test. Elaine mailed her letter to all 1,200 other clients. She reported 120 appointments – a 10% response. Each appointment cost her \$25 since it was time that she normally would have charged \$125 for.

$120 \times \$25 = \$3,000$ in expenses.

She also increased her income by \$12,000 ($120 \times \100). So her net increase was \$9,000 after deducting the \$3,000 in expenses. Not bad for sending out one little letter!

I want to make sure you're clear on our main point. You might be thinking that Elaine didn't give her customers anything for FREE. Not so.

Her offer is really saying, “If you hurry and come in, I'll give you \$25 worth of my professional services for FREE.” But in this case, it wouldn't be as effective to state it this way. Accounting services (and most professional services) require a more dignified approach. But dignified or not, the basic offer is still our foundation.

Use The 7 Powerful Words Regularly And Use Them Often

Review time. As you recall, step number two instructed you to regularly and systematically offer your customers something for free as motivation for them to do business with you.

Here's how you accomplish this. At least every 2 months, but preferably every month, you need to mail your regular customers something that motivates them to do more business with you. Something based on the fundamental 7 Powerful Words.

This can be an announcement for a contest, discount coupons, statement stuffers, free seminars, free reports, special sales, prizes and a myriad of other possibilities. I'll be giving you a detailed list of excellent promotional ideas later in this chapter.

How To Turn Thousands Of Prospects Into Customers Who Will Be Happy To Spend Their Money With You

Now I'm going to show you precisely how to entice your prospects into becoming paying, repeat customers. The two steps are exactly the same, but the methods you use to put them into action are different than those you used with your current customers. To review, these are the two steps:

1. Collect the names of all of your prospects.
2. Regularly and systematically offer your prospects something for FREE as motivation for them to do business with you.

What we are going to talk about now is a powerful method for expanding the size of your business. And when I say expand your business, I want you to pause for a second and note my emphasis on the word expand. Because I'm not talking about a handful of customers here or there, or a few new people dribbling in every week. I'm talking about pulling in so many new customers that you'll lose sleep trying to figure out how to keep up with all of your new business.

Now that I've got your blood pumping, let's get to the heart of the matter. First of all, you have to somehow collect the names of all of your possible prospects. Now you can't just walk up and down the streets handing out little cards for people to fill out, because it's too time consuming and you have no way of knowing when you've actually collected every possible name.

So the question is, how do you manage to gather the names and addresses of all of your prospects? But there's still another wrinkle. How, also, can you be sure that you've got only those names that truly qualify as potential customers for your business?

Here's how. You rent a mailing list from a reputable mailing list broker. In any fair sized city, you'll be able to find these brokers in your yellow pages.

Mailing lists offer you a remarkable opportunity because you can select names based on nearly any reasonable criteria. To give you an idea of what I mean, here are some examples:

1. Homeowners within specific zip codes
2. Homeowners whose homes exceed (or are less than) a specified amount
3. Homeowners with second trust deeds People who live in apartments People with pets

4. Doctors, lawyers, executives, bakery owners or any other profession
5. Ford, Buick, Chevrolet, Datsun, Ferrari or any other car model owners
6. Dieters, health club members, gun owners, smokers, magazine subscribers, men, women, grandparents, etc, etc, etc.

The variations are endless. You know your business better than anyone else, so you should have a good idea of what type of prospects you're after. But don't just rely on your own judgement. Ask your list broker for suggestions. Brokers know their business and can often give you a number of excellent tips.

Let's take some time here and see precisely how our sample businesses would decide who should be included on their prospect lists. Frodo's Frozen Yogurt will pull nearly all of its business from people who live or work within three square miles of the shop. This makes Frodo's selection criteria simple.

Frodo calls his list broker and tells him he wants the name and address of every business and residence within three square miles of his shop. With very little effort, the broker can determine which zip codes fall into this category. Within a few days, the list has been printed and is in Frodo's hands.

Elaine M. Johnson and Associates has a wider variety of factors to consider in selecting her list. Her goal is to identify characteristics that are common to the majority of her clients. For our example, let's say that she's discovered that her ideal client profile is someone who is married, owns their own home, has income in excess of \$50,000, and lives within fifteen miles of her office.

With this criteria established, Elaine calls up her list broker, places her order, and has her list within a few days. What's next? Now it's time to start contacting these prospects and offer to give them something for FREE.

The way we do this is quite simple. You sit down and write a simple, straightforward letter to your prospects offering to give them something for FREE in exchange for doing business with you. Your message is personal, honest, and tasteful.

Putting Your Mailing List To Work

Let's look at a couple of examples. We'll start with Frodo's letter to his prospective customers. Please take a few minutes to read this letter, which is Example 3 in the samples section at the back of the chapter.

That's all there is to it. Just a simple friendly letter with a FREE offer. Wouldn't you take Frodo up on his offer if his store was in your neighborhood?

Now, let's take a look the letter that Elaine M. Johnson uses to make her FREE offer to her prospective clients. Please see Example 7.4 in the samples section at the back of the chapter.

Please notice that Elaine has called her FREE event a “talk” rather than a lecture, seminar, or presentation. This keeps it friendly and informal.

Again, I'll ask you the same question I asked after you read Frodo's letter. If someone was willing to show you a proven way to keep \$400 more of what you earn, and charge you nothing for the advice, wouldn't you want to go to her talk? I know I would.

How To Customize These Techniques For YOUR Business

There's a reason why I chose a frozen yogurt shop and an accounting service for our examples. You see, I wanted to clearly demonstrate how easily these techniques can be applied to two businesses that are extremely different.

But what isn't different is that regardless of what business you're in, you have to sell what you offer in order to stay in business. And every type of business has something (actually many things) that can be given away on a cost-effective basis to stimulate sales.

All you have to do to make these techniques work successfully for your business is modify these letters to appeal to the needs of your customers and prospects.

Simply offer them something that will motivate them to take the first step. Then, keep offering them little nuggets on a regular basis that will cement a bond of loyalty between them and you.

Why These Techniques Are So Successful

I'm not going to give you an academic theory supported by mounds of statistics here. Instead, I'll use a real life example to show you why these techniques work so successfully.

When I was going to propose to my wife, I arranged to take her to one of the finest restaurants in Los Angeles. I had to make the reservations two months in advance just to get in – and that was for a week night.

Now the person taking the reservations did something brilliant. And it's especially brilliant considering that they were so swamped with people hoping to get in, it didn't seem like they needed to do anything to win new customers.

What did that person do that was so brilliant? She asked me if this was for a special occasion. I told her that it was very special indeed since it was for the evening I was going to propose to my wife and we'd be coming in afterwards to celebrate.

When we arrived, we were immediately taken to a quiet, secluded table in the midst of a lush indoor garden. I'm not sure what the flowers were, but I think they were some type of orchids. The fragrance was simply incredible.

Next, a waiter appeared at the table with a fantastic appetizer and a bottle of fine French champagne. He told us that they were compliments of the house and that the chef would like to prepare a special meal for our celebration.

Well, needless to say, the meal was exquisite. And our evening was memorable. Since then, I've heartily recommended this restaurant to many people. The care and personal attention won me (and many of my friends) as a lifelong, loyal customer. And believe me, loyal customers generate many more loyal customers.

So much for my little story. What's really important to you is why techniques like those used by this restaurant work so well, time after time. The answer is a matter of common sense.

People love to feel good. People love to feel special. Giving someone something for free makes them feel good and makes them feel special. And if done consistently enough, it makes them feel loyal.

There's also one more key reason why these techniques work so well, but it doesn't have anything to do with the techniques themselves. It's because customers have come to expect, and get, so little from the businesses that they patronize, you can't help but stand out from the crowd when you use these techniques.

One last point. Feeling good and feeling special are infectious. When you use these techniques, you'll feel great and so will your employees. And that attitude is good for business too!

Additional Ideas, Tips, And Techniques That Will Keep Your Customers Coming Back For More – And More Often!

Here, in no particular order, are some more things you can use in your never-ending mission to find and keep more and more repeat customers. I'll also give you some new ideas for cutting your costs while you're winning more customers:

Offer discounts on your products or services. When using discounts, there's one thing you need to keep in mind. You don't want to discount so frequently that people come to expect to pay less than full price. So it's important that you keep discounting under control. Mixed in with other offers, discounts are a powerful marketing weapon.

- **Offer FREE samples** of your products or services.
- **Offer FREE literature** on topics that are valuable to your customers. I like to set these up in a checklist format. For instance, if you sell personal computers, you could put together a flier or report called "23 Easy Ways to Protect Your PC from Costly Repairs".
- **Offer FREE trials** of products or services. Most people who use something on a trial basis begin to think of it as their own. If it does what you say it will, they won't want to return it.

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- **Hold contests.** People absolutely love contests. These can be directly tied to your product or service, or general contests featuring your product or service as the prize. Good general contests are things like guessing the number of beans in a bottle or sending out keys that might open the lock on a secret prize or treasure chest.
- **Send out coupons for FREE products or services.** I highly recommend this technique since coupons are inexpensive to produce and mail.

Place your FREE coupons in other businesses near yours. Also offer to distribute coupons from other businesses in your store. Cross pollination creates more business for everyone.

- **Send other businesses “thank you” notes** when they agree to distribute your coupons. So few people ever take the time to show their appreciation for anything. Distributing your coupons may be a minor inconvenience for another business. Thank-you notes will smooth over the rough edges and help you be remembered positively the next time you need a favor.
- **Patronize other businesses in your area.** Introduce yourself and get to know the owners. You never know when you might want to call on another business for help or enter into a joint promotional effort.

If you're working with a limited budget, start small. You don't have to mail to everyone in your area all at once. Break your mailings up into manageable chunks and keep plugging away. A consistent, systematic program will do much more for your bottom line than blowing your entire budget on one ad in a newspaper or magazine.

Here's another hot tip for keeping your costs down. Once you've established a house list of regular customers, you can make your FREE offers on postcards instead of using letters. Your paper costs, printing costs, and postage will be cut by as much as 50 percent.

A word of caution is in order here. Please note that I said after you've established a list of regular customers. You do this by mailing an initial letter to either a current customer or prospect. Then when they respond, you add their name to your house list.

It's important that your initial contact be in the form of a letter. Letters are warmer, more personal, and give the impression of a greater investment of time, effort, and money. Don't skimp on your critical first contact. Spend a little extra to make a great first impression.

Make a habit of always tracking your response. This is essential to successfully building your business. Look at it this way. You're investing a lot of resources in promoting your business. If you can't tell which offers, which mailing lists, or which categories of customers produce the greatest response, you're cheating yourself.

That's why I told you to make sure you let your customers know that they need to bring in your letter (with envelope) or postcard to claim their FREE gift. By putting a

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simple code somewhere on the envelope, postcard, or coupon, you'll be able to precisely track which list, offer, or mailing your customers have responded to.

An easy way to code an offer is to put a department number in your return address. You can also use an adjustable rubber stamp to stamp your codes on each batch of offers.

Coding your offers lets you track and rank them. You'll be able to easily tell which offers and lists produce the best results. And which should be repeated or dropped from your program.

I can't stress too strongly how important this point is to the future growth and profitability of your business. A little extra time taken here can expand your business growth exponentially.

Use your contest entry forms to do research. When you hold a contest, put two or three questions on the bottom of your entry form. Make sure they're simple to answer. If they aren't, people won't bother to give you this important information.

Here are the kind of questions you'll want to use:

What other products (or services) would you like to see us offer?

Are you interested in (product or service)? [] Yes [] No

Please write any suggestions you might have here:

Now, what do you do with the results of this research? Since you're now on the road to becoming a savvy marketer, you use it, of course. If enough of your customers tell you they're interested in certain products or services, your job is to make sure you make these available.

Companies pay huge sums of money to research firms to gain this kind of marketing insight. Let me assure you, it's worth a fortune. Now you can use it to claim your fair share of that fortune.

Here's a tip that you can use to pull in more prospects. Make special offers to targeted categories of customers. You can offer a homeowners special, an apartment dwellers special, and accountants, chiropractors, secretaries, parents, kids, or grandparents special.

The list is endless. By looking at the wide variety of selections available through your mailing list broker, you can easily adapt the sample letters in this chapter to your needs.

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Another powerful way to use this technique is to make your special offers to employees of large companies, members of civic groups, credit union members, or members of other large groups in your business area.

Another great way to interact with your customers is to give out coupons for special occasions. Birthdays, anniversaries, and holidays are perfect opportunities for making your FREE offers. People usually celebrate these occasions with others, so it's more than likely that they'll be bringing other paying customers with them!

Rewarding customers for a specific level of purchases is another good way to promote your business. This is usually done with a punch card that offers something for free after a certain number of purchases have been made. The beauty of this technique is that it really builds repeat customers.

Develop offers based on current events. Mothers Day, Fathers Day, Secretaries Week, Optometrist Appreciation Day – there's an event for almost every day of the calendar year. There's even a book that lists all of these special events. It's called Chase's Annual Events and it's available at the reference desk of most public libraries. Take a look at it and start developing tons of new offer ideas today!

Here's a tip on eliminating slow periods in your business. After you've been running your promotions for six months or a year, you'll develop a pretty good feel for what works and what doesn't. To boost your customer flow during slow periods, pull out your big guns.

Run the types of offers that have proven most successful for both bringing in new customers and getting your current customers to buy more often. You might also offer a more valuable prize during slower times to entice people to do business with you.

Create a bulletin board that features photos from your past offers. It should be action oriented and focus on pictures of your customers or clients enjoying their winnings. Pictures should always have captions under them pointing out a benefit your satisfied participants are enjoying.

For a product the caption would be something like, “Here's Joe and Sue Jones enjoying digging into their Mountain High Sundae.” For a service, it would be along the lines of “Here's a group of our clients at our FREE seminar learning how to legally cut their taxes.”

People always read captions under photos. Take advantage of this natural inclination. If you don't, you'll be passing up a wonderful opportunity to get your sales message across.

Never lie, deceive, or mislead anybody. Your offers must actually be fulfilled exactly as described. Remember, you're trying to build good will and create repeat customers. Shoddy merchandise or deceptive offers are the quickest way to defeat your purpose and send sales plummeting.

Always give your customers more than they expected. It costs little more to give an exceptional value than it does an ordinary value to your customers. But the difference in the effect each has can be immense.

Do the ordinary events of your life stand out in your memory? Not very often. But the exceptional events surely do. Look, just offering something of perceived value is exceptional these days. All you have to do is honor your offer and you'll be miles ahead of your competition.

The list of tips and ideas I've just given you is in no way complete. I'm sure there are many more opportunities based on the specifics of your own business. The idea of this list is to give you some things to think about and get your creative juices flowing,

Here's a little exercise that will help you take full advantage of the material we just covered. Take a few minutes and make a promotions list. List all of the ideas that come to mind for promoting your FREE offers. And list all of the events of the past year that you could have tied into with a FREE offer.

How To Take Advantage Of FREE Publicity To Spread Your Message Even Further

Newspaper, magazine, radio, and television publicity offers you an exceptional opportunity to reach large groups of customers and prospects for FREE. And you'd be surprised at how easily you can get this kind of media coverage. All it takes is an understanding of:

1. How the media works; and
2. How to present your information to the media in the appropriate way.

You might be wondering at this point why the media would be interested in what you have to say. The explanation is simple. Newspapers, magazines, radio and television stations require huge quantities of information every day to report to their customers. Gathering all of this information is a monumental task.

So the media always welcomes usable information. In fact, it's well known among professional publicists that nearly 80 percent of all news stories are planted. Why not take advantage of this and plant your information too?

In order to get your information accepted by the media, there are two key rules that you must follow. First, you must present your information as news. Media sources have very little interest in promoting you or your business. But they have unlimited interest in news that's appropriate for their audience.

Here's an example of what I mean. If your message was delivered under the headline of, “Frodo's Frozen Yogurt Wants to Sell More Cones,” rest assured you'd be asking to fail. But if you communicate your information with a news angle using a headline of, “Frodo's Frozen Yogurt to Give Away Gigantic Mountain-Sized Sundae This

Week,” you stand an excellent chance of getting coverage from your local papers, radio, and TV stations.

The second headline communicates news that's of value to the media's audiences. Editors and station managers love to give things away for FREE that appeal to their particular audience. They love it even more when you are the one providing whatever it is to be given away.

The second key rule for getting publicity is that your information must be presented in a standard News Release format. Media people live under the constant pressure of incredibly tight deadlines. To make their lives easier, they expect to see information in a standardized, highly readable format.

By learning this format and sticking to it, you increase your chances of getting press coverage significantly. For an illustration of the format, please see the examples for Frodo's and Elaine M. Johnson in the sample section. They're examples 5 and 6.

Here's a brief list of the rules you'll want to follow:

1. News Releases should be neatly typed, double spaced, with wide margins on both sides and at the top or the bottom. This allows plenty of room for the media managers to make notes to their staff
2. Plain white bond or your company stationary may be used. The words “NEWS RELEASE” should be placed in the left margin. This can be typed, but oversized letters attract more attention. Your release date goes in the right margin. This is either a specific date if appropriate, or “FOR IMMEDIATE RELEASE.” Under this in the right margin is the name of the person to contact followed by the phone number.
3. A news release should always be one to two pages, preferably one. If your information takes a second page, be sure to place “(MORE)” at the bottom of page one. The second page should begin with the headline of your release followed by the page number. And the two pages should be stapled together.
4. Your news release should conclude with the notation “END” or “###” on a separate line.

Alright, those are the rules for the overall format. And there are also some additional rules for the content of your news release.

For our purposes there will be two different ways of structuring the content. The structure that Frodo's Frozen Yogurt uses is an announcement structure. Before going on to the next paragraph, please read Frodo's news release. It's Example 5 in the samples section.

Now, let's go over the key points that you'll need to know to use the announcement structure. The headline is a simple announcement of the event. The first paragraph

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covers the critical details. Who, what, when, where, why, and how.

The next two or three paragraphs give additional information that will be helpful to the media source and its audience. They also describe the specific action you want the audience members to take. The closing paragraph adds a few details about your business.

The key point to keep in mind is that the information is presented as news that the media would want their audiences to know about. There's no hype and no blatant selling of you, your product, or your business.

The second type of structure we'll be using is a problem/solution structure. This is the structure that Elaine M. Johnson & Associates will use. Please read Elaine's news release before proceeding to the next paragraph. It's Example 6 in the samples section.

Okay, now let's review the key points that are used in the problem/solution structure. The headline is a straightforward statement of Elaine's major benefit to her clients. The first paragraph covers the critical details. Who, what, when, where, why, and how.

The next two or three tight paragraphs focus on a problem that the media's audience faces, and offers a solution. It also establishes your expertise. It closes with a paragraph that describes the specific action you want the audience members to take.

How To Use Your News Release To Get All The FREE Media Coverage You Need

Once you have your news release prepared, you make copies (a high quality Xerox is fine) and send them to as many media sources as possible. Always send them to neighborhood and local papers. These papers are usually published weekly. They love local news, especially when it gives them the chance to offer their readers something for FREE.

As for sending your release to the larger daily papers, it depends on whether your “news” is of citywide interest. It only costs about thirty-five cents to send out each release, so I suggest you send them to all of your city's papers. You have nothing to lose.

For newspapers, your news release should be addressed to the editor. If you can specify a department of the paper, such as “Lifestyles Editor,” it's even better. “Community Bulletin Board Editor” is another good title to try.

For radio and television stations send your news release to either the station manager or the producer of a particular show. Also, many radio stations have community service announcements and some of your news may be appropriate for this category.

Here's another tip for winning even more publicity. Use a news release to invite the media to cover your event. If you have a picture from a prior event, include it. Paste a

caption on the back that says something like, “Jim and Nancy Jones and their kids working their way through Frodo's Mountain-High Sundae at last year's celebration.” If your release gets picked up, you could end up being the subject of a feature article or news story. Just think how many customers that could bring in!

Using Newsletters To Promote Your Business

FREE newsletters are one of the finest tools available for promoting your products and services. The main function of a FREE newsletter is to demonstrate your expertise in a specific area. The best way to do this is to create a newsletter between two and four pages in length that can be folded and sent in a standard business envelope.

The focus of your newsletter should be information that your targeted audience will get so much value from, they'll want to hang on to it. At the end, you should have a paragraph or two that emphasizes how you can help them achieve their goals.

Always keep in mind that your primary objective is to provide customers with useful information that will benefit them. If you make your newsletter a thinly disguised sales pitch, you could end up losing customers. By demonstrating your expertise, customers will naturally come to you when they're in need of your type of product or service.

There are two ways to put your newsletter to work for you. First, send it to your regular customers. You can mail it monthly, every other month, or quarterly – but it should never go out less than quarterly.

The second way is to use a problem/solution news release to get newspapers, magazines, and trade journals to announce a FREE subscription to their readers. For a sample of my bi-monthly newsletter and the news release I use to promote it, see Examples 7 and 8 in the samples section located at the end of this chapter.

Tracking And Review – The Keys To Boosting Your Success Rate

As I've said before, it's absolutely essential that you track the response to both your offers and the lists you use. After each offer, you should know precisely how many people were contacted and how many responded.

At least every six months, you should review these figures. Find out which offers work the best and which lists produced the top results. Then repeat the winners, drop the losers, and create new offers to be tested.

By continuously tracking, evaluating, and refining your offers and lists, you'll be able to increase your customer base and profits more successfully and cost effectively.

Serling's Secret Marketing Success Formula

I'm often asked what the “secret” is to successful marketing. I'll tell you what it is, but there really isn't any mystery. Here then, is Serling's Secret Marketing Success Formula:

1. Take action.
2. Take action consistently.

Sounds too easy, doesn't it? But I'll tell you what: the main reason most businesses fail to grow or produce significant profits is that they don't do any marketing. None at all.

Too many business owners falsely believe that all they have to do is open their doors for business and they'll be overwhelmed with customers. Or that if they create a superior product or service, the world will beat a proverbial path to their door.

When their business goes under, they never know what hit them. But look, even if you have the most incredible product or service in the world along with dirt-cheap prices, if nobody knows about it, you'll soon be in the unemployment line.

So few businesses do anything to actively promote themselves, all you have to do is take some kind of positive marketing action and you'll leave your competition in the dust. Start today!

The second key point in my marketing formula is to “take action consistently.” Here's why this is so important. Your customers and prospects are bombarded by tons of advertising every day. It's everywhere. On television, radio, benches, billboards, being towed through the sky, in newspapers, magazines, fliers, brochures, in the mail, at bus stops, on shopping carts, and even in the stalls of restrooms!

Do you know what this means in terms of your message getting through? You can't rely on just sending out an offer once to get the results you're really after. It often takes many contacts to make yourself seen, heard, and known to your customers. But the payoff – in the form of repeat customers – is well worth it, as you've already seen.

Also, consistent marketing has a cumulative effect. The more you get known, the more people talk about you. If you get a media source to cover one of your events, watch what happens. Other media sources will start to contact you. They want to get in on a good thing, too! The same goes for customers. Customers generate more customers.

Now, here's a question for you. When do you stop marketing? The answer is never!

You can't stop marketing once you think you have enough customers. People move, their tastes change, they lose jobs, and many other factors may cause them to stop

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patronizing your business. The key to maintaining a solid customer base is to market regularly and consistently.

Remember, there's no mystery to successfully promoting your business. If you have a quality product or service and follow the simple program I've laid out to market consistently, you'll be rewarded far beyond your expectations.

EXAMPLE 1 – PRODUCT LETTER TO CURRENT CUSTOMERS

Dear Friend,

Hi! My name is "Frodo" Williams, and I'm the owner of Frodo's Frozen Yogurt Shop at 123 Birch Avenue.

I'm writing to thank you for entering the drawing for our "Mountain-Sized Sundae For Four." Unfortunately, you didn't win the grand prize. That was won by Jane Smith, and did Jane and her family ever have a great time digging in!

But I'm happy to tell you that you did win our consolation prize. The next time you drop by Frodo's, just bring in this letter along with the envelope. I'll be happy to give you a FREE medium-sized frozen yogurt with the topping of your choice.

We always have at least 12 different flavors of frozen yogurt and over 20 different toppings. So drop by any time for your FREE frozen yogurt and topping.

Thanks again for joining in the fun of our contest. I'll look forward to seeing you real soon.

Sincerely,

'Frodo" Williams, Owner

EXAMPLE 2 – SERVICE LETTER TO CURRENT CLIENTS

Dear Client,

I'm writing to tell you about some great financial news I just discovered. It could save you hundreds, even thousands of dollars.

In reviewing a group of my clients' records, I noticed that some people seem to save more on their taxes than others -- about \$400 more each year. A little further investigation revealed what sets these clients apart from others. They all come in around mid-year for a review of their tax situation.

This appointment is like a tax saving tune-up. We review their records to make sure that everything is current. Then I suggest a few simple adjustments they can use to shelter even more of their income. Clients tell me that they're delighted with the extra money they save.

I'd like to help you keep more of the money you earn too. Here's the good news. My standard fee for this mid-year review is \$125. But as a special offer to you, I'll be happy to conduct this money saving review for just \$100 - as long as you make your appointment within the next 30 days. That's a savings of 20% on top of the money you'll save on your taxes.

All you have to do is call in and schedule your appointment. We'll take care of the rest.

Thanks for taking the time to read my letter. I'll look forward to seeing you soon, and to helping you keep more of what you earn!

Sincerely,

Elaine M. Johnson

P.S. I'd also like to ease your mind about wasting your time and money. If I don't save you at least \$250, your review is FREE!

EXAMPLE 3 - PRODUCT LETTER TO PROSPECTS

Dear Friend,

Hello -- my name is "Frodo" Williams, and I'm the owner of Frodo's Frozen Yogurt Shop at 123 Birch Avenue.

Did you know that frozen yogurt tastes as great as ice cream but has less than half the calories and no cholesterol? It's true.

What's also true is that I'd love to have you as a customer. To prove it, I'd like to treat you to a FREE medium-sized frozen yogurt with the topping of your choice. All you have to do is drop by the store with this letter any time within the next two weeks.

We always have at least 12 different flavors of frozen yogurt and over 20 different toppings. So drop by any time for your FREE frozen yogurt and topping.

I hope to see you soon.

Sincerely,

"Frodo" Williams, Owner

EXAMPLE 4 - SERVICE LETTER TO PROSPECTS

Dear Friend,

My name is Elaine Johnson and I'm the owner of Elaine M. Johnson & Associates here in Glendale. We specialize in tax preparation and financial planning that can save you a lot of money.

I'm writing to tell you about some great financial news I've discovered. While reviewing my clients records, I noticed that some people seemed to save more on their taxes than others -- about \$400 more each year.

When I spoke with some of these clients on the phone, they told me that their tax gain was due to following a few simple recommendations that I made. I also spoke to some of the people who weren't saving as much. They confirmed that they had not followed these simple suggestions.

I'd like to show you precisely how you too can keep more of what you work so hard for. All of these simple steps are completely legal and approved by the IRS.

I'll be giving a FREE talk on these techniques here at my offices on Monday, May 19 from 7:00 p.m to 9:00 p.m. If you'd like to be my guest, I'll explain my techniques and answer any questions you might have.

Because the seating is limited, please call to reserve your place by Wednesday, May 14.

I hope to see you there!

Sincerely,

Elaine M. Johnson

EXAMPLE 5 – PRODUCT NEWS RELEASE

News Release

FOR IMMEDIATE RELEASE

Contact: Frodo Williams

(000) 555-6789

**Frozen Yogurt Tasting Contest to Be Held at Frodo's
on Saturday, August 21**

Supreme Chocolate, Toasted Coconut Custard, and Brandied Peach are just three of the wild new flavors that will be tasted and identified in a unique contest on Saturday, August 21 at Frodo's Frozen Yogurt Shop, 123 Birch Avenue, Sherman Oaks.

Everyone is welcome to participate by coming in between 11 a.m. and 5 p.m. Each contestant will be given 5 flavors to taste and try to identify from the selection of 12 flavors available at Frodo's. Those who can successfully identify all 5 flavors will win Frodo's Special Sundae of the Month for the next 3 months.

Owner Frodo Williams created the contest to introduce more people to one of his favorite treats. “Frozen yogurt tastes great, has no cholesterol, and less than half the calories of ice cream. And its nutritional value makes it the perfect treat for people of all ages,” he said.

Frodo's Frozen Yogurt has continued to grow since it opened in 1985. In addition to 12 flavors that are offered, Frodo's offers a selection of 20 different toppings and bakes its own cones on the premises.

-END-

EXAMPLE 6 – SERVICE NEWS RELEASE

News Release

FOR IMMEDIATE RELEASE

Contact: Elaine Johnson

(000) 555-6789

Free Seminar Offered to Show Families How to Shelter More of Their Income From Taxes

“Keeping More of What You Earn” is a free seminar especially designed to help families legally protect more of their income from taxes. It will be presented on Thursday, November 12 from 7:00 p.m. to 9:00 p.m. at the offices of Elaine M. Johnson, 987 Vista Street, Glendale.

For many families, developing an effective tax strategy can be a guessing game. Too often, they're confronted with the worst kind of surprise when it comes time to file their tax return. Their attempt to correct the situation can be just as confusing and frustrating. To help solve this problem and its costly consequences, Elaine Johnson, a Glendale based CPA, has developed the one evening seminar, Keeping More of What You Earn.

“The most important factor in legally protecting the maximum amount of your income is understanding the strategies and investments that are available,” Johnson says. “Also, accurate record keeping and a scheduled review of your records can work wonders.”

With these primary concepts as a foundation, the seminar shows families a number of simple strategies that can ease their tax burden. It provides a step-by-step action plan for getting the best results. People who attend the seminar will also receive a free set of simple forms for organizing their financial affairs.

To enroll in the seminar, please call (213) 555-1234 and ask for extension 15.

-END -

EXAMPLE 7 – NEWS RELEASE FOR A NEWSLETTER

News Release

FOR IMMEDIATE RELEASE

Contact: Bob Serling

(000) 555-6789

**NEWSLETTER FOR IMPROVING ADVERTISING RESULTS
OFFERED TO SMALL BUSINESS OWNERS**

“Marketing Blind Spots – Are They Killing Or Building Your Profits” is the latest issue of *Results!*, a newsletter especially created to help small business owners dramatically improve the results of their advertising. It's particularly useful for small businesses, start-up operations, and entrepreneurs.

For many small businesses, creating effective advertising can be a guessing game. Too often, owners find that their ads get disappointing results. Their attempts to determine why an ad failed can also be confusing and frustrating. To help solve this problem and its costly consequences, Los Angeles based marketing consultant Robert Serling has created *Results!*.

“There are many simple techniques that can double the sales and profits of any small business,” Serling says. “But there are also terrible blind spots that can devastate a business fast. Being able to identify these blind spots and avoid them is a must. And being able to turn them around and boost your sales is even better!”

This powerful issue of Serling's newsletter shows any small business how to avoid costly blind spots and increase both sales and profits. It provides step-by-step techniques for developing the kind of customer-oriented marketing and advertising that get the best results.

A free copy may be obtained by sending a stamped, self-addressed envelope to *Results!*, 123 Main Street, Suite 362-L, Anycity, CA 90000.

-END-



Results!

THE INSIDER'S JOURNAL OF DIRECT MARKETING SUCCESS

May/June 1996

\$47 per year

Results! is Bob Serling's newsletter dedicated to getting you the most profit for the least amount of time, effort, and expense. You'll find that these tips and techniques are powerful, practical, and best of all -- they get results!

Marketing Blind Spots: Are They Killing Or Building Your Profits?

"It's what you learn after you know it all that counts."
Earl Weaver, Baseball manager

In every business, there are marketing blind spots. They come in three varieties. The things you don't see that are killing your sales, the things you avoid seeing that kill your sales, and the those "great accidents" you're fortunate enough to discover that make you a lot of money.

In this issue, I'm going to take you on a guided tour of some of these blind spots. I'm of the strong opinion that most of us suffer from these blind spots because we believe we know everything there is to know about our own businesses. And this false belief both damages our profits and limits the opportunities we could potentially take advantage of.

I'll also make a number of recommendations for identifying these blind spots in your own marketing, and how to turn them around and reap the profits they truly offer you.

Marketing Blind Spot #1: Limiting Your Options

A marketing consultant who I highly respect has a very strange policy with his newsletter. He gives out absolutely no "comp" subscriptions. He told me that he feels if he gives any comps, it will compromise his paid subscriber base.

This is complete marketing tunnel vision. While you don't want to have a huge list of comps, a couple dozen can be extremely beneficial. Here's a case in point. This particular marketing expert is on my own comp list. And he has mentioned some of my ideas in his own

newsletter, and given me credit. Because of this, I've picked up additional subscribers and back-end sales I never would have seen if I hadn't comped him!

Now, that's just the tip of the iceberg. My own comp policy is to give complimentary subscriptions to anyone who has a significant sphere of influence with people who match my customer profile. This policy has resulted in other publications reprinting entire articles, extracting portions of articles, interviewing me, and hiring me for speaking engagements. And all of those activities directly translate into more business for me.

How does this apply to your business? You don't have to have a newsletter to comp influential experts. You can send samples of your products or offer a sampling of your services. Again, you want to do this judiciously. The idea is to make yourself, your products, and your expertise known with a select group of individuals who can spread the word about you to loads of potential customers. Then sit back and reap the profits!

Marketing Blind Spot #2: Believing You Know More Than Your Customers

This is a particularly painful topic for me to talk about. Why? Because I've personally suffered great losses from my erroneous belief that I knew more than my customers.

Here's my sad story. When I started selling information products, the first product I created was a smashing success. I was working as a freelance copywriter and I took all the techniques that had made my clients huge sums of money and put them into a course on direct marketing. This course sold like crazy.

Next, I hooked up with a large marketing firm and cut a joint venture deal to offer this product to their house list of customers. Again, the sales were tremendous and we both made a lot of money.

The customers who bought my marketing course started writing and calling me to see if I had any products on copywriting. So I created a copywriting course and sent out my sales letters. Again, I had a smash hit on my

hands! We then offered this copywriting course to my joint venture partner's list and both of us profited handsomely.

By this point, I was feeling invincible. I was certain that I had the Midas Touch and any project I took on would fill my pockets with gold. One of my favorite topics was creative strategic thinking for marketing projects - and converting your creative thoughts to sales. So I decided to create a full-blown four day seminar on my favorite creative thinking techniques.

I created an outline for the seminar and asked my joint venture partner if they wanted to offer it to their list. After our past successes, they were nearly salivating to get their hands on another one of my products.

I wrote the sales letter and we sent it out. Can you guess how many seats we sold to this seminar?

None. Zip. Zero. Nada. Not a hope of a sale!

Needless to say, I was devastated. I couldn't imagine what had gone wrong. So I got on the phone and called some of my customers who had bought both of my previous products and humbly begged for their honest opinion. What they told me was that creative thinking and strategic thinking sounded like too much work. They'd rather pay for someone else to come up with innovative ideas for them.

So why had my product been such a major flop? Because I mistakenly believed I knew more than my customers. And because of this belief, I failed to do the proper research.

Now, let's contrast this to my previous two products. My first product was thoroughly researched because it was based on delivering solutions to the same marketing problems I saw crop up over and over again with my clients. And the second product was the direct result of the requests made by a significant number of my customers.

My successful products gave my customers something they wanted. My unsuccessful product attempted to give them something I thought they needed. So if you want to be as successful as possible, find out what your

customers want, then deliver it to them.

Marketing Blind Spot #3: Cashing In On "Fortunate Accidents"

Not all blind spots produce bad results. However, if you aren't careful to pay attention to the lessons they teach you, you could significantly compromise your profits.

Here's a wonderful story about how one of my subscribers discovered a blind spot and wound up making a lot more money because of this discovery. Don Bice has been a successful direct marketer for many years. He has one product that has been bringing in significant sales off of basically the same direct mail package for over seven years.

This particular product, a course for training parrots to perform tricks, is made up of a lot of different components: audio tapes, manuals, training devices, etc. At first, Don would take all of the components and assemble them neatly into binders, pack the orders, and ship them. However, after a short time, he realized this was extremely time consuming and started looking for an alternative.

The solution Don came up with was to have all of the components shrink wrapped to protect them, and let the customer tear them open and place them in the appropriate binders. This simple shift in procedures led Don to an amazing discovery. His returns, which were already reasonably low, dropped to zero! And they've remained close to zero for over seven years. Last year Don received only one return the entire year!

Why has shrink wrapping reduced Don's returns so dramatically? It's hard to tell for sure, but Don believes it's one of two things. First, when customers put the course together themselves, they get a stronger feel for how much is actually in the course. This underscores the value they're receiving for the money. Second, it's possible that by tearing everything open, they get a sense that the package is "ruined" and shouldn't be returned. My guess is the former, but what we do know for certain is that Don's returns are now nearly non-existent!

The point is that sometimes you can stumble onto a

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blind spot that you didn't know exists. And when you do, you should take advantage of it for as long as you can.

For more information on Don Bice's products and services, contact him at: Direct Marketing Training Center, 647 West Harvard St, Glendale, CA 91204.

Marketing Blind Spot #4: Deliberately Seeking Out These "Fortunate Accidents"

Being aware that you have blind spots that could be limiting your sales and profits is the first step toward eliminating them. The next step is to actively search for these blind spots so they can be corrected.

Here's an example of how one company actively seeks out its blind spots and turns them into lucrative new profit centers. A few years back there was a company that made an industrial cleaning compound. As part of their marketing, this company would periodically send out questionnaires trying to improve both their product and customer satisfaction.

Someone in this company came up with the simple yet brilliant idea of adding a question that asked their customers what they used the cleaning compound for. They were then going to use this information to add certain hot buttons to their ads and sales letters.

However, one unexpected response to this simple question resulted in windfall profits for this company! One customer answered that they used the cleaning compound not as a cleaning agent, but as a lubricant for large metal parts. Apparently, these types of parts were normally lubricated with graphite, which was extremely messy and caused a huge clean-up problem. By switching from graphite to the cleaning compound, they saved all of the labor costs associated with the constant clean-up tasks.

How did this company use this blind spot to their advantage? They immediately conducted a study of all the industries that used similar large metal parts who could benefit from a cleaner lubricant. Then they repackaged their cleaning compound as a lubricant and added a very lucrative new product to their existing lines!

The customer questionnaire is an excellent tool for finding blind spots that need to be eliminated or blind spots that you can capitalize on. I recommend a questionnaire length of four to six questions, sent out

twice a year. Among the nuggets you'll discover are: more products your customers would like to have; ways to improve your existing products; ways to provide better service; and possibly new applications for existing products!

Marketing Blind Spot #5: Being A Willing Victim Of Conventional Wisdom

All of us seem to accept conventional wisdom on a wide variety of issues. Sometimes questioning this wisdom can uncover marketing blind spots that are working against you.

My good friend T. Harv Eker is well known for having built a thriving fitness business and then selling out for millions to H.J. Heinz, the huge food manufacturer. Harv started his business from scratch with \$5000 on his credit card. He then built the business to seven million dollars in sales and sold it off.

Now there are plenty of similar stories in the business world. But what's unique about Harv's story is not only did he accomplish all this in less than two years, but he planned to right from the start.

One of the key points Harv emphasizes in both his seminars and the course materials he sells, is that the vast majority of people make the critical mistake of believing the conventional wisdom that tells us it takes a long time to make millions. Harv firmly believes that it's just as easy to make a lot of money fast as it is to make a little money fast. You just have to defy conventional wisdom, raise your expectations, and adjust your plans accordingly.

You see, Harv's success didn't happen magically. He had his entire plan in place right from the start. A few of the key elements his plan included were locking up the exclusive rights to unique, highly desirable exercise equipment; reinvesting all his funds in opening more locations; getting his vendors to finance more locations by extending his credit terms; and finding multiple buyers to up the selling price of the business.

My advice to you is to start examining all the areas where you accept conventional wisdom. Why are things done that way? Do they have to be? Could a slight change of perspective create a landslide of sales and profits for your business? The answers to these questions could be very profitable to you right now and for many years to come!

For more information on T Harv Eker's products and seminars, contact him at: Street Smart Business School, PO Box 676180, Rancho Santa Fe, CA 92067.

Recommended Cures For Marketing Blind Spots

I have two recommendations that will help you identify your blind spots, and either eliminate them or convert them into new profit centers.

Recommendation number one is to use customer questionnaires to find out what your customers really think of your company, your products, and your customer service. This is the easiest, cheapest way to identify your weaknesses and begin to change them.

As I mentioned earlier, you should limit your questionnaire to between four and six questions. Any more than that will cause your response to go down.

Questions that reveal problems and opportunities include: What do you like about our products? If you could change one thing about our product, what would it be? What magazines, newspapers, newsletters, and trade journals (that apply to your industry) do you read? What other types of products would provide you with the most benefit?

I also recommend offering a small gift in exchange for the customer filling out and returning your questionnaire. This gift is given once the completed questionnaire has been received. Response will increase significantly when customers are given extra motivation to help you out.

The second recommendation I have for you is to form a peer group and have regular monthly or bi-monthly meetings of this group. For years, I've belonged to a peer group that meets regularly to discuss problems, brainstorm new ideas, gripe about clients, gripe about the government, and gripe about the food at the restaurants we meet at.

I know of a lot of other very successful business owners who also have their own peer groups. The greatest benefit is how quickly your peers can pick out blind spots you never would have seen without them. They have no emotional attachment to your project. Their strengths are different than your strengths. I can't tell you how many times members of my peer group have given me feedback that's radically increased the success of my projects.

I find that six to eight members are the ideal size for a peer group. If you have too few members and just a couple can't make the meeting, the dynamic exchange of ideas is limited. On the other hand, if you have too many members, the conversation gets too fragmented and very few hot, high-profit ideas will flow.

Some peer groups are extremely organized and actually have topics planned for each meeting. I prefer to keep it more casual and more flexible. The group I belong to leaves the discussion open to anything the members feel like talking about. Occasionally, someone will call the other members and request that their project be discussed. This has worked well for giving us the flexibility to keep things fresh but still address the needs of the peer group members.

If you don't belong to a peer group, start one today!

* * * * *

<p>Pump More Profits Into Your Direct Marketing!</p> <p>Would you like to produce maximum profit with all your direct marketing? I specialize in powerful strategies and techniques that get you superior results and cut your costs at the same time.</p> <p>I'm available for hourly consulting at \$400 per hour. Just an hour or two can open up powerful profit opportunities you're probably overlooking. If you want to make sure all your projects are as profitable as possible, this is a fast, sure way.</p> <p>I'll also develop complete direct marketing systems for your business. These systems use my proven, proprietary strategies and techniques to as much as double or triple the profits you're currently producing. Complete systems start at \$17,500 plus a royalty on sales made.</p> <p>To find out more about immediately increasing your sales and profits, just give me a call at (619) 944-5646. I'll be happy to speak with you personally and answer any questions you might have.</p>

Section 2:

The Inside Secrets Of Writing Powerful Advertising Copy

Lesson 7:

Power Preparation – How This Key Ingredient Can Dramatically Improve Your Leads, Sales, and Profits

If you aren't getting the response you want, there's a strong chance your advertising suffers from misdirection. You're either failing to reach the right people or you're reaching the right people, but with the wrong message. The results you get from misdirection are both costly and disastrous.

Here's proof. Just take a look at your mail from last week. How many letters did you receive trying to sell you something you had either marginal or no interest in? How many pieces seemed to have a product you could benefit from, but didn't manage to motivate you to respond?

I rest my case. Misdirection, pure and simple. And I'd wager that most of your marketing generates a similar response.

Never fear. In this chapter, I'm going to show you precisely how to correct this crucial problem and start pulling the kind of response you're really after. By the time we're done, you'll have everything you need to get your marketing on the road to increased profits.

What Causes Misdirection – The Ugly Truth!

I'm going to be blunt about what causes misdirection. It's usually sloth or pride. When you don't understand who really makes up your market, it's because you just haven't done your homework.

When you send the right market the wrong message, it's because you've let your ego get in the way. Instead of finding out from your market what motivators work the best, you've assumed that in your infinite marketing wisdom, you already know what your customers need. Fatal vision!

Look, you're not alone. Nobody likes to do research. And few of us “experts” like to admit that we don't know it all. But I assure you, unless you're extremely lucky, the consequences of not doing this critical front-end work are poor response and lukewarm sales.

Bob Bly Shows You How To Increase Your Results Through Power Preparation

To help me show you how to lay the foundation for writing powerful copy, I've asked one of my colleagues for his expert advice. Bob Bly is one of the finest copywriters in the country. He's written powerful sales copy for hundreds of satisfied clients. He's also the author of some of the most popular and usable books around on advertising.

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Here's what Bob Bly has to say about power preparation:

“Before you write copy, study the product – its features, benefits, past performance, applications, and markets. Digging for the facts will pay off, because in advertising, specifics count.”

“When you have a file full of facts at your fingertips, writing good copy is easy. You simply select the most relevant facts and describe them in a clear, concise, direct fashion.”

“But when copywriters don't bother to dig for facts, they fall back on fancy phrases and puffed-up expressions to fill the empty space on the page. The words sound nice, but they don't sell because the copy doesn't inform.”

Step-By-Step Techniques For Power Preparation

These are the steps that Bob Bly and I use to make sure we have all of the critical details we need to write truly effective copy.

1. Get all published material related to the product.

This includes, but isn't limited to:

- ✓ Ads
- ✓ Sales Letters
- ✓ Brochures
- ✓ Publicity material
- ✓ Articles
- ✓ Technical papers
- ✓ Memos
- ✓ Marketing plans
- ✓ Competitors' marketing materials

2. Ask these questions about the target market.

- a) Who will buy your product or service?
- b) What is the customer's main concern (price, delivery, performance, service, reliability, quality, efficiency)?
- c) How does the buyer see him/herself?
- d) What roles does the product help the buyer achieve or recognize achievement of?
- e) What motivates the prospect to buy?

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- f) Where do your customers live?
- g) What is their age range? Education? Income?
- h) How much do they already know about this type of product, and yours in particular?

3. Ask these questions about the product.

- a) What are its features?
- b) What are its benefits?
- c) Which benefit is most important to the target market?
- d) What are the strongest selling points?
- e) What vital problems does it solve?
- f) What important goals does it help achieve?
- g) How effective is it?
- h) How economical is it?
- i) What sizes and models does it come in?
- j) What are all the different ways it can be used?
- k) Is it guaranteed?
- l) What do customers, vendors, & distributors say about it?

4. What's the purpose of the copy?

Do you want to:

- Generate leads
- Generate sales
- Qualify prospects
- Answer inquiries
- Follow up on some other marketing

5. Build an exhaustive facts/features list.

Use the information you've gathered in the previous steps to list every possible fact or feature of the product. Don't discriminate here. Treat it like brainstorming. Put in too much. Your goal is to get down in writing every possible scrap and detail that you can.

6. Build a comprehensive benefits list.

Go through your facts/features list and create a corresponding benefit for each fact/feature. The vast majority of facts/features will have a corresponding benefit, although a few may not.

What's the difference between a fact/feature and a benefit? Simple - a fact/feature is something the product does, while a benefit is something it does for you. Here are a few examples:

Fact/feature: Deluxe Autowasher reduces water use.

Benefit: Buyer saves money.

Fact/feature: Wash, wax, and rinse with the same unit.

Benefit: Extremely easy and convenient to use. Saves time.

Fact/feature: Sturdy, polished aluminum construction.

Benefit: Unit will last longer, saving you money for years an years.

The Vital Advantages You Gain From This Front-End Work

Okay, so these are the crucial steps you must follow before you lift a pencil to write copy. Now, and only now are you fully prepared to begin the task of writing truly effective sales copy. Because now you have the raw material that will inform your copy.

Now you have the vital information you'll use to:

1. Create an irresistible offer.
2. Select the key benefits you'll stress in your headline and opening paragraphs.
3. Determine supporting benefits and features to highlight.
4. Fuel your guarantee
5. Provide proof of your claims.
6. Demonstrate solutions to the problems that plague your customers.

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1. Show them how to achieve important goals.
2. Get them to take action now.

There it is. You are now ready to do the type of preparation that can skyrocket your sales!

Yes, it is a lot of hard work. But let's face it, if your copy is misdirected, vague, and flat, your sales and profits suffer. You lose money.

Power preparation is the cure. The careful preparation and hard work I've outlined will result in alive, persuasive, motivating copy. And that's what it takes to consistently increase your sales and profits in today's competitive marketplace!

RESOURCE BOX – BOB BLY

Bob Bly is an independent copywriter and consultant specializing in business-to-business and direct response advertising. He writes ads, brochures, direct mail packages and sales letters for more than 100 clients nationwide.

He's also the author of over 20 books including *The Copywriter's Handbook*. Bob can be reached at 22 East Quackenbush Avenue, Dumont, NJ 07628. (201) 385-1220.
<http://www.bly.com>

Lesson 8: **How To Write Powerful Salesletters**

If you've been in business for a while, you've probably seen quite a few definitions of what a good sales letter should be. And each definition was probably different from all of the others. To set the tone for this chapter, I'm going to give you my definition of a sales letter:

A sales letter is a money-maker or a money-loser.

It's that simple. To be successful in doing business through the mail, this must be the definition that you use to create your sales letter. And it must be the criteria for measuring your sales letter's success.

In order to be successful, your sales letter has to do a load of hard work. It has to seize your reader's attention. It has to keep your reader interested long enough to finish reading. It absolutely must persuade a skeptical audience. It has to motivate your reader to take action, and take action now, before it's filed into oblivion. And finally, it must show your reader precisely how to take the action you want.

That's a lot to ask of a single document. But if it doesn't do all of this, your letter has failed. Because the only true measure of your letter's success is the number of leads and sales it ultimately generates.

What You'll Get From This Chapter

This chapter will show you precisely how to plan, organize, and write sales letters that will win you more leads, more sales, and more profits. First, you'll find out what critical information you need to gather before you start writing.

Then you'll discover how professional copywriters create persuasive, believable copy. Finally, you'll get a set of foolproof building blocks that will let you create forceful, money-making sales letters.

Critical Preparation – What You Need To Know Before You Start Writing

There are two key elements that are vital to the success of any sales letter. The time you put into effectively defining these elements will directly effect how profitable your letter will be.

The first key element is your audience. The specific, detailed definition of who you intend to sell to is the key to successful sales. It's also the most important element of any advertising campaign.

The greatest letter printed on the finest stock with beautiful illustrations will surely

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fail if it's mailed to customers who have no use for your product or service. On the other hand, even a mediocre letter printed on cheap stock will pull some response if it's sent to people who can truly benefit by using your product or service.

Your audience should be defined as precisely as possible. What you're after is the broadest category of people who have a need for your product. Often, a product will have strong appeal to more than one audience. If you're fortunate enough to fall into this category, you'll need to specifically define each audience. Then you'll need to create separate sales letters that deal with the unique needs of each audience.

The second key element that you must clearly define is your letter's mission. Here are the four possible missions a letter may have:

1. To get a prospect to request more information. (Lead)
2. To get a prospect to make an appointment – with no obligation of course. (Lead)
3. To make a sale, either by mail or phone. (Sale)
4. To increase store traffic. (Lead/Sale)

The first two missions require a letter designed to bring in leads and possibly pave the way for a sales call. The third mission is purely to win a sale. The fourth mission is primarily to increase sales, but since some of these people may not buy once they get to your store, they can also be considered leads.

Clearly defining your mission helps determine how your letter will be written. Letters written to generate leads are generally 1-2 pages. A letter that's used to make a sale is usually longer. It can be 4, 8, 12 pages and more!

A lead generating letter doesn't have to say as much, because you aren't asking for as large a commitment as you are with a sale. In fact, you want to avoid saying too much in a lead generating letter. If you tell the whole story, there's no reason for your customers to request an appointment or ask for more information. A good lead generating letter tells just enough to tantalize your prospect into action.

A sales letter is usually longer because it's your only shot at getting the results you want. It must motivate, persuade, and make your customers open their wallets. That kind of goal takes more effort and more space.

One last tip. Regardless of your mission, use as much space as it takes to get the results you're after. If three tight paragraphs will do the trick, so be it.

But if your product or service is complex or has never been marketed before, take all of the space you need to convincingly tell your story. Interest is held by meeting your customer's need for a product, not by the length of the copy.

How To Write Money-Making Copy

This section won't show you how to write cute, clever, award-winning copy. That's not our purpose. Not that I have anything against winning awards. It's just that highly “creative” copy rarely wins sales, and I know that you'd much rather make money than earn a trophy.

So for our purpose – winning more sales – we'll use a new definition of the term “creative.” My definition of creative copy is copy that creates sales. With our new definition firmly in place, let's find out how to write the kind of copy that will sell more of your products and services:

- a) **Use short, simple, snappy sentences.** They're upbeat, easy to understand, and keep the pace moving. An occasional longer sentence will give your letter more depth and a more balanced look.
- b) **Use sentence fragments.** They have the ring of everyday speech. One of the main advantages of a sales letter is that it's a personal medium. A letter that comes across as if you're talking to a friend uses everyday speech patterns.
- c) **Write the way you speak.** Use an informal, conversational tone. Use simple words. Use contractions. Use slang. These give your letter warmth and make it easy to understand.
- d) Here's a trick that professional writers use. **Create an imaginary prospect.** Then write as if you're having a one-to-one conversation with this person. This does wonders to make your letter really feel personalized.
- e) **Pump enthusiasm into your letter.** But also be sincere. Too much huff and puff comes across sounding phony,
- f) **Try to keep your paragraphs to 3 or 4 sentences.** This makes for easy reading. Also, breaking up a long letter into bite-size pieces makes it appear less difficult to read.
- g) To emphasize a special point, **use a one sentence paragraph.**
- h) **Be clean and concise.** Use as few words as it takes to clearly deliver your message.
- i) **Be specific with facts and figures.** 16,143 sounds much more believable than “over 15,000.”
- j) **Use the magic word everyone loves to hear – “You.”** And use it as often as you can.
- k) **Use I and we** instead of “the company” or “the author.”

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- l) **Begin sentences with and, or, but.** This gives punch to your copy and helps keep the everyday feel flowing.
- m) **Go easy on technical jargon and legalese.** Both tend to confuse the majority of your readers. And that will get your letter tossed in the trash fast.
- n) **Occasionally indent an entire paragraph.** This breaks up the monotony of the same kind of text repeated over and over. A visual change of pace makes your letter appear easier to read.
- o) **Use bullets, arrows, and numbers** for visual impact.
- p) **Use bold lettering, underlines, all capitals, italics, even handwritten margin notes to emphasize a special point.** But use these techniques sparingly and effectively. For example, if too much material is underlined, nothing really stands out as special or important.

The Components Of Your Successful Sales Letter

What makes a good sales letter? Is there a formula for creating sales letters that get results? I hear questions like these every day in my marketing consulting practice.

The good news is that an effective sales letter can be broken into a series of building blocks. Not all letters make use of all of the blocks, and not necessarily in the order I'll be giving you. But when you're first starting out, you can save enormous amounts of time, effort, and money by following this proven formula.

Block 1: The Headline

A headline in a letter? Why not – if it makes a key point, something that's certain to pull the reader into your letter, use it!

The one thing a good headline must do is grab your readers attention. The second thing it should do is give the reader a reason to read your letter. Some effective ways of doing this are: drive home an impressive benefit; make an irresistible offer; make a shocking statement (but it must relate directly to your customers); announce a contest; use a FREE offer; or ask a provocative question.

My personal favorite is to promise a benefit that's so valuable, the reader can't resist continuing.

Block 2: The Salutation

Remember, one of the major advantages of a sales letter is that it's a personal communication. A perfect place to take advantage of this is in the salutation.

“Dear Baking Enthusiast” is personal. “Dear Friend” isn't. “Dear Golfer” is. “Dear Customer” isn't – “Dear Preferred Customer” is. To be personal, your salutation

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should show that you've taken the time to find out something special about your reader.

The most personal salutation you can use is your customer's name. This can add a great deal of expense to your mailing, though. If you're selling a high-ticket item with a small group of potential customers, this technique could be worth the investment.

If you decide the additional expense is worth the benefit, be sure to use a printing method where the customer's name is printed in exactly the same typeface as the rest of your letter. Letters where the names are poorly slapped in defeat your purpose.

Block 3: Satisfy Your Customer's Needs

This block is where you sink or swim, and it should always be the first block following the salutation. It's here that your reader decides whether to continue or quit reading your letter.

Your job is to make sure your reader continues. To do this, you need to make a powerful statement that shows that you clearly understand and can satisfy your customer's most pressing needs. You already know what these needs are from having properly identified your audience. Now your job is to demonstrate that you can help them achieve an important goal or solve a major problem.

A good way to drive home your point is to list your reader's most agonizing problems. Then assure them that your product or service can solve these problems, and your letter will show them precisely how.

Real needs usually generate some fear or anxiety. After all, if your customer's needs aren't met, something frustrating or disappointing could happen. Don't shy away from these fears or anxieties.

Many advertising professionals falsely believe that you shouldn't imply or say anything negative. But it's precisely this fear or anxiety that will make people get off the dime and do something. That's why so many people buy insurance. The fear of loss is great, and the desire to protect what you already have is extremely powerful.

Whether you go with an achievement or a problem/solution, start right away with your biggest, loudest guns. If you try to slowly build up to your strongest point, you may not get the chance. Good sales letters aim to hit the reader right between the eyes, right away.

Block 4: The Benefits Your Customer Will Get

This component is the meat of your letter. In the needs block you promised to help your customer achieve a goal or solve a problem. The benefits block fulfills your promise. You do this by showing your customers what your product or service will do for them.

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Benefits are different than features. Features are about your product or your company. Benefits are always about your customer. “Our company has been in business over 27 years” is a feature. “For over 27 years we've helped clients save money and simplify their ordering systems” is a benefit – it shows your customers what's in it for them.

Make a list of every benefit you can deliver. Write down what your customers' main concerns are. Price, performance, reliability, quality, efficiency, availability. Then state each one of these as a benefit. Here's how to convert features into benefits. Make a list of every feature of your product or service. Now create a benefit for every feature.

Once you've completed your list of benefits, put them in priority order. Then choose the ones that are really significant to your customers. Stress these in your letter. Showing your customers how they can save time, money, achieve a worthwhile goal, and make their lives better is what sells products and services.

Block 5: Testimonials

One problem I guarantee you'll run up against is customer skepticism. This is only natural. There are a lot of scams around these days and customers tend to distrust doing business through the mail. In order to increase your sales volume, you're going to have to overcome this skepticism.

One of the best ways to do this is through effective testimonials. The key word here is effective. A poor testimonial is “your accounting software is great.” An effective testimonial is, “your software let us do our month-end closing on time for the first time in three years. And our books balanced to the penny on the very first try.”

And it's followed by a real name, title, and company. This type of testimonial shows your customers exactly how others like them have benefitted from what you have to offer.

What if you don't have any testimonials like this? Simple - you write to your customers and ask for them. Most customers will be happy to help you out if you've done a good job for them. Be sure they give you written permission to quote them in your sales literature.

Block 6: Make An Extraordinary Guarantee

This is the other way to overcome customer reluctance due to skepticism. A strong, no-questions-asked guarantee will go a long way to let customers know you're reliable, and if they don't like what they received, they won't lose anything.

A solid guarantee should be at least 90 days. When I see a 10 or 15 day guarantee, it tells me that the company doesn't have much faith in its product or service.

One last word about guarantees. You really have very little to lose. Most people won't go to the trouble to return something unless they're absolutely infuriated or feel

How To Check Your Letter's Effectiveness

When you've finished your letter, use these guidelines to make sure that it will get the results you want. Make sure it's clear, consistent, free of spelling errors, persuasive, believable, specific, interesting, and easy to read.

Your headers and sub-headers should give your readers a powerful overview of the benefits they'll receive. Readers often skim a letter, and this will help persuade them to read your entire letter.

Measure your letter against your mission. Get feedback from other people. Don't worry about whether it's a “good” letter. Ask them to tell you whether they would buy your product or service based on your letter.

Ask yourself this all-important question: Based only on your letter, would you buy your product or service?

Be honest, you're the one who stands to benefit. If the answer is no. go back and work on your letter some more. When your answer is yes, you have a winner. A powerful, persuasive letter that will get more leads, boost your sales, and increase your profits.

Lesson 9: **Space Ads – How To Reap Maximum Profits From Newspaper and Magazine Advertising**

Advertising in newspapers and magazines offers exceptional opportunities to generate qualified leads or sell your products and services directly. Both of these mediums can be used to successfully advertise for retail stores, individual products, or services.

I'm going to approach these marketing avenues in two different ways. First, from the standpoint of what's similar. Then, from the standpoint of what's unique to each medium.

In terms of similarity, the format and style that you use to create ads for each medium is identical. In fact, while the physical format is generally different from direct mail, the content is exactly the same as what you'd use for an effective direct mail piece.

I want to emphasize that I'm directly contradicting conventional wisdom here. Conventional wisdom, as perpetrated by ad agencies, is that print advertising should be cute, clever, or artistically innovative.

But here's the problem with this conventional wisdom. You see, cute, clever, or artistically innovative ads serve the ad agencies purposes, which is to win awards for being cute, clever, or artistically innovative. Which is also in direct opposition to your goal. Because your goal is to get as many qualified leads or make as many sales as possible, not to win creative awards.

Did you know that there isn't a single advertising industry award that takes results into consideration? It's true! They couldn't care less whether these award-winning ads ever generate a single lead or result in a single sale. In fact, the vast majority of these award winning ads are complete failures in the marketplace. So beware of ad agencies that offer their record of winning awards as a reason to do business with them.

Back to the matter at hand. Your purpose in advertising, whether it's a full page spread or a simple classified ad, is to seize the reader's attention, get a compelling message across, and make sure they take the action you want them to.

So how do you go about achieving these vital goals? There are two ways to accomplish this:

The first is to use visual elements that make a powerful impact so as to draw readers into your ad.

The second is to create an ad that looks as much as possible like the actual articles that run in the newspaper or magazine. This format is often called an “advertorial.” Let's take a look at the two formats individually and talk about the advantages and disadvantages of each.

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The first format is one that uses striking visual elements to seize the reader's attention. This can be done in a number of different ways including:

- A unique border around the ad.
- Striking photographs or illustrations.
- Use of an attention grabbing color,
- Setting your headline in large type.
- Featuring a picture of a celebrity for endorsement purposes.
- Using pictures of sexy women.

Okay, let's talk about sexy women for a minute. Look, I'm not about to argue the merits or demerits of using sex to sell a product or service. I merely mention it because of its effectiveness.

My advice to you is to avoid using sex to sell if it bothers you. I've personally never used it, but I know of many instances where sexy pictures were used to significantly boost sales – and for products and services that you wouldn't normally associate with sex.

Anyway, there's a key fact I want to make about using visuals to get your reader's attention. The visual must not replace powerful sales copy. It merely adds another element to your ad. But the main work of the ad is always accomplished through the message delivered in the copy.

Example 1 at the back of this chapter shows an exceptional example of using a large headline and striking border to immediately seize the reader's attention and pull them into the ad. Example 2 illustrates how a simple border can make an ad really “pop” and stand out from the competition.

The advantage of creating an ad that uses a strong visual element is that your ad really stands out. Readers who are interested in your type of product or service will probably be drawn into your ad. The disadvantage is that you draw attention to the fact that it is, in fact, an ad and some people simply refuse to read any ads at all.

The second format is what's often referred to as an “advertorial.”

This is an ad that's designed to look as much as possible like the editorial material in the newspaper or magazine. You should use the same type style, column width, and general feel of the copy.

While the overall tone may change, you still want to make your points as powerfully as possible and make sure your readers take action. You'll find an example of an excellent advertorial type ad in Example 3 at the back of this chapter.

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Here's why advertorial style ads work so well Think about how you read a newspaper or magazine. Most people tend to scan the pages for articles that interest them. How do they know what interests them? By the headline on the article. So if your ad looks like an article, you increase the chances that readers will scan your headline. Even those readers who normally bypass the obvious ads.

A powerful advantage of running an advertorial style ad is that you can almost always count on increased readership. The disadvantage is that if you're running in a number of different newspapers or magazines, you might need a number of different versions to match the physical look of each different media.

Which format will work best for you? The answer, as always, is that you can only tell by careful testing. Test both formats. Also, test different magazines and newspapers. Stick with the winners and kill the losers.

I will tell you this, however. It's been my experience, and the experience of the majority of my clients, that an advertorial style ad nearly always gets stronger results than a visual element type ad. So if I could afford to run only one or the other, I'd definitely go with an advertorial type ad.

How To Increase The Success Of Your Newspaper Ads

The main advantage of a newspaper ad is that you can get it out fast – usually within a week or two. Sometimes, even within a couple of days. And you can make changes, if necessary, up to the day prior to running.

The main disadvantage is that newspapers appeal to a general market, which makes it more difficult to target your customers. For example, if you own a car repair shop, only five percent or less of all the readers on any given day actually need an auto repair.

With these facts in mind. here are some tricks for getting the most out of your newspaper advertising:

- **Use zone editions to cut your costs.** Advertise only in those zones that are appropriate for your business. Also, if you have a product with mass appeal, use selected zones to make a small test before rolling out to all zones.
- **Never let newspaper people design your ad for you** even though this service is free. They'll create mediocre copy and artwork that looks and sounds like all the other ads in the paper.
- **Don't use reverse type if at all possible.** Reverse type is white type on a black background. Newspapers have extremely low graphic resolution. This low resolution can cause reversed type to end up looking murky and washed out.
- **When running small ads always use a unique border.** A one-sixteenth inch solid line or thicker will draw attention to your small ad.

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- **Run your ad in the section that will be read most often** by your target audience. The lifestyle sections are good for reaching women. The sports section is good for reaching men and business owners.
- **Monday is a great day to run ads that appeal primarily to men** – as long as you run your ad in the sports section. The Monday sports section attracts a strong male readership who want to catch up on all the weekend sports.
- **Tuesday is a good day for nearly any type of ad.** Tuesday editions of newspapers are traditionally smaller, which means you'll run into a lot less competition.
- **The best position you can possibly get is on the front of a section.** The next best is on the back of a section. But you always pay a premium for position. People sort the paper by sections which means they always see the front of each section and usually the back.
- **Above the fold of a newspaper and on the right-hand side** is a preferable position. Also, close to the front of a section usually outperforms ads in the back of a section.
- **The larger your ad the better**, but here's how to dominate a page without running a full page ad. Lay your ad out to be two inches longer than the center and one column more than a half page. This size guarantees that no other ad on the page will be larger than yours. This size ad will often be placed exclusively with articles and editorial matter. If so, you command the entire page.
- **Reprint your ads** and use them in other promotional materials.
- **Run a small ad in a zone edition of a well-known newspaper** and use that information to promote your business – “As seen in The Wall Street Journal.”

Study your competitors' ads. Do everything you can to create an offer that stands head and shoulders above any of your competitors. Forfeit a little profit on the front-end knowing these customers will pay handsome returns later.

How To Increase The Success Of Your Magazine Ads

Remember that the main advantage of magazines is that they appeal to a highly targeted audience. Use this to your advantage to focus on those magazines that your customers read most frequently.

Don't overlook trade magazines. Since they're viewed as being far less commercial, trade magazines are often read cover to cover.

Consider writing articles for the trade magazines that cover your industry. This establishes you as an authority and will also generate some direct business.

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Avoid bingo card numbers on your ads. Those are the little numbers that publishers print under your ad with instructions to circle the number on a bingo card to request further information. A good deal of bingo card responders are just lookers who will waste your time and resources. Make sure you tell the magazine's advertising representative to keep the bingo card number off your ad.

Take advantage of large national magazines by running or testing in regional issues. Do your homework. Contact other businesses in different regions of the country and find out which national magazines are productive for them.

When using a picture or illustration, try to always show your product or service in use.

You can get a lot of mileage from national magazines by running small ads that feature a major benefit and telling prospects to write or call for complete details. Then send a follow-up package complete with everything you need to get the results you're after.

Set yourself up as your own in-house advertising agency. You'll then be entitled to a 15%-25% discount. Always ask for a first time advertiser's discount. Some magazines will give you a special rate to get you as a customer.

ALWAYS request a split-run test. In a split-run, the magazine will actually run two different versions of your ad in the same run. Half will carry one version of your ad and the other half will carry a second version.

Above all, test, test, test! Find out which magazines and newspapers work best for you. Find out which days of the week, weeks of the month, months of the year outperform others.

Test small and test prudently. Use zone issues of newspapers and regional issues of magazines to control your testing and keep your costs down. When you think you have a winner, try it in another zone or region. If it works again, then you can roll it out full force.

EXAMPLE 1 – An Ad With A Large Headline & Striking Border

**The
franchise
for those
wanting to
start at
the top.**

Franchise Sam's. We're the world's largest franchise in the 25-billion dollar hardware industry. And with our low start-up costs, in-depth training, and advertising assistance, it's no wonder we have twice as many stores as our closest competitor.

Call (800) 844-7267. And start at the top.

Franchise Sam's
The Hardware Franchise

**Franchise
your business?**

Franchising is a growth strategy because it allows you to share the success of your business every day. And why not? Done properly, it permits rapid expansion with the help of highly-motivated owners who supply their own capital.

Is franchising right for your company? **Francorp**, the leading firm in franchise consulting, can help conduct your franchise potential.

Or, if you're ready to franchise, we provide all the services any new franchise requires.

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MANAGING PEOPLE

MOTIVATION
How Do Employees Think?

MONEY AND BENEFITS ARE THE universal carrots dangled before employees. But they can be ridiculously out of place. "Do you think you could stimulate Metcher Term with a retirement plan?" asks Ron Parks, president of Millard Manufacturing, in Omaha.

After nearly 20 years of managing experience, Parks has devised an interviewing technique that digs deep into workers' hearts and minds to figure out, among other things, what motivates them. The information helps Parks select the right person for a job, but it's also an invaluable management tool.

The key question he asks to pinpoint a person's source of motivation: "When you are working on a project, how do you know you are doing a good job?" A person who tells you that she knows within herself whether her work is first-rate is, in Parks's terms, "internal"—or self-directed. The person who says, "My boss (or my coworkers) tells me so" is external, requiring input from the outside.

Either may be a desirable worker in the right job. Obviously, an external would flounder in a position in which his work is rarely reviewed. Nor would he thrive working for a boss who is stingy with praise.

In contrast, praise is sometimes not the best tool with the self-directed. Such people will feel embarrassed—or even offended—if they are complimented by someone who isn't qualified to judge their accomplishments.

Parks, who has spent nearly two decades perfecting his "thinking model" of management, asks another dozen or so questions to ascertain an employee's performance profile. But if he could focus on one trait only, Parks would choose motivation. "I can accomplish more by knowing this one attribute than I can with any other," he explains. —E. E. S.

CRUISE TRAVEL AGENCY

- unlimited earning potential
- business travel benefits
- sales for under \$2500 start
- All time or part time
- begin in a shop or at home
- complete professional training

The cruise business is booming at the same rate as the airline industry. You will become a part of the exciting \$4.5 BILLION industry as the owner of your own shore based agency.

You can use the prospectus presentation and then your agency to sell a number of services. You can easily obtain a license of this business agency system, and you will be on the fast track to financial success.

Performance Travel Systems will take you through step-by-step training to become a successful shore based agency. After your shore based agency is open and you are a member of the dynamic, successful, Performance Travel Systems a team you will receive continuous help and assistance.

Performance Travel Systems has the only complete and professional system for owning your own shore based agency.

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**Want To Profit From The Computer Revolution?
Join Forces With North America's Best-Selling
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ACCPAC Resellers Needed Today!

The opportunities and the profits are unlimited in this new high-tech, software business.

ACCPAC Qualified-Installers Needed Today!

Thousands of clients need ACCPAC software. We are now accepting qualified installers.

Call Today! We'll Give You The ACCPAC Lead
Responsibility For Your Own ACCPAC Business.

COMPUTER ASSOCIATES

EXAMPLE 3 – An Excellent Advertorial Style Ad

ADVERTISEMENT

Success Story

Lowering Telephone & Utility Bills Means Big Dollars

One of the largest operating expenses for businesses today are their utility bills for gas, electric, telephone and water/sewage.

Nancy Freeman and her Auditel International, Inc., based in Joliet, Illinois, just south of Chicago, has made a bundle over the past twelve years searching for billing errors for its customers. And now, Auditel is launching a national expansion network of qualified entrepreneurs in all fifty states to serve as its affiliates.

Studies show that more than 80 percent of all telephone and utility bills contain errors. Serving only commercial and industrial clients, Auditel has achieved some amazing reductions and refunds for its many clients, including one \$140,000 credit for a local college with a \$70,000 fee.

Usually receiving 50 percent of any refund plus a portion of future savings, Auditel works on a contingency basis. If there are no savings there is no fee, and that makes it particularly easy for new affiliates to sign on clients.

According to Ms. Freeman, President of Auditel, "We turn down far more clients than we accept. Our unique screening process enables us to determine whether or not we would be wasting our time on a client, and if the results look promising, we can move quickly to start the refund process."

Auditel affiliates pay a \$9,900 affiliation fee which includes two days of intensive training at corporate headquarters, six months of follow-up support and consulting services, three 200-page manuals and all necessary forms, contracts, samples of advertising materials and other data necessary to start the business.

Auditel affiliates all agree that the affiliate program is a winner. Gary Kornik, a Florida attorney, says that "if you do your homework and follow their program, you get results." Mike Curtin, a California stockbroker, netted over \$7,500 on his first client, a Fortune 500 electronics manufac-



"Just 50 clients a year can net a six-figure income in a business you can operate out of your home—working part time, if you like," says Nancy Freeman, president of Auditel International.

turer, Bud Lockhart, a Texas businessman, expects first year profits to exceed "three-quarters of a million dollars—minimum."

Auditel will happily allow prospective affiliates to speak to these existing affiliates and many more with equal or greater success. The company will send to interested parties a

free full-color booklet and a state-of-the-art video tape hosted by national spokesman, James Whitmore. ■

Contact: Rick Newswinger, Vice President, Auditel Marketing Systems, 32033 Galveston, St. Louis, Missouri 63131; (800) 622-2940 or (314) 567-1980.

Section 3:

Direct Marketing Dynamite

Lesson 10: **What’s Missing in Today’s Direct Mail?**

Something critical is missing in today's direct mail.

It's true. Why else would virtually every mailer be consumed with improving response? And why would the industry standard consider just 2% acceptable, in fact desirable, when that's actually a failure rate of 98%?

More importantly, what real measures can be taken to consistently boost response? Just what are these vital elements that seem to be missing in today's direct mail?

As a direct response marketing consultant, I get the opportunity to see dozens of clients' control packages. With rare exception, these controls could be significantly improved with just a few minor adjustments.

Based on the results my clients have seen, I've developed some very definite opinions about what can be done to improve response. I've also talked with some of the most successful direct response copywriters/consultants in the business. What they told me may shock you, may surprise you – but one thing is for certain: it will definitely get you on the track to stronger response and profits.

Here, then, are nine key elements missing in today's direct mail.

1. Understanding That Your Customer Is The Number One Priority.

Now I know this might sound obvious, but judging from the vast majority of the mail that crosses my desk, most advertisers have forgotten this critical point.

Here's the truth:

Your customer has little, if any, interest in you, your product or your service. All they really care about is what you can do to make their life easier, better, or more enjoyable. That's just human nature.

Think about this for a second. When you go out to buy a new car and you want the blue sedan, if Jones Auto doesn't have it in stock, you aren't going to buy it in orange just to help out Mr. Jones or his sales person. You're going to head over to Smith Motors to see if they have the car you want. And that's all you can expect from your own customers, too.

Concentrate on your customers' wants and needs. Provide solutions to their most vital problems. Give your customers what they need. Then watch your response skyrocket.

2. Not Using A Letter In Your Mailing Package.

For the last two weeks, I've conducted a survey of the mail arriving at my home and office. The results were shocking. A full 43% of all the mailings I received did not have a sales letter. Instead, they consisted of a brochure, a brochure with business card, or a flier stuffed in an envelope.

I recently spoke to Bob Bly, a New Milford, NJ copywriter and consultant who specializes in business-to-business direct marketing. He explained why a sales letter is the key component of your mailing package.

“Why do letters pull so well? Because a letter creates the illusion of personal communication. We are trained to view letters as “real” mail, brochures as “advertising.” Which is more important to you?”

“Recently, a company tested two packages offering, for \$1, a copy of its mail-order catalog. Package “A” consisted of a sales letter and reply form. Package “B” was a double post-card. The result? “A” out-pulled “B” by a 3-to-1 ratio.”

Here's one more tip. If you want to go with a lean package, always try a sales letter by itself. Then test a more complex package later.

3. Using A Truly Personal Letter.

Next to not using a sales letter at all, one of the biggest mistakes you can make is sending out a letter with dry, institutional copy. Remember, one of the primary advantages of a letter is the illusion of personal communication. You lose this advantage when your copy has all the warmth and charm of a financial statement.

Gary Halbert is the master of what he calls, “direct, hard-sell personal communication.” A Miami, Florida consultant and seminar leader, Halbert sends a particularly effective, very personal follow-up letter to every customer who purchases from him.

The theme of these letters is always some additional useful tips about how to use what they purchased and a sincere reminder that he's always there to help. This technique has cut Halbert's returns and refund requests to almost nothing.

4. Suffering From An “A” Prospect Mentality.

Everyone knows what an “A” prospect is – someone who responds to a cold solicitation by sending you cash with an order. But one of the foremost reasons that companies fail to get the results that will make them as profitable as they'd like to be, is that they fail to follow through on their B, C, and D prospects.

Think about the last time you requested a free information booklet. Did that company follow up on you? How many times?

When someone requests your information and doesn't take action right away, it doesn't necessarily mean they aren't interested. It might mean they aren't ready yet or can't afford your product or service right now.

One of the great secrets to making your business more profitable is to implement a regular, systematic follow-up campaign that will move prospects up the ladder until they become buyers.

5. Failing To Do A Complete Sales Job.

Too many sales letters settle for doing only half the sales job.

By this, I mean that they fail to provide answers for the most crucial objections your customers may have. It's as if advertisers are afraid that if they address an objection, it might have a negative implication the reader hadn't previously thought of.

Nothing could be further from the truth. If you're thinking of potential objections, you can bet your customers are too. Here's how Loretta Duffy, a California based copywriter/consultant views it:

“Copy today doesn't seem to provide the reader with enough reasons to purchase, or take away all his excuses for not buying.

Telling a good story, asking and answering the appropriate questions, taking away all the reasons a reader can think of for not buying are crucial to making the reader do what you want.”

Don't bury your objections hoping no one will notice. Answer them compellingly to win more sales.

6. Ingenuity

I'm not a big fan of bells, whistles, and flashing lights. But I am a genuine fan of anything that improves response and orders.

Here's a terrific example:

Jim Cecil owns a high-tech direct response consultancy in Bellevue, Washington. He's been using a unique approach that boosts response by as much as 30 percent. At the top of his sales letter he attaches a “grabber.” One of his most memorable is a garden slug! You see, the garden slug is the unofficial state mascot of Washington.

When he follows up his letter with a telemarketing call, a full 92% of his prospects vividly remember his letter with the unique grabber. What a great way to open the door to genuine rapport and increased sales!

7. An Irresistible Offer.

Mike Pavlish, a direct response copywriter from Maple Heights, Ohio told me that the key element he finds consistently missing in today's direct mail is, “A carefully thought-out dynamite, can't say no offer.”

Mike goes on to say, “The offer is the key to DM success. Make it irresistible and offer no risk to the buyer.”

Customers are, and should be, naturally skeptical. They don't know you and have no good reason to put their faith in you. A powerful offer that eliminates the risk is your best weapon for overcoming this skepticism. Including free samples and no-hassle money-back guarantees in your offer are two excellent ways to shift the risk from your customer's shoulders onto your own – and make sure you increase your sales.

8. Mining The Gold From The Greatest List In The World – Your House List.

Most companies expend significant effort trying to find new customers. They're constantly looking to add more names to their list. But what exactly are they doing with these names? In my experience, the majority of businesses don't do anything with then-lists other than trying to rent them out.

This is a serious mistake. There's far more profit in mailing to your house list than from any other source. You know your customers and can cater to their specific needs. They know you, so you don't have to overcome the hurdle of skepticism. You couldn't ask for a potentially more profitable opportunity.

Joan Harris, president of Joan Harris Direct Response in Westbury, New York puts it this way:

“Most companies don't use their house lists to their greatest advantage by segmenting them intelligently and creatively. They should be applying the information they've compiled so they can speak to their prospects and customers individually and personally, touching on their specific needs and desires.”

9. Testing, Testing, And More Testing.

What's the greatest waste of time, effort, and money in direct response? Not testing. Why? Because a simple change to a headline, offer, or price can improve your results by as much as 400%! This has been proven time and time again in actual mailings.

When you test, make sure you change only one element of your package at a time. If you change both your headline and your offer at the same time, you won't know which element caused the change in response. When you can leverage your marketing investment by as much as 4 to 1, you can't afford not to test every package you mail.

Conclusion

Not all of these nine points may apply to your particular situation, but many of them will. Now is the time for a “gut check.” Go over the list. Ask yourself which points could best be used to your advantage. Then start by putting at least one of these ideas into action.

Your bank balance will be glad you did!

Lesson 11:

The 13 Most Costly Direct Marketing Mistakes (How Many Are Killing Your Profits Right Now?)

Without a doubt, the questions that my clients ask most frequently all center on how to get better results with their direct marketing. I'd say that at least 85% of the calls I take are from people who are disappointed with their results and frustrated with their attempts to correct this costly problem.

You're probably in the same boat. That's why you bought this course. Because your mailings and ads are drawing minimal leads. Or making very few sales. And they're not generating the kind of profits you need to keep your business healthy.

Well, I've got great news for you, because we're going to change that forever right here, and right now!

In this chapter, I'm going to show you which mistakes are killing your profits. And precisely what to do to correct them. By the time you've completed this chapter, you'll have a powerful new set of weapons to make sure all of your direct marketing efforts are cash generators.

Mistake #1 – Marketing To The Wrong Audience.

If you go wrong here, your entire campaign is doomed. It doesn't matter how exceptional a product you have, how convincing your copy is, or what incredible price you're offering. If you try to sell this amazing package to the wrong people, I guarantee you that you'll flop.

On the other hand, if you offer an average product promoted by pedestrian copy and bearing a median price, but offered to precisely the right people, it will always pull in some orders. Not that this is your goal. I'm only mentioning this to show you the difference caused by properly defining your audience.

What can you do to make sure you've selected the right market? You have to start by defining precisely who your product appeals to. Your objective is to find the largest possible market who wants and can afford your product.

At the same time, you want to make sure that your focus is tight enough that you aren't trying to appeal to too broad a range of interests at once. If you do, your marketing can easily become so watered down, it won't really appeal to anyone. If you're fortunate enough to have a product that appeals to multiple markets, you'll need to develop distinct variations of your sales pieces for each specific market.

Here's how this works. A client recently contacted me to help him determine what was “wrong” with his direct response advertising. His product was a small container of tear gas that could be carried in a purse or glove compartment.

The first question I asked was who he was trying to market to. His answer was female college students who were concerned about the rising crime rate on our nation's campuses. His initial campaign pulled a dismal response.

What was wrong here? My client had made a fatal error. He had picked a market that had only a minor interest in his product and very little discretionary income.

Think about it. College students have very little money to spend, and what they do have goes toward clothes and entertainment. And despite the rise in crime, college students are at the age when they generally feel invincible.

They don't believe that they will personally be affected by anything negative. You can't change this. And trying to market against these known facts is suicidal.

A little research would have revealed that my client's actual market was senior citizens. These folks are truly concerned about their personal safety and would be willing to spend \$20 or so to gain some peace of mind. He could then market to senior citizen groups, neighborhood watch program members, and other similar markets.

One more thing. If he did decide to pursue the colleges as a secondary market, a more accurate target audience would be the parents of college students. They are the ones who are truly concerned about the problems on campus.

This campaign would make use of much of the same marketing information used to sell to seniors, but it would require focusing on those problems and benefits that distinctly appeal to this very different group.

Mistake #2 – Assuming You Know What Your Customers Want.

This is one of the most costly errors you can possibly make. And one of the most common errors made by companies of all sizes. Although smaller companies and start-ups are more prone to this type of critical error, the big guys still make this mistake with regularity.

Look at the “New Coke” of a few years back. I doubt that little, if any, test marketing was done. It was more a reaction to the competition than a true desire in the marketplace. And the results were a swift, spectacular flop.

If you're going to be successful in direct marketing, it's absolutely essential that you have a product that your customers need. And it's even better if they need to replenish their supply regularly.

How do you come up with such a product?

There are two key ingredients. The first is to develop only those products that your market demands. This is so simple, you'd think it was obvious. But based on the problems my clients present me with on a daily basis, I can assure you there are very few market-driven products being developed today.

Here's what you must do to make sure your products are of real value to your market. And, as a logical consequence, produce the kind of profits you really want. You must connect with your typical customers and find out from them exactly what kinds of problems plague them or what vital goals they're burning to achieve.

There are many ways to do this. Call up some of the people you do business with on a regular basis. Go visit a few more, and get to know exactly what their needs are. Another excellent technique, and one I'm particularly partial to, is the short questionnaire.

Here's what you need to make sure your customer questionnaire succeeds in gathering the critical information you need. Create 5-8 simple questions. True/false or multiple choice where you provide specific choices are the most effective.

Mail this questionnaire out to a couple hundred of your customers. Offer them a special discount, free booklet, or some other incentive for responding.

Then listen to what your market has to say. Develop new products based on the common themes that are revealed by your customers' answers. Create products that solve their problems or help them achieve important goals.

This is the critical first step to ensure that your products generate sizable sales.

The second key ingredient is to test carefully and prudently. I'll never cease to be amazed by how many companies bypass the testing phase and go straight to full-blown production. This makes no sense at all – and it can be dangerous to your financial health.

Once you've developed your product based on your market's most critical needs, the next step is to invest as little as possible in developing as few pieces as necessary to test market. Forget about the money that might be saved by producing in volume at this stage.

You're testing your product's marketability. No amount of savings on 5,000 units can possibly be justified if you only sell 100 of them.

Savvy direct marketers get rich by starting with small tests and increasing volume in stages. Here's a working rule of thumb: *Never increase your next stage quantity by more than 5 times.*

This means if your starting quantity is 500, your next production run shouldn't exceed 2,500 – unless you have signed orders to support a larger quantity.

Mistake #3 – Focusing Your Copy On You

This is a mistake that's made by companies of all sizes, but larger corporations are frequent offenders. Look, everyone likes to see their name in print. I'm sure that you're rightfully proud of your company and the products you sell. But I urge you to resist the temptation to stroke your ego in your marketing.

Here's why. Customers don't care. They don't care about you, your company, or your product. That may sound cruel, but it's a fact of business life.

Customers care about themselves, their problems, important goals they'd like to achieve, and the things that will make their lives easier or better. That's just human nature.

I'm sure that the last time you bought a book through the mail on reducing your taxes, you didn't think, “Oh boy, here's the perfect opportunity for me to give McGraw-Hill more money and to help Sally Author get on the best seller list!”

Instead, you were thinking something along the lines of, “Alright! Here's something I can use to hang onto a few more of my hard-earned dollars!”

In order to get someone to dip into their wallet and part with their hard-earned currency, you're going to have to prove that what you have to offer is worth so much to them, that parting with the money is insignificant.

And that, my friend, is a tall order. To accomplish this, you must talk directly to their needs, wants, desires, problems, and goals.

This means you've got to drop down and get personal. Use a lot of “you” language. Kill all of the technical babble. Get rid of anything that makes you sound like a pompous, marble-encrusted institution.

What's that? You say you're selling securities, gemstones, or some other high-ticket, upper echelon item and you need to sound sophisticated? Sorry, but you're disillusioned – and you stand to compromise your potential profits. Even the upper-crust are people and respond (quite strongly, I'm happy to report) to being treated personally.

Successful marketers understand this. They consistently use it to build their fortunes.

Mistake #4 – Assuming You Know What Your Customers Value Most.

Here's another presumptuous error that can cost you dearly. Too often, companies think that since they created a product, they are the ultimate authority on that product and its benefits. This gets them into trouble.

While your market may remain the same, its needs are volatile and prone to change during the life of a product.

When a product is new, its very newness may be the most appealing factor. As it becomes more common and other competitors enter the market, price, quality, and additional features take on more importance.

Also, the problems that your market faces today may be solved tomorrow. Then you're faced with having to reposition your product to offer solutions to other problems.

Now, where you may ask, do you get all of this crucial marketing data? You go to the source: your customers. You must constantly poll your customers to find out what their most critical needs, aspirations, problems, and objectives are. Once you've found out, you seize the opportunity and adjust the benefits in your copy accordingly.

Mistake #5 – You Think Your Ad Or Your Product Are Important.

Well maybe it is, but not to your customers. It's important to you, your family, your friends, and your employees. But that's as far as it goes.

Customers don't care. They don't wait eagerly to get your sales pitch in the mail. Chances are they'll pass right by your ad in a newspaper or magazine. They might have a mild interest in your product, but you'd better be able to seize their attention, to reach out and grab them by the throat in order to make your case.

You accomplish this by featuring a benefit in your headline that is so potent, it can't be passed over. This benefit headline should be as subtle as a jackhammer.

Look, you have only a few seconds to stop someone and pull them into the detail of your ad or sales letter. If you can't grab them here and now, you've lost them forever. The page gets turned or your letter hits the trash.

To avoid this, you've got to roll out your biggest, loudest gun right away. Feature it as prominently as you can. Make it so irresistible that only an idiot would pass it by.

This is a radically different approach than most ads take. They focus on a clever, catchy headline or eye-popping visuals. To the detriment of the people who use them, these techniques don't work. They're pure window dressing.

If you want to win more leads and sales, forget about your ad and its fancy layout. Forget about being clever or creative. Concentrate instead on hitting your customers right between the eyes with the most potent benefit you have to offer.

Mistake #6 – Blindly Accepting Your Mail Will Reach Its Destination.

There's bad news on the mail front. Studies by both the Direct Marketing Association and the United States Postal Service reveal that huge quantities of mail are being dumped in trash bins instead of being delivered. Estimates run as high as 30 percent of all third class mail in some regions of the country.

But that isn't the only place you can take a direct hit to the pocketbook. There are some lazy and unscrupulous employees working in mailing houses. Even in the best of them, and that could easily include the mailing house you're using right now. These people are dumping your precious mailings and getting false receipts from the post office. That's right, from the same dolts who are already dumping your mail.

Alright, so we both agree that the picture is bleak. But you don't have to be a victim of these sleazy, fraudulent practices. Here's what you do to protect your investment.

First off, you stop mailing third class. The studies that were conducted revealed that the object of the vast majority of this fraud is third class mail. Nearly all first class mail was delivered. Of the first class mail that didn't get delivered, much of that was due to incorrect addressing by its mailers.

You can't afford to risk having your mail dumped in the trash in exchange for the savings that third class offers. It isn't a justifiable risk. Instead, do everything you can to cut creative and production costs. But don't mail third class.

As for the mailing houses, the answer is simple. Don't let them deliver your mail to the post office. Deliver it yourself. And examine every tray or bag for accurate counts before you leave the mailing house. This is the only way you can be sure that you get a full count and your mail gets to the post office.

One more thing. If you're mailing 5,000 or more pieces, it's a good idea to drop your mail at 2 or 3 different post offices. This helps reduce the odds of your mail getting dumped, even for first class.

Remember, if your mail doesn't reach its destination, you can't sell your products!

Mistake #7 – Blindly Accepting That People Will Open Your Mail.

If you think this way, once again you're a victim of your own ego. Don't get me wrong, I'm not saying that you're a raging egomaniac with no interests other than yourself. But I am saying that your pride is distorting your view of reality. You falsely believe that your customers are wildly enthusiastic about hearing from you.

To prove my point, I'm going to use a very important person as my example. You. Think about how you open your mail. You sort it into piles. Personal letters in this pile, bills in

that pile, some junk mail to review in another pile, and the rest of the junk mail straight to the trash! That's reality, folks.

So what words of wisdom can I offer you to make sure that your mail gets opened even though it may not seem to be of much interest to your customer? Precisely this:

Make sure that your mail gets put in a pile that isn't pre-destined to the trash.

Here's how you achieve this most desirable of goals. Remember, you just proved that the mail you value the most is (1) personal mail; and (2) bills. Then, if it piques your interest, you may look at some of your junk mail.

Your path, then, is clear. To make sure your mail gets opened, make it look as much like personal mail or a bill as possible.

To make it look like personal mail, follow these steps:

1. Avoid mailing labels.
2. Always use a first class stamp - avoid postage meters.
3. No teaser copy.
4. Use your first initial, last name, and address for the return address, not a company name or logo.

To make your letter look like a bill:

1. Use a window envelope.
2. Use a stamp or postage meter.
3. Use just a return address without company name or logo.
4. Make it look as official as possible.

The third – and riskiest – way of striving to get your mail opened is to offer a power-packed benefit on the envelope. “New Fall Catalog Inside” doesn't cut it.

You must be able to offer an extremely powerful benefit. A benefit that nobody in their right mind would pass up. Something like, “Here's 3 Simple Ways to Save \$246 On Your Heating Bills This Winter.” If you can't offer a powerful, hit-them-between-the-eyes benefit, don't even think about using teaser copy.

Mistake #8 – Assuming You Have Your Prospect's Undivided Attention.

The truth is you have very little, if any, of your prospect's attention. You must remember that people are bombarded by hundreds, even thousands of ads daily. Ads in their mail, on radio, on TV, on billboards, in movie theatres, in magazines, in newspapers, being hauled across the sky, on benches, on the back of buses and taxicabs, on shopping carts, even in restroom stalls!

All of this is your competition.

Don't kid yourself. You aren't just competing against other companies within your market. You're competing against everything that vies for your prospect's attention – including non-advertising interests like work, family, and hobbies.

You must be clear about this going in. Only then can you hone your sights and get serious about the job you really have to do. The job of creating hard-hitting marketing that will succeed in winning your prospect's precious time.

To do this, you have to create the kind of marketing pieces I've already emphasized. Hard-driving, persuasive pieces packed with so many benefits, your customer can't help but be interested. Precisely how to write masterful sales copy is beyond the scope of this chapter.

Mistake #9 – Being Deceitful Or “Standing Too Close To The Shade.”

I sincerely hope this mistake doesn't include you in its ranks. Unfortunately, some marketers get swept away by their own greed and wind up stretching the truth beyond its natural range of flexibility.

Lying and being deceitful is not only immoral, it's bad business. You can't build a long lasting, profitable business by cheating people. Successful business depends on repeat customers. If you start cheating people, they won't continue to do business with you. And if there's any justice, you'll go to prison.

Now let's talk about “standing too close to the shade.”

Many years ago, I took a real estate investment class. At a certain point in the class, the instructor winked and announced that he was now going to teach some very “creative” ways of getting people to sign their property over to you. He went on to declare that these methods weren't necessarily shady, but from where you stood you could definitely see the shade.

I can't give you any hard and fast rule on this kind of approach to advertising. All I can do is make a heartfelt recommendation. If you feel like what you're selling or how you're selling it is getting too close to the shade, I urge you to reconsider.

I just don't believe that it's right. I can also assure you that if you get caught, it can ruin your business. There's far more consistent money to be made by solving your customers' problems, helping them achieve vital goals, and delivering more than you promised.

And, as an added benefit, you'll sleep well at night!

Mistake #10 – Failing To Track Your Results.

If you really want to cash in on direct response, this is one mistake you should correct as soon as possible. One of the greatest advantages of direct marketing is that it's completely measurable.

By keying your ads and sales letters (with a unique department number, suite number, person's name, or other identifier), you track precisely what kind of response you get from every ad, list, or advertising medium you use.

Being able to track your results gives you a strategic benefit: CONTROL.

Your results tell you what's working and what isn't. And exactly how well things are working. This lets you know which marketing efforts to stick with and which to modify or abandon. It also tells you which product lines are effective, what geographical areas to hit harder, and which media and lists outperform others.

With all of the advantages to be gained from proper tracking, you'd think that everyone would do it routinely. Not so. Just watch your mail for the next week. When you see how many of the letters you get aren't keyed, and therefore not traceable, you'll be shocked.

Here's my own personal rule on this critical issue: *Every marketing piece you create should be keyed for tracking.*

Everything. All ads, all sales letters, all news releases. You name it, it should be keyed. If not, you're unnecessarily limiting your income.

Mistake #11 – Not Having A Profitably Planned Follow-up Campaign.

This is a crucial point to consider. Why? Because when run properly, an effective follow-up campaign can double or triple your profits.

The fact is that it's much easier and less costly to sell to someone who's already bought from you than it is to bring in new business. This means that the greatest rewards can be gained from working your house list.

But think about it. When was the last time you bought something and then received a follow-up offering from that same company? I'd wager that you can't even recall the last time.

The companies that are consistently making big profits in direct response have well-oiled follow-up programs in place. Get your name on the mailing lists of American Express and the American Management Association. These companies run follow-up programs as well as any I've ever seen.

Here are a couple of hints on how to get the most out of your follow-up program. Always include a follow-up offer with every order you send out. Offer a discount on 3 or 4 recommended items. Strike while the iron is hot. It's the best and easiest time to make another sale.

Send follow-up mailings at least every quarter. Every other month is even better. Keep your products in the forefront of your customers' awareness. The more you sell to someone, the more trust they build in you. And the more inclined they'll be to buy again. It's a wonderfully perpetuating cycle.

Mistake #12 – You're Trying To Sell Unrelated Products.

This is closely related to the previous point. You can't follow-up effectively with unrelated products.

Direct response is very different than general retail marketing. Unless you are Sears, it's virtually impossible to offer a wide selection of products that aren't related. Smart marketers realize that the big money is made by offering closely related products.

For example, a catalog that specializes in computer books is more likely to be successful than a catalog that offers computer books, cookbooks, general fiction, and diet books. By specializing, you eventually become known as an expert, reliable source in your market area.

People place their trust in you because they know you'll deliver what they need. And trust generates sales.

Also, if you focus on and carry a wide variety of computer books, you know precisely who your audience is and what to feature in your follow-ups. So you can concentrate your efforts on marketing to a single, large audience rather than spreading yourself thin over a variety of markets.

To cash in on direct response, pick an area to specialize in and offer the best group of related products that you can.

Mistake #13 – Changing Your Marketing Out Of Boredom.

Eventually, you're going to get tired of any marketing piece you use. Either you'll get bored with it, your family or friends will, or your employees will get sick of seeing the same old thing. And you'll want to change it – to give it a fresh new look or perspective.

I have one word of advice for you. *Don't!*

Don't change any of your marketing because you're sick of seeing it. Don't change any marketing piece to give it a fresh new look or a little more pizzazz.

The only time you should ever change a marketing piece is when it starts to lose its effectiveness. Then you should carefully test alternatives and see if they up your response. If you can increase your response and profits, then by all means, change your marketing.

But if the market continues to respond to your promotions, you'd be a fool to change, I don't care how sick you, your friends, your family, or your employees are of seeing the same old marketing. Don't change it!

The only person who should ever dictate a change in your marketing is your bookkeeper. When your bookkeeper tells you that sales are starting to drop off, then you have a valid reason to change your marketing.

Now That You Know What to Do, It's Time to Plot Your Course!

You're now ready to start getting the most out of your direct marketing. You've seen which mistakes can have the most disastrous effects on your marketing. And you now know precisely what to do to keep these mistakes from killing your hard-earned profits.

But just knowing what to do isn't enough. You have to take action to remedy the errors that are hurting you. If you don't, you'll continue to put your business at risk.

Fortunately, none of these mistakes are particularly difficult to correct. All it takes is a little diligence to make sure you carry out these solutions. And there's good reason to. Once you rid yourself of these debilitating mistakes, your sales and profits can grow exponentially!

Lesson 12:

Direct Mail Envelopes – What Works and What Doesn’t!

The type of envelope you use can either boost or kill response to your direct mail. We're going to look at a number of options for your envelope, examine the prevailing industry views, and I'll make my personal recommendations. The inside tips you're about to receive might surprise you – and they will boost your response!

Direct mail consultants and industry experts fall into three main camps when judging what kind of envelope pulls the best response. The first camp says that envelopes with teaser copy are your best bet. The second says a plain envelope made to look as much as possible like a personal letter is most effective.

The third camp believes that a window envelope made to resemble a bill or other official document stands the best chance of getting opened. The one fact that all three camps agree on is that the least effective envelope you can use is your standard company stationary.

Okay, response fans, here's what really works! The fact is, what works best depends more on your target audience than on any single envelope design. I'll explain more about this after we look at the kind of envelopes you can use.

Teasers – Value vs. Risk

In my opinion, an envelope with teaser copy is the most risky. In order to pull a strong response, the teaser has to present a truly powerful reward. I get mail all of the time that makes some bland statement like, “Inside – McNeil's Fall Catalog.”

Even if I'm a customer of McNeil's, it doesn't do much to get my blood pumping. And if I'm not a customer, my reaction is probably, “So what?” And plop, into the trash it goes – unopened.

Teasers That Pull Their Weight

What works? A teaser like, “Great News For Frozen Yogurt Shops – How to Double Your Profits in the Next Three Months!” Or, “Here's How to Save Up to \$425 Annually on Your Heating Bill... And 3 Chances to win \$5,000 NOW!”

The key elements in these teasers are:

1. They target precisely defined groups.
2. They offer a powerful reward.

If you don't have both of these elements going for you, don't risk using teaser copy on your envelope.

And if you're thinking about using a teaser, there's one more thing you need to be aware of. The downside to using a teaser is that it announces that your envelope contains advertising. And a lot of people make it a habit to never open advertising mail!

The Real Response Booster!

Probably the safest format, and one that consistently pulls strong response, is an envelope made to look like a personal letter. This is done by:

1. Printing or hand writing the address rather than using a label.
2. Carrying a return address made up of your first initial, last name, and address.
3. Avoiding any mention of your company name or logo.
4. Using a first class stamp.

I'm going to let you in on a secret. This simple format is so effective, it absolutely baffles me that it's so seldom used – especially by heavy volume mailers. The problem is that envelope printers and graphic artists have sold us a bill of goods about our envelopes needing more “sizzle.” Well, it ain't necessarily so.

Look, nearly everyone loves to get personal mail, finds it necessary to open their bills, and has the least interest in looking at more advertising. Most people will open all of their personal mail as soon as they receive it. They might open their bills, or set them aside to be dealt with later.

But of the mail that's obviously advertising, only some will get opened and the rest will take the direct route to the trash. So to get your envelope opened, and increase response, try making it look like a personal letter.

Another Strong Contender

A window envelope that looks like a bill or other official document can also increase your chances of getting it opened. People always open their bills. Nobody wants to risk ruining their credit rating by tossing bills out.

Now, envelopes that look like personal letters and those that look like bills will both get your letter opened. But I prefer those that look like personal mail. Here's why. People usually have warm, positive associations with their personal mail.

But with bills and official documents, the main motivation to open them is fear. The fear of having something negative happen if you don't. And I don't like to see this kind of fear associated with your offer.

My Contrary Advice

A little earlier I mentioned that all of the direct marketing consultants, books, and trade journals seem to agree that using your standard company envelopes should always be avoided. Sorry, but I disagree. Again, it depends on the situation.

Using your company logo actually works to your benefit when mailing to your house list. These folks have come to know and rely on your products or services. Many of them truly look forward to hearing from you.

There are a number of companies that I do business with regularly. Using their products or services saves me time and money. So I make sure I always open their mailings. I'll bet that many of your regular customers feel the same about doing business with you. And you too can profit from using your standard business envelopes when mailing to these devoted customers.

Avoid This Crucial Mistake

Here's one more tip. Never use a gimmick that deceives or tricks your audience into opening your envelope. Besides the fact that I personally hate them, phony checks, devious teasers like “OFFICIAL DOCUMENTS ENCLOSED,” and fake telegrams nearly always backfire.

The basic message that they convey is that you're either shady or up to no good. If that's your first impression, do you think many people are really going to want to do business with you? I don't – and I hope you agree.

What Works Best – Revisited

The essence of what I'm telling you is that a number of different envelope formats can potentially boost your response. But the key ingredient is always your target audience.

When mailing to new prospects, teasers, personal letters, and business document formats can help you pull a stronger response. But for dedicated customers, your company logo can be a powerful motivator.

The best way to put this information to work is to test at least two variations. While good judgement can be a favorable asset, testing will always give you the definitive answer as to which format works best for you.

Lesson 13:

The Ultimate Direct Mail Secret – How to Pull 8%-22% Response On Every Mailing You Send!

There are two things that are certain about direct mail. The first is that every mailer would give their eyetooth to consistently pull better response. The second is that every mailer, which includes you, me, small-time mailers and industry giants alike, has experienced weak to disastrous response. Certainly more than once, and probably more often than they'd like to admit.

Time after time, new clients call to ask me how they can increase their response and get better results. They're obviously disappointed with the response they got and frustrated with then-attempts to correct this costly problem. And by the way, some of the people I talk to who have this problem are the biggest, most successful names in direct mail.

I know you're in the same boat. That's why you bought this course. Because your mailings are getting mediocre to dismal results. They're drawing minimal leads. Or making very few sales. And bottom line, they're not generating the kind of profits you need to keep your business healthy.

Like many other things in this course, we're about to change all that. Right here and right now!

From here on out, every mailing you make is going to be a rock-solid, financial winner. In this chapter I'm going to show you precisely what to do to lock in response rates from 8% to 22% every time you do a mailing. Response rates that generate the kind of profits you're really after.

I'm going to reveal an amazingly simple, completely logical secret that can be worked four different ways to pull in more leads and orders than you ever dreamed possible. By the time you've completed this chapter, you'll have a powerful new arsenal to make sure all your mailings generate tremendous response and loads of cash.

You will learn the secrets to successful, profitable mailings.

The Ultimate Direct Mail Secret

By now I'm sure you're burning to find out just what these secrets are that can completely turn around your mailings. And be assured, I am going to reveal them in just a moment. But first, I want you to understand, in no uncertain terms, how I operate.

What I want you to know is that all of these secrets are completely ethical, as well as being amazingly successful. They are based entirely on common sense (which seems to be in rare supply in business these days) and are simple to implement. In fact, at first

glance they appear to be so simple, their full power may escape you. However, one mailing, using any one of these secrets, is all it will take to make you a dedicated believer.

Next, it's important to understand that the success of any mailing presumes that you have a solid, ethical product offered at a reasonable price. In order to be successful, you have to deliver goods and services that make people feel like they're getting their money's worth. If not, I'm afraid there aren't any secrets that will make you a success in business.

Okay, enough of my lecturing, let's get to the heart of the matter.

Secret #1 – Only Mail to Active Customer Lists

This is the foundation of all the secrets. All of the other secrets are actually offshoots of this powerful main concept. Now what exactly do I mean by “active customer lists”? Simple, I mean only house lists of either your company or other companies.

Here's why. The secret to making really big money in direct mail is all in the back end. That is, the real profits come from the offers you make to your customers after the first sale.

This is just a matter of common sense. Winning new customers will always be the most costly part of your marketing operation. With a typical response of 2%, the other 98% of your time, effort and money are wasted.

But when you mail an exciting offer to your active customer list, your sales will soar as high as 10, 20, even 30 percent. There are a couple of good reasons for this.

First, you no longer have to overcome a customer's natural skepticism. You've already accomplished that with the first sale. Second, you should have a fairly strong sense of the types of products and services that appeal to your customer base, so the likelihood of offering them something that they'll buy increases significantly.

Let's talk about the numbers that come into play when you fully work your back end. For our example, we'll say that you mail to an outside list of 5,000 prospects. From that you get a 3% response, which means you've made 150 sales. And we'll say your average unit of sale was \$40.

Here's how the numbers stack up:

- \$2,500 Creative costs – copy/layout
- \$3,250 Marketing costs (65 cents per piece, which includes production, postage, lists, and lettershop fees)
- \$ 450 Production costs for the materials to fulfill 150 orders (\$3 x 150)

- \$6,200 Total costs
- \$6,000 Proceeds from sales (150 orders x \$40)
- \$200 Net Loss (\$6,200 - \$6,000)

Whoa! Those are some pretty frightening figures. It's enough to scare anyone away from even trying direct mail!

But wait just a minute. What about the back end? Let's say you immediately follow up with a second offer just to those people who bought from you. If you delivered the value you promised and now have satisfied customers, you can reasonably expect a response of 20%.

So now you have 30 more sales at \$40 dollars each for another \$1,200. Your costs were next to nothing, since your creative and list fees were picked up by your first mailing. Of the \$1,200, you'll net around \$1,050 which changes your total net in the 5,000 name mailing from -\$200 to +\$950. Not a windfall, but a solid profit at the very least.

How To Turn This Secret Into Cash In Your Bank Account

Now that we've got that matter behind us, here's where it really gets exciting. Now I'm going to tell you how you leverage this knowledge into truly huge profits.

As you've already seen, the really big money is in back end or follow-up offers. But it doesn't end with just a single follow-up offer. The truth is you can follow-up your house list as often as once every month and still get phenomenal results – 10, 20, or 30 percent!

The most savvy direct mailers do it all the time. If you're an American Express member, or if you've ever ordered from Walter Drake, Land's End, or Lillian Vernon, you know exactly what I mean. These companies lead the pack when it comes to back end offers.

And they've amassed fortunes by doing it.

You see, savvy mailers realize that the real money is in the lifetime value of a customer. The lifetime value of a customer is the average length of time a customer will stay with you and how much they'll spend over that period.

Direct mail fortunes are made by recognizing and taking full advantage of the lifetime value of your customers. Look, if you know that each customer, on average, will bring you \$630 profit over their lifetime, you realize you can spend a lot more to win that customer up front and still profit handsomely.

Smart mailers do it all the time. That's precisely how book clubs, record clubs, and dessert clubs operate. Record clubs give you eight recordings for a penny, because they

know your future purchases will pay off in spades. They are strictly lifetime value, back end oriented operations.

How To Kick This Secret Into High Gear

But let's take this one step further. While I've just showed you the justification for taking a small profit or even a loss up front, it's not the main thrust of this chapter. I really used these examples simply to illustrate the power of back end deals.

You see, what I'm really advocating is that you never have to take any up front loss to get a hugely successful direct mail business off the ground. Or to make an already profitable business 3 to 4 times more profitable.

All you have to do is vigilantly work your customer list.

But what do you do if you don't have a customer list? Or if your customer list is smaller than you'd like and you want to add hundreds, even thousands more proven buyers to your list?

It's easy. You simply use someone else's active customer list. That is, you take advantage of all the time and money other companies have spent in developing trusting relationships with their customers to grow your own list.

Now, I'm not talking about renting names from some other company's list and mailing to those names. We've already seen that there isn't much, if any, front-end profit in doing that.

The Most Lucrative Way To Use An Outside List

Here's what I'm really talking about. In order to get the highest possible response from a list, it must be a house list – and, this is the other key ingredient – the mailing must be done under the heading of the company who owns the house list.

Please re-read the previous paragraph. Re-read it twice. It's the cornerstone for building a direct mail fortune.

In other words, you need to get other companies to offer your products or services to their own customers in an offer that comes directly from those other companies – not from you. Do you begin to see the power in this?

What you're going to do is take advantage of all the time and money another company has already spent to make an offer that will pull phenomenal response. And give you plenty of hot new customer names you can add to your list and follow-up on to your heart's content.

It's really very easy to do, and it actually costs you less than a mailing where you rent a prospect list. I'll show you exactly how you accomplish this in another section of this chapter.

For now, what I want you to remember is that the key to pulling tremendous response with all your mailings is to always mail to an active customer list. And it doesn't matter whether it's your own house list or someone else's house list!

There's one more point I want to touch on before we move on. I want to answer a question that might be gnawing at you about what I've just shown you. That question is: “If this is such a great idea and a number of companies have built direct mail fortunes by using this concept, why don't all mailers do it - and do it all of the time?”

Well, I'm glad you asked. The answer is, I don't know – in fact it baffles me as to why everyone doesn't do it all the time. Look, this isn't a concept that mysteriously works just for certain products or services. It's a powerful money generator that can be used to sell anything that's saleable.

Yet few, if any, mailers ever use it to their own financial advantage.

It beats me as to why, but I have a couple of ideas. First of all, all businesses seem to have one thing in common. They tend to get into a rut as to how they conduct their marketing. Even when a seemingly great idea is offered, very few companies will get off the dime and try something new or different.

It's as if they have tunnel vision and can only see certain narrow, predictable ways of marketing. Now I've got to tell you, this includes a lot of giant, highly successful mailers. For the most part, there probably isn't more than 5% difference between the methods used by most of the successful direct mail companies.

That's particularly astounding when you consider that the direct mail industry loves to spout off about how much more effective direct mail is than general advertising. While that is true, the same people who rant on about general advertising being stuck in a non-productive rut, are on the front lines of maintaining their own less-than-optimal ruts. I guess that's just human nature.

Okay, what's the moral of my story? The moral is, you don't have to get stuck in a rut. You can keep your mind open and cash in on anything that comes along that offers you a distinct advantage.

Listen, I didn't invent back ending. It's been around for many more years than I have. All I've done is take a new approach to back ending. I've broken it out of its own rut.

I did this by simply wondering about how to get the immediate advantage of back ending without the years of up-front work it takes to develop a customer base.

You can avoid the rut too and be as profitable as you'd like. All you need to do is take the simple, yet powerful instructions contained in this chapter and put them into action. Then sit back and reap the benefits.

Secret #2 – Use Your House List To Grow Your Business By 20%-50%.

First, a brief review. We've already seen that back end offers sent to a house list of customers who know and trust you can regularly pull response rates of 10%-30%. Once you've established a track record of fulfilling customers' needs, it's only natural that they'll want to do more business with you.

In fact, the profits in working your customer list are so significant, you should actually structure your business to exploit this. Here's how I advise you to structure your resources for maximum profit.

- 60% of all your marketing should be devoted to tapping the full potential of your customer list.
- 25% should be devoted to converting your inactive customers back to active.
- 15% should be focused on finding new prospects and trying to convert them to new customers.

In addition, do anything and everything it takes to keep your customers as long as you possibly can. They represent the least expensive and most profitable channel of business you'll ever come across.

Converting Inactive Customers To Active Repeat Buyers

Converting inactive customers to regular, repeat buyers deserves a good deal of your attention. It's highly likely that you lost the majority of them because of disinterest. Either you didn't offer enough products to satisfy their needs or you never made specific offers after your first sale.

Whatever the case, reactivating old customers is far easier, less expensive, and more profitable than getting new customers. All you need to do is send them a “We've missed you” letter. But don't make the mistake most companies make when they try to reactivate old accounts.

Most companies send out a letter that starts off with “We've missed you,” but immediately shifts to talking about all the fine things the company has accomplished lately. That's a critical mistake that will kill sales every time.

People don't care much about you, your company, or your new building. That's not a criticism – it's just a fact of human nature. What people want to know is “what's in it for

me?” And by showing them precisely what's in it for them, you'll convert more inactive customers to active than you ever thought possible.

Here's how to go about doing it. The key to writing a letter that will win back old customers (or calling them on the phone if you prefer), is to remember the lifetime value of your customers.

If you know that each customer represents a profit of \$100 each year for you, you can easily offer them something at cost or even a loss and still have a healthy profit.

You should offer them a product that they truly value at a ridiculously low cost and tell them it's a goodwill gesture on your part to get them back as a valued customer. Keep in mind that your true objective is to do whatever it takes to bring these folks back into the fold.

By doing this, you're guaranteeing your financial future. Because each customer you reactivate will do more and more business with you as you kick your back end offers into gear.

Getting New Customers

You should really only focus about 15% of your energy and resources on finding new prospects and converting them into new customers.

Don't get me wrong, I'm not trying to imply that building your customer base isn't important. It most surely is. But the most profitable companies know and benefit from the fact that the big money is in repeat business to a dedicated customer base.

Anyway, once I show you how to get 8%-22% response from your mailings to new prospects, you won't have to worry about getting new customers. You'll have more than you can handle!

How To Work Your Customer List For Maximum Profits

There's really no great mystery to using your customer list to reach your full profit potential. All you have to do is mail regularly and frequently and feature a solid offer.

At the very least you should be mailing out an offer every two months. The really successful companies mail out once every month. I know what you're thinking. You're wondering if your customers won't get sick of seeing your offers so frequently. The answer is, “No.”

American Express has a powerful back end campaign of 1-2 mailings every month to their customer base. So does Nightengale-Conant. You can be certain that mailing this frequently is very profitable. If it wasn't, companies couldn't afford to continue this practice year after year.

A Great Offer – The Key To Back End Sales

A great offer can make or break your back end campaigns. There are a number of ways to structure an offer so it has strong appeal to your customers. Here are some ways to induce your customers to do more business with you.

1. Make a time-limited offer.

Putting a time limit on an offer increases the urgency to buy. I prefer time limits of 14 days although 30 days can also be used successfully. The longer the time limit, the less urgent the appeal.

Always tell your customers why the time limit is in effect. Seasonal availability, manufacturer's special, being able to hire additional staff to fill the increased orders just for a limited time, and only being able to guarantee such a low price for a short time are solid, common-sense reasons.

2. Make a limited availability offer.

Let's say you sell clothes and you come across a small supply of handmade cashmere sweaters. Since they're in limited supply anyway, why offer them to all of your prospects and customers?

Instead, offer them only to your most valued customers. Tell them that through a stroke of good fortune you've been able to secure a very limited supply of these fine sweaters.

Also tell them that because you value them as a preferred customer, they are one of a select handful of people who will receive this offer. Then make it undeniably clear that the supply is limited. Once they're gone, there won't be any more.

And here's a hot tip. If you want to sell out even faster, tell your customers that because of the limited supply, you're only allowing a maximum of six sweaters per order. Then watch your multiple orders shoot through the roof!

3. Offer your regular customers preferential treatment.

In this example, let's say that your product is books. When you make an offer, you might provide the hardbound version at a special discount to preferred customers. Or offer to monogram their purchase for free or at a discounted price.

There are endless ways to offer preferential treatment for every kind of product and service imaginable. Find those that work best with your products and customers. Then use them to boost your profits.

4. Pamper your regular customers.

Offer them special prices, special discounts, limited supply goods, free shipping, free gift cards, holiday specials, uncompromising service, friendly advice, and anything else that makes them feel special. That's the key to building and keeping a loyal base of repeat customers.

Everybody loves to feel special. Including you and me. I've gone to the same service station for years because of the special treatment they gave me many years ago. I was having my battery charged and the mechanic put a rubber holding ring on my muffler for free.

I was going to do the job myself. It only takes two minutes and the rubber ring costs about a buck. The ring keeps your muffler from rattling. Because of this one kind gesture, I've given this service station all of my business for over 6 years. And I've recommended them to many of my friends and neighbors.

Treating people special has multiple positive effects. Your customer feels great, you feel great, and it's great for business. With all of that going for it, this powerful tool deserves a prominent place in your marketing plan.

5. Take the time to thank your customers for doing business with you.

This isn't really a technique as much as it's just good manners and common sense. After all, your customers aren't just a source to be pumped again and again for more profits. They're the people who make your good fortune possible. They deserve some thanks every once in a while.

And some *sincere* thanks at that.

There's nothing I hate more than receiving a birthday card from some insurance agent preprinted with “Dear Client,” and signed in typeset print with the agency name. It's cold, uninviting, and a complete turn-off. If you're going to send a thank-you note or greeting card, take a few minutes to sign it yourself.

Another way of thanking your customers, and the method that I prefer and highly recommend, is to periodically give your regular customers something for free. The method I like best is to give your customers valuable printed information. I prefer printed information for a number of reasons.

1. It demonstrates your expertise.
2. It's inexpensive to produce.
3. It gives your customers something to keep, refer to, and constantly remember you by.

Here are a few examples of how to do this. A pharmacist can create a flier of the 20 most common prescription drugs and their generic equivalents that can save you money. A clothing store can send out quarterly updates describing the fashionable styles and colors for the upcoming season. Accountants can send tips for organizing your records to make information gathering easier at tax time.

Here again, the variations are endless. All it takes is a few minutes to come up with a number of ideas that will be winners for your business.

Secret #3 – Increase Your List Use Profits By 400%.

In this section, I'm going to show you TWO more powerful methods for making tremendous amounts of money. Both of them feature additional ways to mine the gold that's buried in your customer list.

The first technique is a variation of a back end offer. The difference here is that you use someone else's product in an offer to your customers. I call this technique the **Guest Endorsed Offer**.

The beauty of a Guest Endorsed Offer is that as the host for someone else's offer, you have no inventory, no production costs, and no overhead whatsoever with the exception of the cost of your mailing. Plus you can test mail small quantities to make sure the offer is a success before rolling out to all your customers.

I hope you're beginning to see the exciting opportunities here. To put this technique into action, all you do is work out an arrangement with another company to “host” their products to your customers.

How To Structure A Guest Endorsed Offer

Here's how you set up and structure the deal. You approach the “guest” company you'd like to joint venture with and tell them that you want to offer their products to your house list. Explain that they get the benefit of all the time and money you've spent to cultivate a loyal customer base.

Tell them also that they don't have to do anything except fill orders. All advertising expenses are paid by you. And you'll give them a nice fat check every month just for filling orders.

In exchange for allowing you to sell their products, you'll give them 25%-50% of the net profits. It's a great deal for the “guest” partner. After all, they incur no overhead, don't waste any of their sales or support staff time, don't have to deal with customer complaints and get to collect profits they'd never see without you. Not bad at all!

Now, let's look at the benefits you get. Remember, your only expense is the cost of the mailing. Your “guest” will be filling all the orders. By playing on the goodwill you've

already established, it's actually quite easy to sell a wide variety of products and services to your regular customers.

Here are a few examples. If you sell shoes, you can offer socks and shoe trees. If you sell food products like desserts, you can offer gourmet teas and coffee. If you sell office supplies, you can offer nearly anything an office would use, from fire extinguishers to first-aid kits, to printing, to copiers and equipment, to service contracts, and on and on.

Are you beginning to see the possibilities? You can actually expand into other product lines without any of the associated costs. By doing this on a regular basis, it's quite possible to grow your profits by as much as 50%.

How To Stop Renting Out Your List And Still Get Wealthy From List Use Deals

The second technique is a variation of the endorsed offer but it's worked with a slight twist. You're still going to be offering other companies' products to your house list, but with a variation.

In order to work this angle, you'll need a minimum of 2,500 names on your list. Usually when a list reaches that size you can rent it out. The problem with renting out lists is that you only get about ten cents per name before the broker's commission and your list is ripe for theft.

Here's how to avoid these problems and increase your list use income exponentially. You let the list brokers know that your list is available for joint venture deals and that you'll pay the same commission as they'd get on a rental. Then you stop renting out your list. You do only joint venture deals and you limit them to companies that you think are appropriate for your business.

Things work a bit differently when you approach the deal from this angle. First of all, you don't pay for anything, the “guest” mailer incurs all expenses. However, this also means that your cut is only 25%. But, look, that's potentially a lot of money for just loaning your letterhead and list to another company.

I advise you to control your list by having all orders mailed to you. That way, you can make sure that your “guest” gets only those names and addresses they actually order. You could even lock them out of ordering names by having the mailing and fulfillment done by a bonded third-party mail house, but not many companies will want to cut a deal where they don't get access to the names of the people who order.

Again, look at the tremendous advantages available to you by using this technique. You don't do anything besides loaning your letterhead and list to other mailers. In return, not only do you get creative control over what's offered to your list, you also get nice, fat monthly checks for your 25% of net profits.

People have amassed huge fortunes just by vigilantly using this single technique. The late Joe Karbo made a lot of money selling a book called, “The Lazy Man's Way to Riches.” But he parlayed the list from the sales of that book into a second fortune by doing nothing but this type of Guest Endorsed Offer.

He adamantly refused to ever rent out his list. Instead, he set up dozens of joint ventures with companies that had products that strongly appealed to opportunity seekers. And it made him wealthy.

Using Guest Endorsed Offers can make you wealthy, too!

Secret #4 – Become Wealthy Paying To Use Other People's Lists.

In the last section I told you to stop renting out your mailing list and showed you how to cash in by doing this. Now I'm going to turn the tables on you and take it one step further.

I implore you to stop renting other people's lists. In fact, I recommend instead that you pay through the nose for the right to use other peoples' lists for endorsed offers.

Why would I possibly tell you to pay the highest rates imaginable to use a list you could pick up for a song? Am I crazy? Am I trying to drive you to the brink of financial disaster?

Hardly. You see. I'm telling you to do this because I'm a hard-nosed businessman who knows that this is one of the finest ways to make some serious money.

What we're talking about here is what I call a **Host Endorsed Offer**. This is similar to a Guest Endorsed Offer, but now you're the guest and someone else acts as the host. Your product is being offered on their letterhead to their customer list.

Why Host Endorsed Offers Work So Well

First, let me tell you that I strongly advise you to pay through the nose for the opportunity of having another company do an endorsed offer of your product to their list. It's easily worth paying 25% of net profits to cut a deal like this.

Remember, mailing to a house list produces tremendous response. And if you're dealing with another company that seldom or never mails back end offers to their customers, you're really sitting pretty. A back end offer to an underworked list can produce phenomenal results.

Here again, you're capitalizing on all the years and all the money spent by another company to develop a loyal, active customer list. They incurred all the expense, all the grief, all the headaches. And you get to harness all of their assets for a small fee. What an incredible deal!

Think of how long it would take you to add another 5,000 repeat customers to your business. Think of the expense. Think of the effort.

When you realize what you're getting, 25% of net profits is equitable indeed. Don't forget, you also get to keep all of the names that order from you. And 100% of all the follow-up profits. Which is really what makes Host Endorsed Offers such a powerful technique.

Ordinarily it would take you years of trial-and-error mailings, some successful, some disasters, and dozens of in-between to develop a strong in-house list. But with the improved response rates generated by Host Endorsed Offers you can build your house list much more rapidly – and much more profitably.

How To Structure Your Deal For A Host Endorsed Offer

When approaching another company that you'd like to have act as a “host” for your offer, there are a few things that will help you close a mutually profitable deal. First, you're going to offer the host a deal that's nearly irresistible compared to what they would make if they just rented out their names.

When renting out a list, the most a company can expect is 5-10 cents per name after broker fees. But you're going to show them how they can make up to ten times more per name by agreeing to do an endorsed mailing for you.

The numbers will vary depending on the cost of your product, mailing costs, and response rate, but by putting a few figures on paper, you can easily demonstrate the superior profits of your deal. Here's an example using a list of 10,000 active customers:

Host Endorsed Offer

\$ 5,000 10,000 pieces mailed at 50 cents each

500 orders at a 10% response rate

\$15,000 profit 500 x \$30 profit per order (average order amount = \$40)

\$ 3,750 (A) \$15,000 x 25% of profits

Standard List Rental

\$ 750 (B) 10,000 x .075 standard list usage rent

As you can see from the example, your host stands to gain \$3,000 more from doing an endorsed offer with you than they would by just renting out their names. And there's absolutely no additional effort required by the host.

Now obviously this is a lot more than you would ever pay someone for renting their list. But let's look at the benefits to you using our same example of a mailing to 10,000 names.

Host Endorsed Offer

\$11,250 Net Gain (\$15,000 profit - \$3,750 payment to host)

500 New names to add to your list

Standard List Rental

\$750 List rental (yields 200 orders at 2% response rate)

\$6,000 200 x \$30 profit per order (average order amount = \$40)

\$5,250 Net gain (\$6,000 - 750 = \$5,250)

200 New names to add to your list

By doing a Host Endorsed Offer, you'd make \$6,000 more profit (\$11,250-\$5,250) and gain 300 more new names (500-200) just on the front end alone! When you factor in back end sales to the additional 300 customers you picked up, the results are truly staggering.

The figures in the example above are based on a 10% response to your Host Endorsed Offer. But don't forget, response rates of 20% and more are not uncommon.

Additional Techniques To Help You Successfully Negotiate Host Endorsed Offers

Now that you've seen the tremendous advantage of Host Endorsed Offers, there are a few more things you need to know about structuring the deal. Essentially, you want to make the deal as easy as possible for the host to participate in. One way to do that is to give the host complete approval of all copy.

Another thing to do is promise to pay the host monthly for their share of the profits. Accountability doesn't present a problem since all orders will be received by the host. That way, the host knows exactly how many sales have been made. The orders are sent to the host and forwarded to you for fulfillment.

I hope the numbers I've shown you have demonstrated the common sense wisdom of applying these techniques. So you see, by paying through the nose to use other people's customer lists, you really can become extremely wealthy!

A Review Of The Wealth-Building Points Presented In This Chapter

For your convenience, I'm going to this opportunity to review the key points I've covered in this chapter. I hope it's helpful...

Secret #1 – Mail Only To Active Customer Lists.

Response rates of 20% and more can easily be reached when you mail to customers who know and trust a company. The real money in direct mail is in the back end, because this is where you can take maximum advantage of the goodwill you've developed.

Profit from understanding the lifetime value of a customer. Once you realize what a customer is worth over the entire period they do business with you, you see that your offers to get new customers can be much more liberal because they'll pay off later.

You can avoid the time and expense of building your customer list by tying into other companies' house lists. Here again you take advantage of established goodwill to increase response rates and quickly add more names to your list. At the same time, you significantly boost your front-end profits.

Mail only to a house list – yours or someone else's.

Secret #2 – How To Use Your House List To Grow Your Business By 20%-50%.

Concentrating on selling more products to your regular customers is the fastest, least expensive way to build a direct mail fortune.

- 60% of your marketing should be devoted to working your house list.
- 25% should be spent converting inactive customers back to active.
- 5% should be dedicated to converting prospects into new customers.

Secret #3 – Increase Your List Use Profits By 400%.

Allow other companies to use your list only by participating in endorsed offers with you. You'll control who uses your list and quadruple your profits.

You can also use Secret #3 to solicit products from other companies to sell to your list. Have them fulfill all orders (you have no production or inventory costs) for 25%-50% of the net profits.

Secret #4 – Become Extremely Wealthy Paying To Use Other People's Lists.

Here you pay 25% for the right to use someone's list. But only when they agree to do an endorsed offer to their customer list of your product. You benefit from all of the time, expense, and effort they've already invested in building a list of loyal, repeat customers.

Be as flexible as possible with your endorsed offer partners. Don't split hairs. The idea is to get as many endorsed offers going as you can to really leverage the potential of your customer list and other people's customer lists. Be generous, be accountable, and always pay on time for the best, continuing results.

Now That You Know What To Do, Don't Wait – Plot Your Course And Carry It Out

You are now ready to start getting much higher response with every mailing you send out. You've learned the four vital secrets to increasing response significantly and consistently. And you have precise examples of how to use these secrets to your full advantage.

But just knowing what to do is not enough. In fact, it's just the tip of the iceberg. You see, information by itself is nearly meaningless. You have to take action based on that information to really reap the benefits. If you don't, you'll continue to pull mediocre response to your mailings.

Fortunately, it's quite easy to kick these techniques into gear. All it takes is a slight commitment of time to arrange for the endorsed offers that best suit your business. And there's good reason to do so.

Using these techniques, you can literally expand your business far beyond what you ever imagined. And much more quickly than you imagined. By working these techniques regularly you could easily double or triple the size of your business.

Section 4:

Maximum Results Publicity

Lesson 14:

How To Write A News Release That Gets Results

Of all the areas of marketing, publicity seems to be the one that generates the most interest. Why? Because it offers the opportunity to reach large groups of potential customers – for FREE.

And reaching more customers means increased sales and profits for your business.

There are countless case histories of businesses that have seen their profits soar through successful publicity campaigns. One of the most well known is the Pet Rock. It was promoted entirely through publicity. Its creator never spent a cent for advertising. Yet a full-page article – free coverage – in Time magazine made the Pet Rock an overnight success.

The foundation of any successful publicity campaign is a powerful news release. Editors and producers sometimes receive thousands of news releases each week. In order to compete and be successful, you must be able to write a news release that will get the results you want – free media coverage.

What You'll Get From This Chapter

Getting free media coverage is a challenge. But companies just like yours successfully do it every day. This chapter will show you how to plan, organize, and write news releases that will win valuable media coverage.

First you'll find out what critical information you need to have before you start writing. Then you'll get a thorough walkthrough of the key components every successful news release must include. Finally, you'll be given a set of valuable tips for making sure you get more of the publicity you need.

Critical Preparation – What You Need To Know Before You Start Writing

There are two key elements that you must define correctly before you start writing. Both elements are crucial to the success of your publicity campaign. Taking the time and care to define them properly is essential.

The first key element is the cornerstone of any successful advertising or promotion – selecting the correct audience. Knowing precisely who you want to get your message to determines the style and content of your copy. It also points the way in selecting the correct media sources for getting your message out.

Believe me, there's nothing more infuriating to an editor or producer than to receive a news release that has no value or appeal to their audience. It shows that you didn't bother

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to find out anything about them or their media. And it will guarantee your news release an express trip to the waste basket.

Some products or services appeal to multiple audiences. If yours is fortunate enough to fall into this category, don't try to create a general release that will apply to all audiences. Instead, plan to create a separate release with a unique appeal for each different audience.

The second key element is to understand how the media works, and tailor your information for their precise needs. The primary purpose of the media is to present news.

Some media outlets are also responsible for providing entertainment. Your strongest chance for getting media coverage is to create an excellent news or entertainment angle for your product or services. Then build a news release around this angle. The more of these angles you can come up with, the more coverage you'll be able to attract.

The fact that you're a CPA in business for yourself has no news value. But the angle that it's tax season and you offer a free report called, “How To Reduce Your Taxes Under The New Laws” is newsworthy. This is the kind of information that editors and producers are hungry for. Information that will benefit their audience.

This leads us to one final point. It's well known among professional publicists that nearly 80 percent of all news stories are planted. The media must gather huge quantities of information to keep producing all of the daily, weekly, and monthly newspapers, magazines, radio and television programs.

You can use this to your business advantage by delivering news releases with real news or entertainment value.

The Components Of Your Successful News Release

News releases are organized and written in a standard format. Editors and producers are busy people with hectic schedules. To make their lives easier, they expect to have information submitted in a standardized form. Learning this format and making sure your news releases conform to it will help you get consistent coverage.

You don't have to be a great writer to produce an effective news release. All you have to do is organize and clearly present newsworthy information. A key to writing this way is to eliminate all sales language. The media has little interest in helping you sell your product or service. What they want is news that appeals to their audience.

A good news release starts by listing the most important information, then works down to the least important information. This allows your media source to quickly decide whether or not your information is useful. It also helps you achieve your goal.

If an editor wants to include your information but has limited space, they'll often use the first few paragraphs and cut the rest. Placing your most important information at the top increases your chances of having it included in the coverage you get.

Here's my recommended format for your news release:

- ❑ News releases should always be **neatly typed, double-spaced, with wide margins** on both sides and at the top and bottom. This allows the editor ample space for making notes.
- ❑ **Plain white bond** or your company stationary may be used.
- ❑ The words “**NEWS RELEASE**” **should be placed in the left margin**. This can be typed, but oversized letters are more attractive.
- ❑ **Your release date goes in the right margin**. This is either a specific date if appropriate, or “**FOR IMMEDIATE RELEASE.**” Under this in the right margin is the name of the person to contact followed by your telephone number.
- ❑ **The headline**. This should be a straightforward statement of your major benefit to the selected audience. It should be positioned flush left or centered.
- ❑ **The first paragraph should cover critical details**. Who, what, when, where, why, and how. The next two or three paragraphs cover important information. Talk about the service your product provides through the viewpoint of your news angle. A mention of your expertise if you market a service can be included here.
- ❑ Follow this with one tight paragraph of **good information about your business, product, or service**. This should be stated in terms of how you've helped your customers or clients.
- ❑ Next comes one paragraph describing **what action you want the readers to take**. This can be requesting your free booklet, calling a toll free telephone number, or a simple listing of store addresses and hours.
- ❑ **A news release should always be one to two pages**, preferably one. If your information requires a second page, be sure to place “(MORE)” at the bottom of page one. The second page should begin with the headline of your release followed by the page number; “**Headline — page 2.**” I prefer to staple the two pages together.
- ❑ All news releases should **conclude with the notation “END” or “###”** on a separate line.

To help you understand these concepts, I've included an actual news release that I've used to promote my marketing services. You'll find it at the end of this chapter.

Tips For Getting Maximum Results From Your News Release

Here's a list of techniques that professional publicists use to squeeze every ounce of coverage out of their news releases:

1. **Cultivate key contacts.** Concentrate on media sources that will have repeated value over the long haul. Get to know someone who can give you coverage. Take them out to lunch occasionally. Provide them with useful information even if it isn't related to your product or service. Good business relationships generate good publicity opportunities.
2. **Do your homework.** Newspapers require 1-2 week's lead-time. Magazines and television often require 2-4 months. Find out the exact requirements of your important media sources and plan accordingly.
3. **Become known as a quotable expert.** Once you've received coverage, be sure to let your contact know that you're available for quotes at any time. Inform them of any other areas related to your product that you're an expert on. This saves your media contacts valuable time when they're in a crunch.
4. **Send thank you notes whenever you receive coverage.** Few people follow this common courtesy. Editors and producers are human, and appreciate being treated courteously.
5. **To create news, tie in to holidays, special events, current events, and popular trends.** Two income families are a trend that many products and services are being developed for. These products are naturals for generating news for parenting magazines, lifestyle sections of newspapers, and productivity sections of executive oriented publications.
6. Trade journals publish news of conferences, conventions, seminars, and staff promotions. **Use these to get free visibility for your company.**
7. **Donate your product or services to a charitable event.** Then send news releases to let the media know you've done so. Charity events are traditionally given ample coverage by the media. You can help people in need and get valuable publicity at the same time.
8. **Donate samples to prominent public figures.** If you get a response – which is quite easy to do with members of Congress and the Senate – publicize it. The media loves news involving prominent people.
9. **Sponsor a contest.** Restaurants can give away dinner for four to the winner of a worst recipe contest. Travel agencies can sponsor a weekend getaway. And your business can easily come up with its own unique contest ideas.

10. **Sponsor an award.** This is especially useful for service companies and book publishers. But since it can be serious or frivolous, nearly any business should be able to make use of this technique.
11. **Forecast a trend.** Use your marketing research to isolate key information for your industry. Or conduct an industry poll. Then send a news release reporting the results to all appropriate media sources. This technique can help you generate sales, become known as an industry expert, and make you available as a quotable source. That's a lot of return for so little effort.
12. **Offer something for FREE.** This is my personal favorite. To promote my marketing services, I regularly offer free reports. You can do the same offering printed information or product samples. The responses you get are solid leads. And the media loves to give things away to their audience. You make your media source look good and increase your customer base with one simple effort.
13. **Cater to your local media.** Local editors and producers love hometown success stories. Since most media sources belong to national wire services or syndicates, this can easily snowball into national coverage.
14. **Send your news releases to the national wire services.** Associated Press (AP) and United Press International (UPI) are handled through regional offices. Call information to get the phone numbers for your city. Then call and get the appropriate names and addresses for sending your news release.

Conclusion

A successful publicity campaign usually takes 3-6 months of persistent effort. Don't expect overnight miracles, and don't give up. If a particular media source is important, send them a newsworthy release every month until you get coverage.

Be prepared to handle the increased volume of inquiries and sales that can result from a few key mentions. The inability to react to increased volumes can have negative consequences for your business.

Remember that publicity generates publicity. Use your newspaper coverage to get magazine coverage. And piggyback both of these to get on local television. Then move on to national television.

And finally, use good publicity results to fuel your advertising campaigns. If you draw good response from coverage in a publication, try advertising in the next issue. There's a strong likelihood that you'll generate even more profit.

And that's what publicity is all about. Getting more people to read about you... getting more leads... and converting your leads into profitable customers!

EXAMPLE – PRESS RELEASE

News Release

FOR IMMEDIATE RELEASE
Contact: Bob Serling (000) 555-5555

Free Bulletin for Improving Advertising Results offered to Small Business Owners

"9 Key Points To Make Sure Your Ads And Promotions Get More Leads, More Sales, and More Profits" is a bulletin especially created to help small business owners dramatically improve the results of their advertising. It's particularly useful for small businesses, start-up operations, and entrepreneurs.

For many small businesses, creating effective advertising can be a guessing game. Too often, small business owners find that their ads get disappointing results. Their attempts to determine why an ad failed can also be confusing and frustrating.

To help solve this problem and its costly consequences, San Diego based marketing consultant Robert Serling has created "9 Key Points To Make Sure Your Ads And Promotions Get More Leads, More Sales, And More Profits."

"The most important factor in any ad campaign is who you're trying to reach," Serling says. "This has to be your starting point." "Concentrating on other areas first can be a wasted effort."

With this primary concept as a foundation, the bulletin shows business owners how to solve their advertising problems and increase sales. It provides step-by-step techniques for developing the kind of customer-oriented advertising that gets the best results. The bulletin also explains how to select the media and mailing lists that will draw maximum response from your target audience.

A free copy may be obtained by sending a stamped, self-addressed envelope to Stratford Marketing Group, Inc., 123 Main Blvd, Suite 380-B6, San Diego, CA 90000.

-END-

Lesson 15:

The 8 Key Secrets to Getting Tons of FREE Publicity – And Using It To Send Your Sales Through The Roof!

Let's start by clearing up a prominent misconception about publicity. Most people believe that publicity is so valuable because it's free. Sorry, but that just isn't so.

Now, it's certainly a valuable bonus – but it isn't the major factor that makes publicity so desirable. Credibility is what makes publicity such a valuable tool.

You see, people today are far more sophisticated than they've ever been when it comes to advertising. They realize that advertising is paid for. And that companies can buy space to say whatever they wish about their products and services. Because of this, your potential customers are far more skeptical than they've ever been.

But publicity leaps this hurdle of skepticism. Because publicity cannot be bought, it appears to be endorsed by the medium that makes your announcement. And since people tend to trust the media they watch, listen to, or read regularly, they accept your message as being completely credible.

That's why publicity can win you many more sales than any form of paid advertising or promotion. Taking advantage of this accepted state of credibility can result in a windfall for your company.

Why You Aren't Getting As Much FREE Publicity As You Could Be!

You've just heard the good news, now here's the bad. Despite the fact that publicity can be so valuable to you – and despite the fact that publicity is actually pretty easy to get – most companies fall flat on their faces when it comes to winning this valuable coverage.

This happens because you don't understand and use the few simple rules of publicity to your advantage. Which means that a tremendous amount of waste is taking place because you should be getting nearly all of the publicity you want on a regular, consistent basis.

This situation is about to change. Because once you finish this chapter, you'll have everything you need to get all of the publicity your business needs. When you start to put these techniques into action, you can easily double or triple the publicity coverage you get.

We'll start by looking at the 8 Key Secrets that can skyrocket your publicity results. Then I'll give you a toolkit of high-powered techniques you can use to become your own successful publicist. And finally, I'll reveal my “Can't Miss Formula” for winning coverage from your most coveted media sources.

When we're done, you'll have everything you need to start capitalizing on endless publicity opportunities. In just a short time, you should begin to experience a steady stream of qualified leads and outright sales that result from a properly tuned publicity program.

The 8 Key Secrets to Consistently Getting Tons of FREE Publicity!

Getting consistent media coverage is actually much easier than you might think. Like anything else, there are rules to the game. The only problem is, most of the rules are kept secret. They aren't written down and they take years to discover on your own.

But you've come to the right place. Here are the 8 Key Secrets that you can use to make sure your publicity generates sizable exposure and profits!

Key Secret #1 – You Must Generate Honest-To-Goodness News About Your Product Or Service.

Keep in mind that the primary job of newspapers, magazines, radio, and television stations is to bring news to their audiences. Some media may also entertain, but their fundamental purpose is to deliver news that is of value to their particular audience.

What this means is that you have to translate the message about your product or service into newsworthy information. Take heart – this doesn't mean that you'll have to hire a moonlighting reporter or television anchor to help you create news. You simply have to generate a news angle for presenting your information.

Now there's one more ingredient that's necessary to be successful on this point. The news that you generate must be of vital interest to your targeted media's audience. Products often have a variety of appealing characteristics or benefits. You increase your chances of getting coverage if you base your news on the strongest benefit to your media's audience.

The best ways to generate news is to develop an angle about your product or service that will:

1. Solve a vital problem that the audience has
2. Show the audience how to achieve a highly desirable goal
3. Offer the audience something for FREE

The third point needs a little more explanation. Giving something away for FREE is a powerful publicity weapon. People love to get things for FREE. FREE samples, FREE demonstrations, FREE informational booklets, and FREE consultations all work exceptionally well in getting your prospects to respond.

The other distinct advantage to using a FREE offer is that it strongly increases your chances of getting media coverage. Editors and station managers love to give things away to their audiences – especially when it's at your expense. So if you want to increase the coverage you get, try this powerful weapon.

If you want to go all the way and win the most coverage possible, develop a news angle that incorporates all three of these elements. At the end of this chapter, you'll find a news release (Example 1) that I created to promote my newsletter.

It puts all three of these elements to work. Every time I've mailed it out, I've had exceptional results. Feel free to adapt it to your specific needs.

Key Secret #2 – You Must Create A Solid Publicity Plan.

Okay, Key Secret #1 was easy enough. A piece of cake, in fact. But along comes Key Secret #2 and things start to get ugly. I can just imagine the curses against my heritage you're coming up with. Because, bottom line, nobody likes to plan (and very few of us do any planning at all).

Bear with me for a minute. In a little while, I'm going to show you a fairly painless way to create your publicity plan. But more importantly, I want to show you why it's absolutely CRITICAL that you take the time up front to create a publicity plan.

Here's why:

Your level of success in winning valuable media coverage is directly proportional to how well you plan and carry out your campaign!

If you don't have a plan, you have no control over what publicity you get. The coverage you get will be due either to luck or the arbitrary decision of a media decision-maker.

By developing a solid, simple plan, you gain a measure of control over where you get coverage. A plan lets you take positive action. No plan reduces your efforts to weak reactions to outside forces.

Creating your publicity plan is simple. All it takes is a little homework. Here are the steps to follow:

1. Select the audience (or audiences) most likely to buy your product or service.
2. For each audience, select all of the media that they read, watch, and listen to. I'll give you precise details for doing this in Key Secret #3).
3. Set a reasonable schedule for contacting each of these media sources. This should cover a period of 3-6 months.

4. Follow your schedule and track your results. Example 2 at the back of this chapter gives you a form to lay out your schedule and track your results.
5. Persistently follow-up those media sources that could be most profitable to you. See Key Secret #4 for complete details on this point.

Once you discover how simple it is to lay out a publicity plan, you'll wonder why you resisted doing this for so long. As you can see, it's really easy to do. Which reminds me, don't let its simplicity fool you.

A plan as simple as the one in the example can yield potent results.

Here's why. First, it forces you to clearly and logically think out everything you're going to do for the next 3-6 months. Charting your course makes sure you know where you're starting from and where you want to get to.

Second, it makes carrying out an effective, ongoing campaign easier. You just schedule your tasks and make sure they get done.

Third, it's a great management tool that gives you all kinds of excellent feedback. Such as: Which media regularly respond to your promotions? How long does it take key media sources to respond? Which media sources produce such strong results you'll want to give them increased priority?

Create your personal publicity plan today. Carry it out like clockwork. Then reap the benefits!

Key Secret #3 – How To Get The Best Results From Your Media Sources.

If you've read other books or reports on getting publicity, you'll find that the majority instruct you to develop business relationships with every media source that you possibly can. And to follow up every news release with a phone call. I say that's a load of garbage.

First of all, if you follow that line of thinking, you'll never have time to do anything else in your business besides run your publicity campaign! Getting the most from a good publicity campaign is really just a matter of common sense and time management.

Here's how you really get things done. You have to use a hybrid shotgun/rifle approach. Let's start with the shotgun approach. To run this portion of your campaign, you'll need to build a list of every magazine, newspaper, radio show, and television show that you want coverage from. These are the sources you'll want to send a copy of every news release you generate.

To accomplish this, use the following reference sites:

- **Gebbie Press:** Offers media contact information in both print and CD versions so you can build your own database and select which newspapers, radio stations, etc. to send your news releases to. <http://www.gebbieinc.com/order.htm>
- **Bacon's Media News, Services and Information:** Has 70,000 media contacts nationwide that you can use to build your database. They also offer a news release distribution service. <http://www.bacons.com>

As well as...

Internet Media Fax	http://www.imediafax.com
PR Newswire	http://www.prnewswire.com
USA News	http://www.usanews.net
Automated Press Releases	http://www.automatedpr.com
Xpress Press	http://www.xpresspress.com
Press Release Network	http://www.pressreleasenetwork.com
Internet News Bureau	http://www.internetnewsbureau.com
Newstream.com	http://www.newstream.com
Business Wire	http://www.businesswire.com
Internetnews.com	http://www.internetnews.com
Canada Newswire	http://www.newswire.ca

Once you've built your list, you'll want to extract a limited subset of important contacts who you might want to follow up with a phone call. This is your hit-them-between-the-eyes rifle list. The proper use of this list is where effective time management comes into play.

The media sources you'll be using are frazzled, overworked people with impossible deadlines. It's not uncommon for it to take 10-20 phone calls just to get through to one of these sources. In fact, count on this as a rule!

As you can see, this can be a very time consuming process. So you'll need to be very conservative about how many sources you select for follow up calls to keep this from becoming an overwhelming task.

Here's one more reason why I don't feel a lot of follow up calls are necessary. You see, the media is hungry, even desperate for good news. They have a tremendous amount of space to fill each and every day. Because this is unfailingly true, your chances of getting coverage for a truly appropriate item are excellent, regardless of whether you call someone or not.

What I recommend is a campaign where 95% of your contacts are made exclusively by mail. To track your results, use a reply postcard like the one in Example 3 at the back of this chapter. For the remaining 5%, you'll need to determine when it's truly of value to

invest your valuable time trying to break through the telephone barrier. The criteria you should use to determine this are:

1. How valuable would this coverage be to you?
2. How likely are you to win this coverage?

If you sell accounting software for personal computers, your typical customers would be small businesses and investors. It isn't likely that you'd be the featured guest on a prime-time talk show. But a key mention in Success, Entrepreneur, or Business Week could return handsome profits. Those are the media sources you'll want to concentrate on following up with a phone call. So pick your shots, and pick them carefully!

Key Secret #4 – Here's The Main Reason Companies Fail To Get All Of The FREE Publicity They Need!

Time and time again, clients ask me this question, “How do I improve the results of my publicity campaign?” For the vast majority of my clients – and this probably includes you – the answer is: PERSISTENCE!

See, most people already know this, but they want to fool themselves. They want to believe that I can impart some mystical secret that will solve all of their problems. But you see, every time I wave my marketing wand, I come up with exactly the same answer: PERSISTENCE!

Persistence means that you develop a solid publicity plan and stick to it. This is the vital ingredient that will bring you the success you want so badly. Because you have to realize that a good campaign takes 3-6 months to work effectively, and sometimes longer.

Also, a publicity campaign is often most successful if it's carried out in phases. Here again, persistence is a key ingredient. Let's say your ultimate goal is to get coverage in large circulation national magazines. During the first phase, you'll send your media kit to all of the vital sources on your list. These will include local sources, sources within your state, and sources on a national level.

Some of these sources will give you some coverage while others won't. That's to be expected. In the first phase, the majority of the coverage that you get will be from local media sources. You might also get some statewide exposure and occasionally some national exposure. But, for all practical purposes, let's assume that the coverage you get is local.

Being a savvy marketer, your next phase involves making a clipsheet that features quotes from the publicity you received in the first phase. Now you mail your media packet again – but this time you include your clipsheet.

You'll find that a snowball effect takes place. Publicity generates more publicity.

Publicity clips increase your credibility. They also force your key sources to think about whether other sources are offering vital information that they aren't. Which results in more of these sources jumping on the bandwagon and more publicity for you.

Here's another reason why persistence is so crucial. Many media sources receive thousands of media packets every week. These folks are overloaded with material and work at a hectic pace.

Often, they'll barely notice your first media kit, but your product or company name may enter their subconscious. It may take two or three or ten times before you win the coverage you want – but persistence will make it happen.

Want a great example of persistence at work? I know of an author who wanted to get an important columnist to review his book. He sent the reviewer a media kit with updated clipping sheets every month for over a year.

At first, the reviewer was mildly annoyed. Then he became irritated. But finally, he decided to review the book. The columnist told me that anyone who was so determined deserved a bit of special consideration. Always remember: persistence pays off!

Key Secret #5 – The Difference Between Mediocre Results And Winning Results Is Often INGENUITY!

When you're trying to get publicity coverage, you're one of literally thousands who are competing for the same coverage. To increase your chances of becoming successful at consistently winning the coverage you need, it helps to stand out from the crowd.

How do you achieve this? By using ingenuity. And by becoming an ingenious opportunist! A little ingenuity costs nothing, but can return lucrative results. To put your ingenuity to work, you need to do two things.

First, you need to start thinking of news angles that are a bit more creative than your competition. Here's a great example of an ingenious opportunist at work. A few years back, Melvin Powers (who has sold over 200 million books for his publishing company!) needed to publicize his line of books for horse lovers. These books were going to be exhibited at a trade show. He sent press kits to all of the reviewers whose readership included horse lovers.

Now, here's the ingenious part! Included in his press kit was a poster of a litesome, nude young lady leading a horse through a meadow of wildflowers. The caption on the poster read, “Follow me to Booth 1381 at the Bookseller's Trade Show! I'll personally autograph your poster.”

When members of the press and major book buyers arrived at the show, hordes of them headed straight for Booth 1381! And sure enough, the lovely model was there to greet them (but this time she was fully clothed).

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And let me tell you, Melvin Powers sold tons of his books!

You too can become an ingenious opportunist. Another way to accomplish this is by seeking out publicity angles in the everyday events that are going on all around you. There are unlimited opportunities for creating news about your product or service.

Here's another example of what I mean. Recently, while driving to work. I heard a limousine company make ingenious use of publicity. A woman called a popular FM radio station to complain about the service she had received from Limousine Service A. The limo had broken down, the company refused to correct the problem – which ruined her evening, and was giving her the runaround about refunding her money.

The DJ proceeded to get the manager of Limo Service A on the phone to see if he could correct the situation. On the air, the manager of Limo Service A proceeded to be rude and evasive, refusing to do anything at all to resolve the problem.

Upon hearing this, the manager of Limo Service B, who was an ingenious opportunist, seized the opportunity. He called in, went on the air, and offered the woman a FREE evening of limo service with a complimentary bottle of champagne. He said he wanted to help solve the woman's problem and demonstrate that not all limo services were unscrupulous. He was friendly, helpful, and ready to serve.

For the remainder of the show, the DJ kept talking about how wonderful Limo Service B was. This savvy marketer generated over an hour's worth of FREE coverage on a major radio station that appeals directly to his target audience.

And how did he do this? By solving a problem, helping his prospect achieve an important goal, and giving away something for FREE! An ingenious use of an opportunity as it happened!

You too can become an ingenious opportunist. Try this little exercise. For the next three days, read your newspaper and listen to the radio. Pick out at least three opportunities each day that you could turn into publicity for your product. Once you've been bitten by the bug you'll start to see opportunities all over the place!

One last thing: Start a swipe file of ingenious promotions. Every time you hear of something that someone else has done to effectively promote their company, jot it down in your swipe file. This will get your creative juices flowing and give you an ongoing source of inspiration.

Key Secret #6 – Piggybacking: How To Pyramid The Publicity You Get Into Immense Sales Success!

In Key Secret #4, I showed you how to generate waves of publicity by running your campaign in phases. That is, starting out locally and progressing to national exposure. Key Secret #6 takes advantage of a similar concept as it relates to your advertising.

Here I'll show you how to marry your publicity efforts to your advertising for maximum results. I call this technique PIGGYBACKING.

The object of PIGGYBACKING is to use your publicity to fortify your advertising campaign. Here are four piggyback techniques you should try:

1. **Reprint your publicity and include it in mailings to your customers.** This can be an entire article or a sheet with excerpts from your best coverage. Always be sure to prominently include the name of your media sources. And use their logo whenever you can.
2. **Have one or more of your most favorable pieces blown up to poster size and display it prominently in your place of business.** This is especially successful if you place it in a waiting or lounging area.
3. **When you get a large response to a publicity piece, advertise in the media that gave you coverage.** This is just plain common sense. Whenever you identify a vein of gold, work it

Don't advertise in the issue where you get free coverage. Run your ad in the following issue so you make two successive impressions on your prospective customers. And always quote from your favorable coverage in your ad.

4. **Quote from your publicity in your advertising.** “As Seen On TV!” “As Seen On National Television!” Or, “Here's what Jane Jones of the Daily Blurb said about our money-saving Whamblasters!” Use statements like these to lend believability to your advertising.

These four techniques piggyback the credibility and believability you've garnered from your publicity onto your advertising. Use them for maximum impact!

Key Secret #7 – Tap Into The Immense Power Of Community Services.

Working with your local community service groups is an exceptional way to win loads of publicity for your business. In general, these types of promotions work best for retail businesses. But with a little creativity, they can be adapted to nearly any type of business.

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I'm going to show you two valuable techniques for working with local charities and community groups. Although these techniques are quite different, they both share a similar quality they're both active promotions.

By this, I mean that the object of them is to actively bring a new flow of customers into your business. This is quite different than how you've probably handled your community involvement programs in the past. Usually, companies use passive techniques like donating a product to be auctioned off or be used as a door prize. This really doesn't earn you much exposure at all. And it probably brings in few, if any, new customers.

When you use a passive technique, here's what happens. A few people hear your company name. but they're really paying attention to the gift itself. And nobody leaves with any information about your product or company!

That's all about to change! The techniques I'm going to show you are specifically designed to help charitable organizations by getting people to come into your place of business to collect their reward.

The first technique takes a lot of planning and effort, so you'll only want to do this once or twice a year. Let's say the Boy Scouts contact you to help raise money to send needy kids to summer camp. Instead of a donation, recommend that you provide them with a means of raising even more money. What you're going to do is sponsor a Boy Scout Day at your business.

Here's how it works. You donate 50% of all your profits (notice I said profits, not daily receipts) to the Boy Scouts. Their job is to get as many people as possible into your place of business on that day. The more people that come in, the more money they'll make. You'll promote the event also, but it's their effort that will really boost your traffic.

Okay, there's only one thing missing to get maximum mileage from this promotion. Can you guess what it is? That's right – it's your piggyback.

Here's how you work your piggyback to increase your chances of converting these new customers to repeat customers. You give every customer a “Thank You” coupon courtesy of the Boy Scouts.

As their way of thanking these good folks for helping them raise money, the Boy Scouts give every customer a coupon good for a discount the next time they visit your place of business. You'll profit from the extra business as well as standing a good chance of gaining more repeat business.

The second technique is much less time consuming, so it can be carried out on an ongoing basis. I call this technique the Incentive Donation because your donation is used as an incentive to sell whatever the charitable group is offering.

For example, let's say you own an ice cream shop. Your local Girl Scout chapter is having a raffle to raise funds. They want you to donate free ice cream to be served at the raffle. In exchange, they'll give your business a plug at their event.

Hold on! Does this do anything to actually get people into your store? Are you getting any true benefit from this at all? Not a chance!

What you're doing is as close to making a cash donation as you can get. Now, there's nothing wrong with that if making a cash donation is your true intention. Just be clear about what you're doing – and about how little you'll actually gain.

Here's how you help the Girl Scouts and help yourself! You have the Girl Scouts print your message on the back of their raffle tickets. The back of the ticket bears a coupon that entitles the holder to fifty cents off of your double-dip cone, which ordinarily sells for \$1.85.

Now the Girl Scouts can use this as a promotional angle to sell more tickets. They tell prospective buyers that a ticket costs \$1.00 and they get fifty cents back when they buy your ice cream. The Girl Scouts win, the ticket buyers win, and you win!

So far, so good – but we're not quite through here. Now that you're fast becoming a savvy marketer, I probably don't have to tell you that you have one more chance to piggyback this opportunity. You're going to seize this opportunity to get yourself some media exposure.

You do this by sending a news release to all of the appropriate media. And since you capitalize on every available opportunity, you make sure that the news release is printed on the community organization's stationary. Just another example of tapping into the power of community services!

Key Secret #8 – Become A Numbers Addict!

If you walk away with nothing else from this chapter, I hope you'll remember this: Measuring your results and applying the knowledge you've gained from this to your publicity will increase your success rate exponentially.

The truth is, marketing is primarily a science with just dabs of art applied here and there. No kidding. The science of planning and carrying out your plan followed by the science of measuring and applying your results will bear more fruit than any “creative” fix you can think of.

Here's what's needed to successfully capture all of the invaluable information you'll need. You have to start thinking of every publicity piece you place as direct marketing. It's absolutely essential to include a key code with everything you send out and in every piece of coverage you get.

I know – I can hear you groaning now about how tedious it is to key 600 news releases. That's true. It does require some effort. But that effort will pay off big.

Once you begin to track your response, to see which media sources provide the best results, you've got the ammunition you need to drive your future publicity and advertising campaigns.

This market intelligence will help you target the golden areas where your most lucrative profits are. So key everything you generate with a special box number, department, or suite. If you don't, you're throwing away money.

Ingenious Ideas You Can Use To Start Cashing In On FREE Publicity Today!

All right, you've learned the 8 Key Secrets that will give your publicity campaigns a real shot in the arm. But we're not through yet. What follows is a wealth of ingenious ideas you can use right away to generate tons of valuable coverage:

1. **Donate samples of your product to prominent public figures.** If you get a response - which is quite likely with members of Congress and the Senate – publicize it. The media loves news involving prominent people.
2. **Sponsor a contest.** Restaurants can give away dinner for four to the winner of a worst recipe contest. Travel agencies can sponsor a weekend getaway. And your business can easily come up with its own unique contest ideas to use for publicity.
3. **Sponsor an award.** This is especially useful for service companies and book publishers. But since it can be serious or frivolous, nearly any business should be able to take advantage of this technique.
4. **Cater to your local media.** Local editors and producers love hometown success stories. Since most media sources belong to national wire services or syndicates, it's also possible that this could snowball into national coverage.
5. **Send your news releases to the national wire services.** Associated Press (AP) and United Press International (UPI) are handled through regional offices. Call information to get the phone numbers for your city. Then call and get the appropriate names and addresses for sending your news release.
6. **Become known as a quotable expert.** Once you've received coverage, be sure to let your media contact know that you're available for quotes at any time. Inform them of any other areas related to your product that you're an expert on. This saves your media source valuable time when they're in a crunch for quotable information.

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7. **Send thank you notes whenever you receive coverage.** Few people follow this common courtesy. Editors and producers are human, and appreciate being treated courteously.
8. **To create news, tie in to holidays, special events, current events, and popular trends.** For example, two income families are a trend that many products and services are being developed for. These products are naturals for generating news for parenting magazines, lifestyle sections of newspapers, and productivity sections of executive oriented publications.
9. Here's a gem you should know about and use regularly. **Chase's Annual Events** lists thousands of holidays and special events that you can tie your publicity to. Just thumbing through it will produce a wealth of valuable ideas. You can find it in your public library or order it from Contemporary Books, 180 N. Michigan Avenue. Chicago, IL 60601.
10. Trade journals publish news of conferences, conventions, seminars, and staff promotions. **Use these to get free visibility for your company.**
11. **Donate your product or services to a charitable event.** Then send news releases to let the media know you've done so. Charity events are traditionally given ample coverage by the media. You can help worthy causes and get valuable publicity at the same time.
12. **Offer something for FREE whenever possible.** I know I've talked about this many times before, but it's worth repeating. If your product is right for a media source, a FREE offering is almost too juicy for an editor or station manager to pass up.

This technique is my personal favorite because it works so well! In fact I never put out a news release for my own business without offering something for FREE!
13. **Trade Shows and Industry Conferences** are perfect for passing out fliers about your product. And savvy marketer that you are, your fliers always include a FREE offer to get the maximum response now. And a key code to allow you to track and measure that response.

Serling's Can't-Miss Formula For Winning FREE Coverage From Your Most Highly Coveted Media Sources

What would you give to get FREE coverage in the 10 most important media sources for your product? A lot, I'll bet. Well, start sending me those Ferraris and lewd propositions now (just kidding, gang). Because, I'm going to show you how to do precisely that!

Here's my **Can't-Miss Formula:**

Select the top 15 media sources you'd like to see feature your product. Send each of these sources a news release (along with a single sheet of your press clippings when you have them) once a month – every month for the next 12 months.

After your third mailing, call those sources who haven't yet given you coverage. Ask them what you need to do to make your information more appropriate for their audience. The key words here are your information, NOT your product!

**EXAMPLE 1 – A News Release that delivers real news,
solves a problem, and offers something for FREE!**

News Release

FOR IMMEDIATE RELEASE
Contact: Bob Serling (000) 555-5555

Free Report for Boosting Business Profits Offered

Marketing Leverage – How To Produce Twice As Much Profit For The Same Time, Effort And Expense is a 4-page report especially created to help businesses dramatically improve the results of their advertising and business promotions.

For many businesses, creating results-winning marketing campaigns can be a guessing game. Too often, they find that their marketing produces disappointing results. Their attempts to determine why their efforts failed can also be confusing and frustrating.

To help solve this problem and its costly consequences, San Diego based marketing consultant Bob Serling has created Marketing Leverage – How To Produce Twice As Much Profit For The Same Time, Effort And Expense.

“The problem with most marketing is that it doesn't force each dollar to work as hard as it possibly can. Either the majority of businesses don't understand how to do this or they've fallen into predictable habits that are far less profitable,” Serling says. “It's a shame really, because changing this scenario is actually quite easy. I've seen a few simple adjustments improve results by 30% or more many times.”

With this primary concept as a foundation, the report shows any business how to quickly improve its marketing and increase profits. It provides easy-to-use techniques for generating the kind of solid results companies need to build and increase profits in today's marketplace.

A FREE copy may be obtained by sending a stamped, self-addressed envelope to Stratford Marketing Group, Inc., 123 Main Blvd, Suite 380-E1, Cardiff, CA 90000.

- END-

**EXAMPLE 2 – Form for Successfully Scheduling
and Tracking Your Publicity**

Media:	Promotions:	Name:	Date:	Results:
Daily Press	News Release – Free Sample	Sue Kendall	3/15	Will run on 5/14
KLAE	Called in – offered free dinner	Tom Bogard	3/22	70 orders
Direct Mail	Free dessert with dinner		4/05	24% increase in business
Exchange with Wendy’s Wine Tasting	Discount coupon	Wendy Jackson	4/21	To follow below
Exchange with Wendy’s Wine Tasting	Follow up			39 new clients

EXAMPLE 3 – Your Action-Getting Reply Card

We have received your News Release about: _____

We will take the following action:

- Your product will be featured on (date): _____
- Your product will be featured in the near future
- Please send a photograph of the product
- Please send a complimentary sample of the product

Name: _____

Title: _____

Name of publication of station: _____

Address: _____

City: _____ State: _____ Zip: _____

Comments: _____

Section 5:

**Advanced Techniques For Turning Your
Business Into A Powerful, High-Profit
Marketing Machine**

Lesson 16:

The Yellow Pages Clinic – How To Strike Gold With Your Yellow Pages Advertising

If you've ever run a yellow pages ad, you know that it usually amounts to nothing more than spinning your wheels. You pay your fee for a full year, your ad runs, you get your hopes up – and the results you get are meager at best.

We're going to put an end to that once and for all. In this chapter, I'm going to show you precisely why nearly every yellow pages ad fails to generate any substantial amount of new business.

Then I'll show you how you can turn this dismal situation around completely by creating yellow pages ads that will bring in a flood of new customers.

Why 99% Of All Yellow Pages Ads Fail Miserably

Play out an imaginary scene with me for a minute. Let's say you were to discover tomorrow that you needed critical heart surgery. What do you do?

Most likely, you'd go out and find the finest heart surgeon available to perform your operation. Who cares if his fee could make the down payment on a Beverly Hills mansion? This is your life that's at stake!

Now, let me ask you a question about this vital surgery. The time has come for your surgery to be performed. You're lying in your hospital bed getting prepped for surgery when your surgeon's receptionist walks into your room. You're informed that the surgeon only performs the initial consultation. And the receptionist will be performing the actual surgery. What do you do?

I'll tell you what you do. You get the heck out of there as fast as you can!

There's no way that you're going to allow that receptionist to come anywhere near you. There's no way that you're going to even consider entrusting something so important to a rank amateur.

Yet that type of poor decision making – entrusting your yellow pages advertising to a rank amateur – is precisely why so many yellow pages ads are complete flops. Ninety-nine percent of all businesses let the yellow pages company write their ads for them. Or, if they write their own ad, they pattern it after all the losing ads they've seen in the yellow pages.

Look my friend, the people who write ads down at the yellow pages companies are clerks. They don't have an inkling of understanding of how to create ads that get results. I'm not criticizing these people – it's just a fact of life.

Pick up your local yellow pages right now. Thumb through ten pages. How many of the ads say anything different than all the others? I'll bet you it's a big fat zero. Nearly every yellow pages ad you see is nothing more than the company's name and a laundry list of services they offer.

These ads all look the same, sound the same, and feel the same (dead, dead, dead) because these business owners foolishly chose to let the yellow pages clerk write their ads for them.

And why did they let some clerk write their ad? Because it was free!

If you think about this for a second, it absolutely defies common sense. You make a commitment to spend a lot of money to advertise for a full year and then you decide to pinch a few pennies by letting a clerk write your ad.

Do you realize what you're doing? You're guaranteeing that you'll lose that big chunk of money you've just invested! This is not what ingenious marketing is all about.

How To Make Sure Your Yellow Pages Ads Are Phenomenally Successful

Fortunately correcting this problem is exceptionally easy. First, you have to understand your prospect's frame of mind when they use the yellow pages. Once you've done this, you need to satisfy the needs created by this frame of mind. To do that, all it takes is six simple steps.

Let's start by analyzing your prospect's frame of mind. When a prospect opens up a yellow pages directory you can be sure of three things:

1. That prospect has already made the decision to buy.
2. That prospect has not made the decision who to buy from.
3. That prospect is looking for a reason why your company should be the company they buy from.

That is precisely the frame of mind your customer is in when they open up their yellow pages. Now, let's do a little down-and-dirty research that will conclusively show us which factors influence your customer's decision. In order to do this research, we need to talk to a typical consumer.

So, let's pick a consumer at random. Our lucky research subject is... you!

This research is a snap. All you need to do is think about how you go about choosing a company to do business with when you use the yellow pages. And, I'll be frank with you,

it won't take much to reach your research conclusion because the typical ads in your yellow pages are so mundane, it leaves us very little to work with.

Here's how your decision-making process unfolds. You've decided that you simply can't live another day without a whamblaster. All your friends have them, they've had them for years, and you feel life is passing you by without a whamblaster of your own.

So you open the yellow pages to look up whamblaster dealers. Being an extremely popular item, you find there are 27 whamblaster dealers who have display ads. You sift through them trying to determine which dealer would suit you best.

The problem is, every ad says virtually the same thing. Large selection, wide variety of colors, full range of sizes, low prices, and so on. So what do you do? You end up picking the dealer closest to your house.

Why? Because there's absolutely nothing to differentiate one dealer from the other. And there certainly isn't any customer oriented information that will persuade you to do business with the ABC Company rather than XYZ, Inc.

So your decision is made by default, not by the influence of some pertinent information that may have been helpful or beneficial to you.

The Three Components Of A Powerful, Effective Yellow Pages Ad

So far, we've talked about what doesn't work and exactly why it doesn't work. Now it's time to move onto the fun part. Finding out exactly what you need to do to craft a yellow pages ad that will leave your competitors sucking your dust.

As I mentioned earlier, there are six simple steps to creating a yellow pages ad with real drawing power. First, I'm going to list these six steps, then I'll cover each in detail.

1. Your yellow pages ad must have a headline.
2. Your ad should inform and educate your prospective customers.
3. Make your ad look different than all of your competitors' ads.

Onward and upward. Let's take a look at how to successfully implement each of these three, simple steps.

1. Your Yellow Pages Ad Must Have A Headline.

All ads must have headlines and a yellow pages ad is no different. This one adjustment alone will elevate your ad far above the competition. Almost every ad you see in the yellow pages has no headline at all or uses the company name as its headline.

This is egocentric advertising at its worst. How could you possibly presume that customers will flock to your business just because you've emblazoned your company name across the top of your ad?

A good headline literally screams out a powerful benefit that the customer gets by doing business with you. If your ad carries such a headline, you'll be miles ahead of the game.

2. Your Ad Should Inform And Educate Your Prospective Customers.

By giving customers the information they need to make an informed decision, you build credibility. Showing that you put your customers' interests first, demonstrates that you understand their needs and you'll strive to meet their needs.

In a few minutes, I'll be giving you sample ads that show you precisely what to do to properly inform your prospective customers.

3. Make Your Ad Look Different Than All Of Your Competitors' Ads

Very often when you're creating a space ad that will run in a newspaper or magazine, it's a good idea to make it look like editorial material. To make it blend into the rest of the paper or magazine.

There's a good reason for this. You see, people buy magazines for the articles, not for the advertising. In fact, many people avoid all of the ads. But nobody avoids the articles. So if your ad looks like an article, you stand a good chance of picking up extra readers.

However, that same rule does not apply to yellow pages ads, because your readers' motives are just the opposite. They've gone straight to the yellow pages because they're ready to buy and they want to read your ad.

Now the best way to take advantage of this is to make your ad stand out from all the rest. That way, your ad will seem to jump off the page and seize your reader's attention. Fortunately for you, nearly every ad in the yellow pages looks just like all the others. So the task of making yours stand out is a piece of cake.

An extremely simple and highly effective way of making your ad stand out is to put a solid line at least 1/16 inch thick around the entire ad. This neat little trick will make your ad really pop!

Now, I want to caution you not to get overly creative here. You don't want your ad to look cute, clever, or trendy. What you want is to make it clearly stand out from all the others.

I recommend that you make your ad look similar to a magazine or newspaper article. Set headlines and sub-headers in bold type. Set your type in fairly narrow columns. This format fits perfectly with the type of useful information you're trying to give your clients.

Remember, it's a piece of cake to make your ad stand out in a sea of look-alikes. And doing so will get your ad read more often by more readers.

Putting It All Together

All right, you've found out what frame of mind your customers are in. You've also learned the three steps for creating yellow pages ads that will cream your competition. But my job isn't done yet. I still need to show you, to demonstrate beyond a shadow of a doubt, precisely what you need to do to pull all of these elements together.

So here goes. Please turn to Example 1 at the end of this chapter. Look at the ads and turn back to this page. What did you see? You saw a page of actual yellow pages ads that I pulled at random from my phone book. Is there anything remarkable about any of these ads?

Absolutely not! They all look reasonably alike and sound and feel nearly identical. None of them do much of anything to motivate you to do business with these companies.

What should you do to create an ad that will decimate these? I'm glad you asked! What follows is an ad I've written that could quite possibly put these other hair salons out of business. Please take a few minutes to look at Example 2 at the end of this chapter.

Do you see the difference between my ad and the typical yellow pages ads I've shown you? The reason you do is because my ad includes all three points for writing a yellow pages ad that will get maximum results.

First, it starts with a headline that tells the reader there is valuable information for them in this ad. Then it proceeds to deliver that information in an educational and persuasive manner. In actuality, this information is providing a number of convincing reasons why the customer should do business with you.

The ad has a personal feel, as if you're speaking directly to the customer and you understand their problems and concerns. By the way, I can't vouch for the accuracy of this particular information – I just made it up as an example of what a powerful ad should look and sound like. I really have no idea whether these are the factors that are important to someone looking for a great haircut.

Next, we offer all new customers a FREE analysis of their styling needs. This should help get even more people in the door.

And finally, our ad looks much different than all of the competition's. It's set in a columnar format and has a bold black line around it to make it really pop off the page. To prove my last point, please turn to Example 3 at the end of this chapter. Voila! The finished result!

I'm sure you can see how my ad really stands out against the other three typical ads. So the first advantage you gain is making sure that your ad gets noticed and gets read.

After that, the copy gives several compelling reasons why the customer will benefit by doing business with you. Then it follows through by offering an additional FREE bonus for their first visit.

This is a solid combination that will absolutely blow your competitors away!

Conclusion

You are now a yellow pages expert. You may think I'm kidding, but I'm not. You now know more than 99% of your competition knows about how to write a yellow pages ad that pulls like crazy. You also know more than 99% of the so-called top advertising agencies in the country.

If you need proof, just thumb through your own yellow pages. You'll see that all of the ads for small to medium-sized businesses look, sound, and feel exactly the same. Look at the ads for the big, established corporations. There's nothing distinct about any of them. And these were most likely written by the largest ad agencies in town.

Actually, it's quite fortunate for you that not 1 out of 100 businesses have even a remote inkling about what you've just learned. Because now that you have this knowledge, you can go out and use it to gain a powerful advantage.

You can write a yellow pages ad that will leave all your competitors in the dust!

Example 1:

292
Beauty

WHEN WAS THE LAST TIME YOU WERE HAPPY WITH YOUR HAIR?

FULL SERVICE SALON FOR MEN & WOMEN


WE SPECIALIZE IN

<ul style="list-style-type: none"> • CLASSIC & PROGRESSIVE HAIR DESIGNS • COLORING • PERMING • WEAVING 	<p>FREE CONSULTATION</p>	<ul style="list-style-type: none"> • MAKE UP DESIGN & LESSONS • EUROPEAN SKIN & BODY TREATMENT • WAXING
--	--------------------------	--


• WE RETAIL PROFESSIONAL HAIR, SKIN & MAKE-UP PRODUCTS

• COMPLETE NAIL CARE

TUE-SAT EVE APPOINTMENTS





ENCINO



995-3688

17253 VENTURA BL., ENCINO CA. 91316





hair studio


FOR MEN AND WOMEN

CORRECTIVE COLOR
MAKE-UP SPECIALIST
CUSTOMIZED PERMS
HI-ENERGY HAIR TREATMENT
SPECIALIZED PHOTO "SHOOTS"
EUROPEAN COLORIZING
& CREATIVE STYLING
LONG HAIR WEAVING

905-1568

CALL FOR APPOINTMENT
ASK FOR FARIDEN

Specializing
IN THE
LATEST
LONG
HAIRCUTTING
TRENDS



17253 VENTURA BLVD • BERBERIAN GARDEN
2 BLOCKS E. OF WOODMAN SOUTH SIDE OF THE STREET

IN STUDIO CITY

LOU ROSSI

HIS & HERS UNIQUE HAIR SALON

<ul style="list-style-type: none"> • PRECISION CUTTING & DESIGN • PERMANENTS • HAIR COLORING • BODY & FACIAL WAXING • PEDICURES 	<p>• THERAPEUTIC MASSAGE WITH STEAM</p> <p>BATH - SHOWER - WHIRLPOOL</p> <p>RECEPTION • RESTROOM AND OFFICE</p> <p>TRAVEL PACKAGES • 100 ROOMS</p>	<ul style="list-style-type: none"> • MANICURES • ALL ARTIFICIAL NAILS • MAKE-UP ARTIST • HAIR GROOMING PRODUCTS
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HAIR PERMS • MALES
REPAIR & REVERSE
SHEDS • 100-100%

BY APPOINTMENT

766-9571

13218 VENTURA BLVD (1 1/2 BLOCK WEST OF LAUREL CANYON BL.)

WAAVES

A FULL SERVICE SALON
FOR MEN AND WOMEN

FACIALS • WAXING • COSMETICS
HAIR EXTENSIONS
COMPLETE NAIL CARE
GOLDWELL
SEBASTIAN & PAUL MITCHELL
PRODUCTS

783-2850

17177 VENTURA BL. ENCINO
(UPPER LEVEL PLAZA DE ORO)

OPEN 7 DAYS & EVES

HAIR-NAILS-SKIN-WAXING

hair CONCEPT 2000

346-9114

WOODLAND HILLS

Example 2:

**5 Key Points For Making Sure
You Get A Great Haircut**

- 1. A great haircut depends on a style that's right for you.**
The shape of your face, your colors, the length and texture of your hair are all qualities that help determine what style will bring out the best in you. For your convenience, we have full color catalogs showing all of the latest styles as well as traditional styles. We'll be happy to go through them with you and help you pick the perfect style.
- 2. The stylist must thoroughly understand how to work with your particular hair texture.**
There are many different hair textures - and your hair may be a combination of different textures. In order to get the best possible haircut you need a trained hair care specialist who can recognize and work with all hair textures. Our highly-skilled hair stylists all have a minimum of 5 years of experience. We don't hire or use any trainees.
- 3. If your hair needs coloring, just a subtle difference can be tremendously important.**
When your hair needs coloring subtle differences can determine whether you'll look smashing or be disappointed. Selection of the correct color for you as well as proper application of coloring agents can make an unbelievable difference. Our experienced colorists do nothing but coloring. They don't cut, style, or anything else. They are colorists exclusively and bring you the finest skills available for this demanding and delicate area of hair care.
- 4. Your hair stylist must be trained properly.**
As we said earlier, we don't hire trainees. All of our operators have a minimum of 5 years experience. In addition, each operator must spend at least 20 training hours annually at the Precision Hair Center, the foremost training institute in the state.
- 5. To get a truly great haircut your stylist must take their time.**
Most salons book an appointment every half-hour. This forces the stylist to rush through your cut and sacrifice quality. We book all our appointments for a full hour. This allows your stylist the time it really takes to listen to your needs, help you select a terrific style, and cut your hair properly.

Now that you know what it really takes to get a great haircut, shouldn't you make an appointment at the Select Salon today?

On your first appointment you'll receive a complimentary hair styling evaluation and a packet of valuable, useful products absolutely FREE.

**Select Salon (818) 555-1234
264 Main Street, Los Angeles**

Example 3:

292 Beauty

WHEN WAS THE LAST TIME YOU WERE HAPPY WITH YOUR HAIR?


FULL SERVICE SALON FOR MEN & WOMEN

WE SPECIALIZE IN


<ul style="list-style-type: none"> • CLASSIC & PROGRESSIVE HAIR DESIGNS • COLORING • PERMING • WEAVING 	<p>FREE CONSULTATION</p>	<ul style="list-style-type: none"> • MAKE UP DESIGN & LESSONS • EUROPEAN SKIN & BODY TREATMENT • WAXING
--	------------------------------	--

• WE RETAIL PROFESSIONAL HAIR, SKIN & MAKE-UP PRODUCTS
• COMPLETE NAIL CARE

TUE-SAT EVE APPOINTMENTS





ENCINO



995-3688

17253 VENTURA BL., ENCINO CA. 91316






FOR MEN AND WOMEN

- CORRECTIVE COLOR
- MAKE-UP SPECIALIST
- CUSTOMIZED PERMS
- HI-ENERGY HAIR TREATMENT
- SPECIALIZED PHOTO "SHOOTS"
- EUROPEAN COLORIZING & CREATIVE STYLING
- LONG HAIR WEAVING

905-1568

CALL FOR APPOINTMENT
ASK FOR FARDEN

Specializing
IN THE
LATEST
LONG
HAIRCUTTING
TRENDS



16830 VENTURA BLVD • SHERMAN GATE
2 BLOCKS E. OF WOODMAN SOUTH SIDE OF THE STREET

5 Key Points For Making Sure You Get A Great Haircut

1. A great haircut depends on a style that's right for you. The shape of your face, your colors, the length and texture of your hair are all questions that help determine what style will bring out the best in you. For your convenience, we have full color catalogs showing all of the latest styles as well as traditional styles. We'll be happy to go through them with you and help you pick the perfect style.
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Select Salon (818) 555-1234
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WAAVES

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Lesson 17:

Silence Is Not Golden – Or How To Use Telemarketing To Reap Tremendous Profits

Your telephone can be a powerful sales tool or just a device that's used for conducting nothing more than the minimum of necessary communications.

The problem is, most businesses take their telephones totally for granted. They use them to answer incoming calls, order supplies, talk to their bank, and so on. All the while, they're missing out on tremendous profit opportunities.

Your phone is one of the most powerful and most overlooked assets you own. With a few very simple telemarketing techniques, you can turn your phone into a direct pipeline to your cash register.

Now, I'm not talking about setting up a boiler-room and having your operators call all over town, interrupting people's dinner, to make some fast-talking sales pitch. What I'm talking about is adding three simple, yet extremely profitable twists to what you say to customers who are already calling you.

What I'm about to show you could possibly be the easiest way you'll ever find to significantly increase your sales and profits.

How To Turn An Ordinary Telephone Into A Powerful Money-Making Device

What does a typical telephone conversation with one of your customer's sound like? I'll bet it goes something like this:

YOU: Hello.

CUSTOMER: Hello, is this Acme Whamblasters?

YOU: Yes.

CUSTOMER: Do you carry the 4-cycle Whamblaster Deluxe in navy blue?

YOU: Just a minute, let me check. (You put the customer on hold and if they're lucky, you eventually return to the phone.) Yeah, we've got one.

CUSTOMER: Okay, thanks. How late are you open?

YOU: 'Til 5.

CUSTOMER: Thanks.

(Click – they hang up.)

This is a pretty typical conversation. I've heard better and I've heard worse. But the point is, most conversations follow this pattern. And do you know what the result is? Suicide.

Pure financial suicide.

While you might not have irritated or offended your customer, you did absolutely nothing to make certain that they would come into your store. Nothing to make certain that they would buy a single thing from you.

Let's look at what went wrong here, why your communication failed, and what you can do to turn this financial disaster around.

Your first mistake was that you didn't make it easy for the customer to do business with your company. You didn't make it at all inviting to the customer. You didn't make it seem pleasurable to do business with you.

Telemarketing Secret #1

All of your conversations with your customers must be friendly and upbeat. They must show your customers that doing business with your company is a pleasurable experience. Let's modify the script slightly and see how it achieves our goal.

YOU: Good afternoon. Acme Whamblasters. How may I help you?

CUSTOMER: Do you carry the 4-cycle Whamblaster Deluxe in navy blue?

YOU: Yes we do. Let me check for you to make sure it's in stock. We're a little busy right now, so it might take me a minute. But I'll be back with you as quickly as I can.

CUSTOMER: Okay.

YOU: We do have the navy blue Whamblaster in stock. Would you like me to put one aside for you?

Do you see the difference a few slight changes make? First, you greet the customer in a friendly way letting them know that they've actually reached the store they were trying to call. The entire tone of the conversation is responsive and helpful.

Most importantly, what you've done is shift the burden of communication from your customer to yourself. You've made it easy for them to get what they need.

All right, now we're starting to get somewhere! But you still haven't made certain that your customer comes in - and comes in right away - to do business with you. Here's what you need to do to achieve this.

Telemarketing Secret #2

You must give your customer a powerful incentive to make sure they come into your business right away. Here's how this is done:

CUSTOMER: Okay. How late are you open?

YOU: We're open until five today.

CUSTOMER: Great. Thanks.

YOU: Oh, by the way, we have a special offer Just for today's callers. Would you like to hear about it?

CUSTOMER: Sure.

YOU: Great. Any caller who comes in today or by noon tomorrow will be given a discount coupon good for 5% off anything in our store. Would you like me to reserve a coupon in your name?

Do you realize what you've just done? Blam! You've shot them right between the eyes! Or, better yet, you shot them right in the wallet.

What you've done is issue a strong call to action. You've let your customer know with absolute certainty that there's really something in it for them if they do business with you. And let me tell you, not 1 out of 100 businesses does this. Probably not even 1 out of 1,000!

But we're not through yet. There's still something left to accomplish. Can you guess what that is? We want to throw on a little more icing and try to increase the amount of the sale at the same time. Here's how you'll do just that:

CUSTOMER: Sure, I'd like a coupon. My name is Ed Smith.

YOU: Super, Mr. Smith. I've set aside a coupon in your name. Oh, and one more thing. There's a great sale right now on tuning kits for all Whamblaster models. You might want to check this out when you come in for your coupon.

CUSTOMER: All right, I'll do that.

YOU: Great. Thanks for calling us today!

Another bull's-eye! In one lightening-quick maneuver, you've just scored two vital points. First, you underscored that your company really goes the extra mile in your customer's mind by letting them know about an additional savings on an item they're highly likely to be interested in.

Second, you've primed them for potentially spending more than they originally intended. By setting the stage to upsell them to include a tuning kit as well as the item they were originally asking about, you stand a good chance of increasing their purchase amount.

By the way, you should always have a special sales item to upsell your customers. The key to successful upselling is that the customer is only entitled to the special discount once they've already purchased something else from you at full price. That's how you give paying customers a powerful incentive to increase the amount of their purchase on the spot.

Also, the item you offer as an upsell doesn't necessarily have to be related to whatever the customer has already purchased. It simply has to be an item that appeals to a broad range of your customers. The amount you discount the item depends on how much profit is built into the item itself. Discounts between ten and twenty percent generally get the best results.

Conclusion

In just a few pages, you've started on your way towards becoming a master telemarketer. As you can see, it's remarkably easy. These three techniques are as close to no-brainers as you can get. All you have to do is plug them in and reap the benefits.

Now you know precisely what it takes to turn an ordinary telephone conversation into a profit-making communication!

Lesson 18:

Post-Purchase Reassurance – How To Dramatically Reduce Refunds And Returns

Refund requests and returned merchandise are a tremendous waste of your company's time, effort, and money. Every company encounters this problem to some degree or another. But few companies do anything to reduce the number of refund requests they receive or cut down on the amount of merchandise returned by their customers.

Most companies seem to accept refunds and returned merchandise as part of the cost of doing business. They act as if there is nothing they can do to stem this costly problem.

The truth is, there is plenty you can do to significantly reduce refunds and returns. And, the solution is remarkably simple. The problem is, you just haven't learned what you need to do to put a stop to refunds and returns.

But you will now.

In this chapter, I'll show you precisely what you need to know to dramatically reduce the number of requests for refunds you receive and the amount of merchandise returned by your customers. I'll start by demonstrating exactly why refunds and returns occur, even in the best of businesses.

Once you've learned why this financially damaging situation occurs, I'll show you a remarkably simple way to put an end to it. I'll give you step-by-step instructions for what to do and a working example that will show you how easy this technique is and how effective it can be.

What Causes Customers To Request Refunds And Return Merchandise

As I've been known to do before, I'm going to start this section off with a quick quiz. I'll give you an opportunity to act as marketing guru.

First, put your marketing gum cap on. My own MG cap is made from an old, cylindrical oatmeal carton with feathers glued to the sides and a hunk of old twine to keep it in proper guru-like position. Okay, now that you have your MG cap in place, here's today's question:

What single factor is responsible for almost every refund request and nearly every piece of returned merchandise?

By the way, this is not a trick question. The answer is incredibly simple. It also is not an essay question. In fact, the correct answer can be stated in just two words.

Small Business, “BIG” Profits

Do you know what the correct answer is? Well, I'll tell you... It's... it's... it's... Well, no... I'm not going to tell you. Not just yet, anyway. I will tell you in a moment, but first I want to tell you what the answer is not.

For one thing, it's not faulty merchandise or poor services rendered. Oh sure, all businesses may encounter their share of these problems, but just a little care and concern can all but eliminate them. In fact, I know of businesses in nearly all sectors, from retail to services to home-based to large mail-order firms, which have refund and return rates next to nothing.

Next, it is not dishonest customers. Again, every business will occasionally encounter a deadbeat. But for the most part, people are more than satisfied with an honest value for their money.

It also is not customers finding a better price somewhere else. While price can be a factor, it's rarely the underlying factor in a customer's refund or return decision.

All right then, if it isn't any of the above factors, just what is the one single factor that is responsible for nearly every refund request and nearly every return?

Now that I have my marketing guru cap firmly back in place (it had abruptly slipped for a second there, causing a nasty rope burn under my chin), I'll tell you. It is, quite simply: Buyer's Remorse.

That's right. Buyer's remorse. And whether you know it or not, that should send a shiver up your spine. Because buyer's remorse is a nasty, rotten reason. And a powerful adversary.

Here's why. All of the other reasons we mentioned above are practical, logical problems with practical, logical solutions. That makes them very easy to overcome.

But buyer's remorse is a nastier problem with a far more difficult solution because it is emotional in nature. So no amount of practical, logical problem solving is going to be effective in combating buyer's remorse.

You can argue steadfastly and brilliantly until you're blue in the face and you still won't be able to turn around someone who is in the emotional grip of buyer's remorse. In order to effectively conquer buyer's remorse, you need a high-powered, emotion-based solution.

But that's just one piece of the buyer's remorse puzzle. Another aspect of understanding the potent effects of buyer's remorse is to understand precisely when buyer's remorse occurs:

Buyer's remorse strikes your customer the moment the purchase has been completed.

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As soon as the purchase has been completed, the first minute after cash has transferred hands, buyer's remorse strikes fear into the heart of your customer. Wheels start spinning, warning sirens sound, and powerful strobe lights pulsate in your customer's mind. The profit-killing messages they carry go something like this:

“Maybe this was a mistake. I don't really need this. I should have shopped around for a longer time. I'll bet I can get it cheaper somewhere else.”

“My friends are going to think I'm an absolute idiot for spending money on this. There is no way this thing will do everything they say it will. I hate the color. It really looks a lot different than it did in the ad. I thought it would be a lot easier to operate.”

“I should take the darned thing back and get my money back. If they won't give me my money back, I'll sue them from here until next Tuesday.”

I call this the Buyer's Remorse Chorus. And I assure you, it starts the moment the transaction has been completed. And it starts in nearly every customer's mind who does business with you.

It starts for two reasons:

First, because most customers have been burned in the past, often more than once. So it's only natural for them to have a healthy dose of skepticism.

Secondly, it starts because of a bewildering trait of human nature. Most people tend to worry or look for something negative in almost everything they do. Most people look for something to go wrong, even though few of the things they worry about ever actually happen.

Studies have determined that 90% of what we worry about never comes to pass. But we continue to worry about anything and everything nonetheless. And this nearly continual chain of worries that most people entertain can wreak havoc on your business.

Now, before we go forward, there's one final aspect of buyer's remorse you need to be thoroughly aware of. Most business owners kid themselves. They know that buyer's remorse exists. They feel it themselves about nearly everything they ever buy themselves. But they tell themselves that their customers don't experience buyer's remorse.

Why is this? Why do so many business owner's tend to deceive themselves and disregard their own customers' buyer's remorse? Because they see their business through their own eyes, not through the eyes of their customers.

You see, nearly every business owner believes that their business is the finest business of its kind. And they make the fatal error of assuming that their customers feel the same way. In actuality, customers only care about what's in it for them. If they get what they came for, they're happy. If not, they'll usually go somewhere else.

So don't kid yourself. Don't expect your customers to feel the same way you do about your business. Accept the fact that buyer's remorse strikes nearly all of your customers swiftly and deeply. That way, you'll be able to take the proper steps to do something about it.

What You'll Get From This Chapter

In the remainder of this chapter, I'm going to show you everything you'll need to know to substantially reduce your returns and refund requests. I'll give you a powerful tool that will completely neutralize the nagging, emotionally-driven worries nearly every customer conjures up.

In short, I'll give you just what you need to cut your refunds and returns, convert worried customers to satisfied customers, and increase your profits by keeping them coming back for more.

How To Cut Your Refunds And Returns To Almost Nothing

At this point, you may be a little worried yourself. After all, I've just given you a pretty bleak view into what goes on in your customers' minds. And I've tried to hammer home that this happens all the time. That's the bad news.

Now, here's the good news. Turning this ugly situation around is actually quite easy. All it takes is the right tool for the job. And I'm going to give you that tool right now.

This tool is so powerful, it works like wildfire. Not only will it nearly eliminate all returns and refund requests, it will also make your customers much more receptive to doing even more business with you.

This tool is called Post-Purchase Reassurance.

Post-purchase reassurance means that you recognize that your customers will experience buyer's remorse, you also recognize that the cause of this problem is rooted in the emotions, and you take the necessary action to completely neutralize the disastrous effects it can have.

Post-purchase reassurance is a way of reassuring your customer that the purchase they just made was a wise one, that they will in fact get what they want or need, and that their worries are unfounded. Post-purchase reassurance works because it assures your customer that the choice they made was a sound choice. In doing so, it also removes the doubts they have about how people will view them or judge them.

Now, that's a lot to ask of a single technique, but as I've already said, if you understand what to do, achieving your goal is a piece of cake. The way you go about successfully achieving your post-purchase reassurance goal is to craft and send your customers a Very Personal Follow-Up Letter immediately after they've bought something from you.

Here are the components of a successful VPFL (Very Personal Follow-Up Letter):

- A sincere thank-you to your customer.
- A restatement of one or more of the key benefits your customer gets from your product or service.
- Additional information and useful tips on how to get the most from their recent purchase.
- Assurance that they made a wise choice by buying your product or service.
- A sincere reminder that you are always available to provide additional help.

Why A Post-Purchase Reassurance Letter Works So Well

Companies that use post-purchase reassurance letters regularly find that they significantly reduce returns and refund requests. There are many reasons why, but the main reason is that the components I just gave you work to soothe your customer's emotions.

Remember, a buying decision is primarily an emotional decision. Even the most sophisticated buyer uses logic and intellect to rationalize and support their emotional decision. And, as you've already seen, buyer's remorse is completely driven by the emotions.

So in order to effectively deal with emotional issues, you need a powerful, emotion-oriented tool. And that's exactly what your VPFL is.

Let's examine why your VPFL is so effective.

You start by thanking the customer and restating the most powerful benefit they get. Benefits appeal to the emotions - to your customer's picture of a better or easier life. So restating this benefit helps your customer plug back into their positive feelings about your product.

Even the act of thanking your customer delivers a subtle, yet powerful emotional message. It tells them that you've taken the time to acknowledge them. Think about this for a moment. When was the last time anyone bothered to truly thank you for doing business with them? If they did, I'm sure it made a powerful, positive impression.

The real heart of your VPFL is the portion that contains the useful tips and information that you give your customers on how to make the best use of what they just bought from you.

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Giving them this helpful information is a variation of a theme that I come back to over and over again. The best way to create a customer for life is to give generously and to give it for FREE.

Here are all the good things giving your customer valuable information does for you:

- It makes the customer feel good, which makes them a satisfied customer.
- It underscores your reputation as a good person and someone worth doing business with.
- It creates what I call “The Slight Bribe.” Few people can accept a gift without feeling somewhat indebted. That's just a fact of human nature. And you can ethically use this natural trait to your advantage.
- It takes the wind out of the negative worries your customer has been conjuring up. In effect, it helps your customers tell themselves, “I guess I was wrong. These people really aren't so bad after all. In fact, this product is just what I need.”

Now that you have your customer in a positive frame of mind, you assure them in no uncertain terms that the choice they made was a wise one. You close by sincerely reminding your customer that you are always available to assist them in any way you can.

This does a number of things for you: First, it nearly etches in stone that you are solid, reliable, and well worth doing business with.

Second, it gives you a chance to actually be of further service to your customer. And let me tell you, there's no finer way of cementing a lifelong business relationship than to be of actual service to someone. Once you've proven yourself, you have a customer for life.

And finally, it creates many more opportunities to sell more products and services to your customers. Because, there's a strong chance that when your customers take advantage of your offer to be of help, you'll uncover further needs they have that your products or services can satisfy.

I'm sure you'll agree that's a tremendous amount of mileage to be gained from a simple letter!

By now, you're probably thinking, “That's easy enough for Serling to say, but it must be terribly difficult to actually do.” Well, never fear. As always, I have a superb example for you of an actual VPFL that uses all of the components we discussed and achieves all of the objectives mentioned.

This letter was used to give Post-Purchase Reassurance to owners of retail stores who purchased a marketing program for increasing their sales and profits. Please take a few moments now to read this letter, which is Example 1 at the end of this chapter.

A Review Of Our Example

The letter opens with a thank-you followed by a restatement of the key benefits the customer will get. The key benefits are reduced costs and increased sales.

The letter wastes no time getting to the heart of the matter. It's simple, direct, and sticks precisely to the points I've given you. I start by assuring the customer that they've indeed made a wise choice.

I follow this by showing them a number of ways to optimize their use of the program they've purchased. I give them additional information to help guarantee their success. Please notice the tone of this letter. It's both personal and authoritative at the same time. I make certain that the customer understands that I'm on their side and I underscore my ability to deliver the expertise they've sought out.

I close by thanking them again and by letting them know I'm available to help and support them in successfully implementing this program.

Now, I want you to evaluate this letter for “feel.”

Do you see how it makes the customer feel? Notice how it restores their confidence both in the product and the choice they made to buy the product. These, of course, are the key objectives you're after when you use a Post-Purchase Reassurance technique.

Conclusion

You now know more about how to significantly decrease returns and refunds than 99% of all businesses in operation today. You understand why people return merchandise or request refunds. You understand that the cause of the problem is rooted primarily in the emotions. And you know exactly how to overcome this financially damaging problem.

All that's left to do is to put this information into action. When you do, I'm sure you'll be more than satisfied with the results. Time and time again, I've seen companies reduce returns and refunds from as much as 10% of their total business down to a fraction of a percent.

Example 1 – A Very Personal Follow-up Letter

Mr. Steve Smith
Smith Hardware
123 Ratchet Lane
Los Angeles, CA 90018

Dear Mr. Smith,

I want to thank you for giving me the opportunity to help you increase your sales and profits. You'll find this in-store program to be your quickest route to cutting your costs and substantially boosting your profits.

Also, I'd like to take just a couple minutes of your time to make sure you achieve as much success as possible with this innovative program. You've already taken the first major step by recognizing that your sales volume isn't as high as it can be and by purchasing this program to do something about it.

However, there are two more things you need to do. The first is to run the program in its entirety – all six weeks. I know it's tempting to skip the first phase and go straight to the second phase, but I urge you not to.

Here's why. If you skip the first phase, you won't be able to accurately assess how effective your current sales methods are. And if you don't track the difference – if you don't actually see for yourself how much difference this method makes, you might become complacent and fall back to your old, less productive way of selling.

Secondly, I want to remind you that it's extremely important to monitor your sales staff when you put this program into action. Because this method is a change from their normal way of doing things, some of your staff may resist it at first. For your own financial well-being, it's important that you recognize any resistance in its early stage and nip it in the bud.

But let me remind you, there may not be any resistance at all. Most sales people really enjoy this new method – especially if there's a bonus or sales contest to anchor its use. Again, I want to thank you for letting me help you with this program. If I can be of any further assistance, just give me a call.

Sincerely,

Bob Sorting, President
Stratford Marketing Group, Inc.

Lesson 19:

How to Turn Refunds and Complaints into A Lucrative Profit Center

If you're in business, customer complaints and refund requests are a fact of life. Like it or not, we all get our share of dissatisfied customers. What's really important to understand about complaints and refund requests is how insidious they can actually be and how much damage they can cause if they aren't handled properly. Here's why...

Studies have shown that each unhappy customer will tell between five and twenty other people about their negative experience with your company. Those people, in turn, will tell even more people bad things about your company. Experts have determined that just one dissatisfied customer can result in as many as one hundred people having a negative image of your business.

All these facts and figures may seem a bit dry, so let's take a look at a real life example. A few years ago, a good friend of mine was looking to buy a personal computer. He shopped and shopped and finally decided on a system from ABC Computers.

He bought the system and after awhile he had a problem with the hard drive. When he went to get it repaired, he got nothing but a run around even though the system was still under warranty. This continued for weeks. Somehow, he finally got the situation resolved, but the level of service he received from ABC Computers was completely unacceptable.

When I was ready to upgrade my own computer system, I began to ask my friends and business associates if they could recommend a reliable vendor. My friend told me that he couldn't recommend a good vendor, but he could definitely recommend who not to do business with. And he proceeded to make it abundantly clear why I'd risk my entire investment if I did business with ABC Computers.

Over the years, I've heard him repeat this same advice to many, many people. In fact, he never misses an opportunity to trample on ABC Computers' reputation!

Now, there's one more thing to consider. I ended up buying my system from XYZ Computers. The first day I had my newly upgraded system, I damaged one of the floppy disk drives due to my own error. When I took the system back to be repaired, XYZ Computers replaced the disk drive for free on the spot.

I argued that I should pay for the repair, since it was my own carelessness that caused the damage. But the owner insisted that the repair was "on the house."

Since then, I've heartily recommended XYZ Computers to many of my friends and business associates, I know of at least five other people who have bought computer systems from XYZ Computers directly because of my referral.

So what did it really cost ABC Computers when they mishandled my friend's complaint?

First, it cost them the sales of at least six additional systems (mine and my five referrals). Secondly, there's no way to estimate how many more lost sales could directly be attributed to my friend voicing his negative opinion to dozens of other people. But I'd estimate that the additional loss was substantial. My conclusion is that this single complaint was more costly than ABC Computers could ever have imagined.

Okay, I think you get the picture. A single complaint or a single request for a refund can be far more damaging than the loss of a single customer. It actually has the potential to become a complete financial disaster!

What You'll Get From This Chapter

In this chapter, you'll find out exactly what you need to do to completely neutralize the negative potential of complaints and refund requests. I'll give you a simple, inexpensive plan of action that will allow you to actually take those same complaints and refund requests and turn them into more repeat business plus more referral business.

By the time you've completed this chapter, you'll be able to convert refunds and complaints from a substantial source of financial loss to a lucrative new profit center. So let's get right to it!

How To Turn Complaints And Refunds Into Money-Generators

As I said earlier, every business gets its share of complaints and requests for refunds. What distinguishes the most profitable businesses from their less profitable counterparts?

Astute business owners view complaints and refunds as an opportunity to strengthen their company and lock in more profits. Owners of businesses that are less profitable view these same complaints and refunds as an annoying necessity of being in business.

If you really boil it down to its essence, maximum-profit business owners attack complaints and refunds aggressively while average-profit business owners accept them passively. So I'm going to show you how to attack this problem aggressively.

Once you start viewing complaints and refunds as another opportunity to demonstrate the benefits of doing business with your company, you are on your way to increased profits!

The technique I'm going to show you has four essential components. These components can be used in person, over the phone, or in a letter. Common sense and a bit of trial and error will help you decide which way or ways of applying this technique work best for your business.

For the sake of clarity, I'm going to demonstrate this technique in a letter format for this chapter. A letter format makes it easier for me to tie all four components into a complete example for you.

The four components of this technique are:

1. Sincerely apologize to your customer and thank them for bringing the problem to your attention.
2. Correct the problem - OR - offer to correct the problem.
3. Bend over backwards to keep your customer satisfied.
4. Use the complaint or refund to restate your company's commitment to your customers.

All right, so now we have a laundry list of our four critical components. Let's take a detailed look at each of these components individually. Then, I'll use them all in an actual letter that will give you a powerful working example.

1. Sincerely Apologize To Your Customer And Thank Them For Bringing The Problem To Your Attention.

This step is absolutely critical. You must acknowledge your error. Pretending nothing happened is certain death. I'll give you an example.

Have you ever gone to a great restaurant, ordered an exquisite meal, and then sat for forty minutes with your waiter nowhere to be found? Then, when the food finally arrives, usually cold, its almost always set down with no explanation as to why you were kept waiting so long!

This is an incredibly irritating experience to go through. Yet it happens all of the time. I'll bet you can't find anyone you know who hasn't been through this. The worst part is, this problem can be avoided almost entirely.

Any smart waiter or waitress will approach you as soon as they're aware of a problem and let you know what's going on. All it takes is a polite statement like, “I'm really sorry, but our kitchen is extremely backed up. Unfortunately, your order is going to take a while longer than usual. I hope you'll bear with us.”

Do you know what the worst thing is you can possibly do about a complaint or refund? Burden your customer with your own problems. Not only is it just plain stupid, but your customer doesn't care and shouldn't be expected to care about your problems.

Not too long ago, I had an appointment to get my hair cut. When I arrived, I was told that the woman who cuts my hair was out sick that day. I asked why nobody called to let me know.

The owner of the shop told me that he thought the hairdresser would call to let me know. I told him that wasn't a very good assumption to make since he already knew the hairdresser wasn't feeling well.

He then proceeded to rattle off a litany of his own problems in running his shop. “Look, I've got three hairdressers out sick and the air conditioner isn't working and I haven't been able to get anyone to come out to fix it and I'm extremely busy trying to get a large shipment of supplies put away,” he said.

No apology, no letting me know he was sorry for my being inconvenienced - nothing but complaining about how hard it is to be in business. All that served to do was make me even angrier. Not only was I inconvenienced, but now I was subjected to being treated like my problem didn't even matter.

That certainly didn't make me feel like ever giving him any more of my business!

It's absolutely imperative that you lead the way to acknowledge your customer's inconvenience and apologize for it. Then, thank your customer for bringing the problem to your attention (if that's the case). Because, by bringing the problem to your attention, the customer gives you a second chance to keep them contributing to your profits.

The customer obviously doesn't have to do this. They could just as easily choose to walk away and start spreading the bad news about your business. When they choose to bring the problem to your attention, give them the thanks they are due.

2. Correct The Problem -OR- Offer To Correct The Problem

The next step you must take is to do everything in your power to correct the problem. But, I'll let you in on a secret here. Sometimes, just offering to correct the problem is enough to win your customer over.

Here's why. Essentially, people want to be acknowledged. And often, just the act of acknowledging them will do the trick.

Let's get back to a real life example from before to see this component in action. Recently, I went to a restaurant for dinner with my wife and our son. We were seated immediately and given menus. We decided what we wanted and closed our menus. Nobody came to our table.

We sat for five or ten more minutes and still nobody came to our table. I then noticed a waitress standing at the bar chatting away with the bartender. I tried to get her attention

without any success. Finally, she came over to the table next to ours and took their order, even though they had been seated after us.

I continued to try to catch her attention. When she finished taking the other party's order, she turned around and headed straight for the kitchen! I said, “Excuse me!” to her, but she acted like she didn't hear me and kept walking.

Now I was really mad and I got up, telling my wife I was going to go find the manager. “Okay,” she said, “but please try not to make a scene.” As I got about five steps away from our table, a different waitress came rushing out of the kitchen, headed straight for our table.

“I'm really sorry,” she said. “I had no idea you had been seated on my station. I'm filling in for someone else and there was a mix-up. I really blew it. I apologize and I'd like to make it up to you. All of your drinks are on the house this evening.”

My wife decided she just wanted water, my son had some juice we had brought with us, and I ordered lemonade. “Are you sure?” our waitress asked. “We have fantastic margaritas and excellent home-made milkshakes!”

We thought about it, thanked her, and told her we'd stick with our original order. She said, “Okay, but feel free to change your mind at any time!”

We didn't change our minds, but my glass of lemonade was never empty throughout the entire meal. Someone was always on hand to refill it if it even came close to being half-empty.

After we had finished our meal, the waitress came over and informed us that dessert was also on the house. We told her we were both too full and she replied with a smile, “I'll be happy to wrap it up to go for you!”

This is an example of precisely how a complaint should be handled. The fact is, all we really had on the house was a lemonade. But the treatment we received was ideal. One more note is in order here. Often, just the offer to correct the problem is all it takes to turn the situation around completely.

For example, after a recent plumbing repair was done on my house. I discovered that the sink was left in a filthy state. When I called the plumbing contractor's office to complain, the person who answered the phone apologized profusely and said she'd send someone right over to clean up the mess.

I told her that I appreciated her offer, but I'd already cleaned it up myself. But the point is, I felt better knowing that they were willing to correct their error on the spot. Also, it helped just to be acknowledged rather than be given the royal runaround. The bottom line is, I've continued to do business with this company because they offered to correct my problem.

3. Bend Over Backwards To Keep Your Customer Satisfied

Part of this step has already been revealed in the discussion of the second point, but I'm going to show you how to accomplish this objective in much more detail.

In order to make up for the ground you've lost with your customer, it's necessary to demonstrate beyond a shadow of a doubt that the problem that occurred was an exception, not the rule. You achieve this by taking whatever action is necessary to show that you actually care a great deal for your customer's welfare.

The best way to do this is to give your customer something for FREE, or special treatment, or a fantastic deal on something they truly value. Now, if you put all three of these pieces together, you'll be sure to come out a winner. That's what I'm going to show you how to do now!

Let's back up to my experience at the restaurant. After keeping us waiting far too long, the waitress offered us FREE items and gave us exceptional service. I could barely take a swallow of lemonade before my glass was refilled. And we were offered more drinks and dessert for FREE.

The only point the restaurant missed out on was offering us a fantastic deal on something we'd find truly valuable. For example, by giving us a coupon good for free drinks the next time we came in, they could have made nearly certain that there would be a next time. And there's a strong chance we'd bring some more people with us when we returned.

Let's take a look at some more ways you can go about making absolutely certain your customer is satisfied after a problem has occurred:

- **Give your customer a FREE gift.** This can be anything that would be of value to your customer if you sell products. It can also be an intangible of high-perceived value such as extending the warranty period on a product.
- **If you sell services, you can add another week or month of your service for free.** Or a free analysis of whatever area you think would be of value to your customer. This is really a no-brainer because it doesn't take much effort to come up with a long list of things you can give away for free.
- **Offer an attractive discount on your products or services.** This is another great way to soothe your customer's negative feelings. An ideal way to do this is to present the customer with a “Manager's Discount” or “Owners Discount” coupon signed by the manager or the owner. This personal touch makes the customer feel like they're really being singled out for special treatment.

I especially like this technique for refunds. The coupon is presented along with a statement like, “I'm really sorry you weren't satisfied with your Whizbanger. We try

to stock only those items we think will best suit our customers' needs. We really value your business and I'd like to give you this coupon good for a 15% discount on anything you buy from us in the future.”

- **Give your customer preferential treatment.** Airlines sometimes upgrade their customers from coach to first-class to show preferential treatment. Figure out how you can upgrade your customers to first-class in your business. Then do it!
- **Extend service contracts, warranties, and guarantees.** Again, these intangibles often turn out to cost you little or nothing.
- Here's an idea that I'm particularly fond of. **Buy closeout lots of discontinued books that are pertinent to your business.** Then use them as gifts to customers who encounter problems with your business.

For example, what if when we were about to leave the restaurant, the waitress presented us with a hardcover cookbook from a well-known author? Sound far-fetched? It really isn't. You can often get closeout books in quantities of 100 for less than a dollar apiece.

If you're a stockbroker or financial planner, how about a copy of a recent book by a respected author on lowering taxes or estate planning?

Closeouts on books are also called remainders. You can find ads from remainder dealers in the back of every issue of *Publisher's Weekly* which can be found at any public library.

Use The Complaint Or Refund To Restate Your Company's Commitment To Your Customers.

This should be done with a simple, explicit statement along the lines of:

“I'm really sorry you were inconvenienced and I want you to know that this is not the way we normally do business. We do everything possible to make our customers feel satisfied and give them the excellent treatment they deserve. To try and make up for your inconvenience, I'd like to give you this Flaming Blue Whizbanger for free.”

Sometimes this message is implied in the preferential treatment you give a customer, but I never like to assume anything when it comes to communicating an important message to your customer. So make sure you always restate your company's commitment to your customers clearly and directly.

All right, now that you understand the four components you'll be using to convert complaints and refund requests from money losers to money makers, let's see how we tie them all together. Please take a few minutes now to read the complaint/refund letter. It's Example at the back of this chapter.

A Review Of Your Money-Making Complaint Or Refund Letter

This letter is very direct, very simple, and very powerful.

It starts by apologizing to the customer. Then, it moves right into thanking the customer for alerting the company to a problem. Next, it clearly restates the company's commitment to its customers.

Then it moves on to making sure the customer is acknowledged and remains satisfied by offering them an attractive discount. It also tells the customer, very clearly, that you value their business and would like to keep them as a customer. I believe in making your motives known right up front. If you leave anything to your customer's imagination, they'll often imagine something negative.

The letter closes by dangling a very intriguing carrot – an offer of a “mystery” gift. Can you guess the purpose of this gift? Well, I won't keep you in suspense. The purpose of this gift is to get the customer back into your store!

You need to do everything possible to make sure your customer gives you another chance. The discount coupon is a strong incentive, but the “mystery” gift is the real clincher. Now that you've proven your honorable intentions, few customers will be able to ignore this powerful curiosity factor you're creating.

With that, your complaint/refund money generator is complete!

Conclusion

You are now miles ahead of your competitors at handling complaints and requests for refunds. You no longer have to passively accept them as the natural consequences of doing business. You no longer have to accept the financial loss caused by these profit killers.

Now, you can easily and successfully begin to convert your complaints and refunds into profitable building blocks for your business. The best part is, it's really very simple. As you've already seen in my sample letter, there's really very little to it.

The main thing that makes the difference is taking the positive action necessary to convert problems to opportunities. Now that you know how, all that's left is to kick it into gear!

Example 1 – Sample Complaint/Refund Letter

Mr. William Smith
123 Fern Pointe
Sherman Oaks, CA 90000

Dear Mr. Smith,

You recently requested a refund on the Deluxe Semi-Carburetoed Whizbanger you purchased from us. I'm truly sorry it didn't suit your needs and I apologize for any inconvenience we may have caused you.

Also, I'd like to thank you for letting me know about the problem you ran into with this model's excessive power consumption. We weren't aware of it in the past, but I've asked my quality control manager to look into this right away.

We pride ourselves in bringing our customers products that perform to the finest standards. It's concerned folks like you that help us to weed out any products that may not meet our rigorous standards.

As I said, I truly regret if we caused you any inconvenience. We really value your business and I'd like to keep you as a satisfied customer for many years to come. As a token of our appreciation, I'd like you to have the discount coupon I've included with this letter. It entitles you to a 15% discount off any item we carry.

Also, I have a “mystery” gift I think you'll find extremely useful. Next time you visit our store, just ask for me or our store manager Sue Brown. We'll make sure you get this special gift.

Thanks again for doing business with us. I'll look forward to seeing you soon and giving you your special gift!

Sincerely,

Jim Johnson
Johnson Custom Appliances

Lesson 20:

How To Increase Your Consulting Fees By 62% – And Have Your Clients Love You For It!

Whenever you get two or more consultants together in the same room, the conversation always gets around to one crucial topic: How do you go about raising your rates?

Now, it may be cloaked as, “How much do you charge for such-and-such a project?” But the core of that question is actually your desire to know how your rates compare. And more importantly, whether you can raise them.

The fears that continually plague most consultants are: Am I charging too little? Too much? Will I lose out on this contract because I bid too high? Well, you can kiss those worries goodbye. Right here, and right now!

Because in this chapter, I'm going to show you why those kinds of fears are nothing but a waste of time and a tremendous drain on your energy. I'll do this by revealing a simple, profoundly effective technique that will let you raise your rates as much as you want, whenever you want, and close more sales more quickly than you ever have before!

Sounds like a tall order, doesn't it? Well, you'll be surprised at how easy it really is. By the time you finish this chapter, you'll have all the tools you need to swiftly and effectively boost your income by fifty percent or more!

What's In This Chapter And How To Use It

This chapter is set up in a logical, sequential order. It should be read front-to-back in order to get the most value out of it. If you read it out of sequence, you'll miss out on important background information that sets up the point you're currently reading about.

Here's how this chapter is organized:

- We'll start by examining **what really makes a client decide to hire you**. I guarantee you'll be surprised by the core concept that's revealed here!
- Next, I'll show you the three key steps that let you take this core concept and use it to **win more clients at significantly higher rates**.
- Then you'll discover **why this technique is nearly foolproof**.
- You'll be given a detailed, real-life example of how I used these three key steps to **raise my rates by a minimum of 62% and close on 4 out of 5 leads** – up from my normal close rate of 1 out of 4!

- I'll wrap up by showing you precisely how you can **easily tailor this technique to successfully raise your own rates**, close more leads, and make your current clients appreciate you even more.

Have I got you interested? Great! Then let's get on with it!

Serling's Consulting Success Equation

Here's a quick quiz for you: *What is the single most significant factor in a client's decision to hire you?* Let me guess what you answered (in no particular order):

1. You or your firm's reputation.
2. Articles or books that you've published.
3. The location of your office relative to the client's location.
4. Your education.
5. Your superior proposal or presentation.
6. A personal recommendation from the client's cousin, Louise.

If your answer was any of the above, you're wrong. Dead wrong. What's worse is that you're in serious danger of losing your clients and valuable referrals to other lucrative clients if you think this way.

You see, there is really only one reason why people hire you – because they believe you can perform at a level that will deliver results. Even if they don't know it or can't state it explicitly, there is no other motivation that isn't driven by this need for results.

Sure, the factors listed above may play a role in the client's decision. But only as they relate to helping convince the client that you or your company possess the ability to deliver significant results.

Let me put it another way. What impact do you think it would have on your business if you had the reputation for always being able to increase your clients' profitability? And of being able to deliver this better than anyone else in your field?

I'll tell you what the results would be. You'd have more business than you could possibly handle. You'd have to go into seclusion to keep the clients away!

Your clients wouldn't care where you went to school, how fancy your offices are, where you're located, or whether you showed up in shorts and a T-shirt. Not if they knew with absolute certainty that you could make them fists full of money better than anyone else in the business.

It's really simple. People pay for results. Now that we're clear about this, here's Serling's Consulting Success Equation:

Performance + Results = Higher Fees

The equation is simple, straightforward, and completely accurate. Because people are always willing to pay more when they feel certain that they'll get the results they're after. O.K., but now the question becomes: *How do you master performing at a level where you can be certain that you'll deliver the desired results?*

Read on to find out!

The 3 Key Steps To Improved Performance, Delivered Results, And Higher Fees!

Improving your performance and making sure that you can consistently deliver superior results are much easier than they might seem. To understand why, let's backtrack a minute to the answers you gave when I asked earlier why you thought your clients decided to hire you.

What's common to all of the answers I listed is that they represent your view of what you think your clients want. However, as we've already seen, the truth lies in your clients' view of what they really want.

The problem is, most of us consultants, full of infinite wisdom and expertise, seldom bother to find out what the client really wants. After all, we're here to show them what they really need! Or so we think.

This is a faulty and dangerous position to put yourself in. If you rely solely on your own knowledge and experience, you're bound to be wrong a good fifty percent of the time. Which means you're bound to lose a full fifty percent of your client base plus all of the qualified leads you'd get as referrals from these clients!

How do you turn this unfortunate and costly problem around? By realizing that your clients hold all of the answers. Or at the very least, they can provide you with the seeds that will bear the answers. If you devote proper attention to what your clients have to say, you can position yourself to collect windfall profits.

To maneuver yourself into this envious position, there are 3 key steps:

1. Determine the weaknesses in your area of expertise.
2. Remove the risk of damage by these weaknesses from your clients.
3. Focus your marketing efforts on shifting the risk from your clients to you.

Now, let's look at each step in detail.

1. Determine The Weaknesses In Your Area Of Expertise

In any given consulting market or area of discipline, there are bound to be significant shortcomings. There are weaknesses, which if properly identified and solved, can increase your share of the market. And act as a stepping-stone for you to increase your fees.

How do you find out what those weaknesses are so you can exploit them? Simply by asking your current clients – or optionally, by asking new prospects.

Just get on the phone and call 10-25 clients. Tell them you're doing an informal survey to help you better serve their needs. Ask them what their top three complaints are about consultants that service their industry. And write all of the complaints down.

Once you've talked to these clients, certain patterns will emerge. In my industry, advertising, the major complaints listed by hundreds of clients are in order:

1. Ad agency or consultant's lack of understanding of the clients type of business.
2. The inability of the agency or consultant to help the client plan effective marketing campaigns.
3. Confusing or incorrect billings.

Now, here's the real kicker. When hundreds of top advertising agency executives and marketing consultants nationwide were asked to list factors that they believe their clients value the most, over 90% said creativity! But in my client survey, the subject of creativity was never even mentioned! Is it any wonder that so many clients, large and small, switch ad agencies and consultants so frequently?

Don't let this happen to you! If you're really serious about winning and keeping clients, let the market tell you what it needs. Then use this information to expand your position in the market. Which is what I'm about to show you how to do.

2. Remove The Risk To Your Clients

This is the payoff step. Here's where you use the knowledge you've gained to claim more market share, to charge more for your services, and to get clients to feel privileged to secure your services at nearly any cost!

You start by adjusting your services to satisfy your clients' most pressing needs. I'm going to be very direct with you here. If you choose not to adjust your services to your clients' needs, you have no one to blame but yourself for your own failure.

Look, your clients have told you what they want, what they're desperate to secure, what they'll gladly pay dearly for. If you don't take advantage of this, you're not only foolish, but you're also derelict in your responsibility to your clients.

Your job is to give the best effort possible to solve the problems that plague your clients. And to lead them in a direction that will support your success in doing this. Therefore, you owe it to your clients to do what's best for them.

Once you've adjusted your services to address the true concerns of your clients, performance will naturally follow. There's almost nothing you can do to prevent being light-years ahead of your competition.

I'll give you more information on improved performance later in this chapter under the heading “How To Live With Your Decision To Put Your Neck On The Chopping Block.”

Adjusting your services to your clients' needs not only improves performance, but it also minimizes your clients' risk. When you're dealing with your clients' primary interest, the risk of you leading them down a blind alley is significantly diminished.

But there's still more to this point. It's not enough to just increase performance or reduce risk. To be successful, you must tell your clients, in no uncertain terms, that you will take on all of the risk yourself!

You do this by making a very bold statement, such as: “Now You Can Increase Your Testing Staffs Output By 38% -- Guaranteed & With Absolutely No Risk To Your Company!”

Whoa! I know what you're thinking: “This Serling guy is nuts. There's no way that I'm going to put myself on the line like that!”

Okay, but just bear with me for a few minutes. In the next section, I'll show you precisely why you're at minimal risk when you make this kind of offer. For now, I just want you to recognize how powerful a tool like this could be for capturing a larger share of your market at increased rates.

3. Focus Your Marketing On Shifting The Risk To You

Now that you've decided to become a performance-based consultant, the final step is to make this abundantly clear to your clients. This step is the easiest to accomplish.

You do this by developing a central theme based on your clients' most crucial problems. Then you emphasize your ability to solve those problems plus your willingness to assume the risk in all of your marketing communications.

Let's say you're a CPA and ex-IRS investigator who helps business owners solve their tax problems. Your central theme might be: Put an end to IRS tax problems once and for all. Restore your peace of mind and get back to running your business. Results guaranteed or there's no fee to you.

All of your ads, brochures, sales letters, in-person sales calls, etc. should be focused on this vital theme. This allows you to aggressively market your services and command higher fees.

Solving your clients' worst problems at no risk to them is a formidable, irresistible offer that will give you a distinct advantage over your competition. It also eliminates almost any objection the client may have to giving their business to you. In my own case, after switching to this type of guarantee, I began to close almost 75% of all prospects – as opposed to the 25% that I used to close.

One last note. In order to focus as tightly as possible on the most crucial problems of different markets, you may need to develop a different theme for each of these markets. For example, a business consultant might have a completely different theme for start-ups than for established businesses. This theme, based on the crucial advantage your clients are seeking out, is the key to representing your services in the most successful manner possible.

How To Live With Your Decision To Put Your Neck On The Chopping Block – And How To Prosper, Profit, And Have A Great Time Doing It!

I know that the techniques I've just covered can seem a bit overwhelming at first. This is primarily because they represent such a radical departure from the way you've been doing business up until now. But if the methods you've been using were generating the kind of income you know is possible, you wouldn't have purchased this course!

Besides, I'm going to clearly demonstrate how little risk is really involved when you use my techniques. Here's what you can do to make the transition to this type of approach easier. And to increase your income as much as possible, as quickly as possible!

First, you have to evaluate just how effective you are as a consultant. If you've had a reasonable amount of success to this point, spring boarding to a higher level shouldn't require much effort.

The question you must answer – as honestly as possible – is how satisfied have your clients been with your work? Have you had too many disputes with your clients? If so, how many were because of you? Would your clients recommend you to others? With or without reservations?

If you and your clients are satisfied with your work, you'll have absolutely no problem upgrading your performance and your fees. Homing in on your clients' true needs

Small Business, “BIG” Profits

automatically improves performance. So much so, that you can guarantee your work with confidence. And improved, guaranteed performance commands top fees.

If you aren't already performing to the best of your abilities, it's time to get yourself back on track. A solid foundation is an absolute prerequisite for moving on to bigger things. Without a solid foundation, no marketing technique in the world will help you.

It's like putting a turbo-charger in a car. Turbo a Volkswagen and you have an O.K. car. But turbo a Camaro or Porsche and you've got one hot performance car!

In truth, you're actually risking very little. Here's why: your clients already have the problems you're saying you can solve. If they didn't, they wouldn't hire you regardless of how good your offer is.

Look, if I'm a sports performance consultant and I can guarantee to cut 9 strokes off your golf game, it doesn't matter to you if you don't play golf or don't care to improve. But for avid golfers, you've nearly got a lock on the market.

Clients buy solutions that make their lives easier or better. If you can deliver these solutions (which you can, or you wouldn't be a consultant), you have nothing to worry about. Once I started marketing myself as a performance-based consultant, I never had a single request for a refund!

Even if you do get an occasional refund request, the increased income from your expanded client base and increased rates will significantly offset the refunded amount. Structure your guarantee to be based on the client following your recommended course of action.

Your guarantee is based on performance. But in order to perform, your client must do what you recommend. If they decide to modify your plan without your consent, or get halfway through and abandon your plan, you shouldn't be held responsible.

Make sure the terms of your guarantee are clearly stated in a signed contract. This discourages frivolous claims for refunds. My own guarantee specified that the client must provide copies of all ads I'd recommended along with receipts from the media where the ads were run.

Require a substantial deposit to discourage frivolous clients. For a \$17,500 marketing campaign, I require a retainer of half. Although the retainer is refundable, it helps me qualify my prospects. A client who isn't serious about using my services is rarely willing to tie up their funds. Emphasize that you're expensive, but a bargain compared to poor results!

I tell all of my clients up front that I'm expensive – and that I'm going to make them a lot of money. They love me for it. They like knowing that they're getting the best marketing consultant available. And they love the results.

Any way you cut it, a \$70,000 return on my \$17,500 fee far outdistances paying \$5,000 and barely breaking even!

Minimize your exposure by guaranteeing only a portion of your performance. I can best explain this technique by giving you an actual example. Two of the services that I provide are writing powerful sales copy and comprehensive marketing services.

Sometimes, clients want to hire me just to write their advertising copy. In this case, what I unconditionally guarantee is the copy up to the point of their acceptance.

You see, I have no control over how they use the copy, whether they apply it to the correct market, whether the theme of the copy is the most vital theme possible, and a whole host of other crucial considerations. The client controls how and when they'll use the copy. This costs them less, but they're also guaranteed less.

If the client wants me to develop a complete marketing campaign and guarantee the profits, it's going to cost them more. Plus, the client must run the ads when and where I recommend, and follow all of my instructions. That's only fair if I'm going to assume so much risk and defer my fee until actual profits are generated.

You can do the same. Guarantee only the areas you have control over, and strengthen your guarantee in direct relation to that control and your potential income for your services.

What it really gets down to is that the risk you are exposed to is minimized and your ability to get the job done is significantly improved. The essential function of your guarantee is to act as a powerful marketing tool. And let me tell you, it's a wonderful feeling to have clients clamoring for your services and to collect fat fees for providing them!

A Real Life Example

When I first started my consulting practice, I heard some good advice:

“Always look to make more money. You can do this by hiring help, working faster, or increasing your rates. But when you raise your rates, be careful not to increase them by more than 10%. If you raise them more than that, you're liable to irritate and lose your long-term clients.”

Over the years, I've continued to hear similar advice when it comes to raising rates. This logic has become the prevailing practice in my industry.

Now, another thing I've learned over the years is that most industries have tunnel vision when it comes to prevailing practices. Everybody does things pretty much the same way. And it's rare that anyone challenges or even examines the reasoning behind these practices.

Well, I've always believed that if you follow a standardized set of practices, you also run a strong risk of overlooking other potentially more lucrative practices. So I began to examine the wisdom of not increasing my rates by more than 10%.

I thought about why some marketing consultants have lucrative practices and others just manage to get by. The common, and obvious, reason was that the highly paid consultants deliver results. And here's where it gets interesting.

I realized that prevailing practice states not to raise your rates more than 10% because it assumes that you're delivering precisely the same product. You aren't doing anything different, and you aren't adding any value to your product. All you're doing is raising your rates.

From this, I developed my theory that you could raise your rates substantially – even double or triple them – if you could prove that your services were significantly more valuable. I decided to test this theory and see if the market would prove me right or wrong. The overwhelmingly positive results are described in the next section.

How I Studied My Market

To refresh your memory, the first key step of my technique is to determine the weaknesses in your area of expertise. I accomplished this by taking two steps:

1. Finding out from my clients what their worst problems were.
2. Studying my competition to see what they were doing right or wrong.

I actually did two separate studies, one for copywriting and the other for marketing consulting. Since the techniques are exactly the same, regardless of the area you consult in, we'll limit this example to my marketing consulting practice.

First, let's look at how I gathered information from my clients. All I did was get on the phone and talk to roughly 15 of my clients. In a 5-10 minute call, I asked them to list their biggest problems in dealing with marketing consultants.

The major complaints were:

- Poor results
- Complicated plans that were difficult to implement
- Confusing or incorrect billings

Great! I was on my way in about two hours!

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Next, I surveyed my competitor's ads. It was astounding to see the advantages they were touting! “Come to Hawaii for your marketing.” As if a beautiful, tropical location would compensate for a lack of results.

“20 years of award winning advertising.” Big deal! Awards are for ad agencies and consultants, not for the clients. Besides, the only award a client really cares about is to be awarded more dollars in their pocket!

“Call the Pro's Pro,” followed by a long list of all the books our “pro” had written. So what! What's in it for the clients? Remember them? They're the people your infinite wisdom is supposed to be helping.

My gut feeling told me I was onto something HOT!

On to the next step! Key step number two is remove the risk to your clients. To achieve this, I focused on my clients' worst problems – poor results, complicated, confusing marketing plans, and billing errors.

I decided to emphasize the first point and use the second as a strong support point. The third point is operational and I decided not to concentrate on this since sound billing practices could eliminate it as a significant factor.

Next, I developed a central theme pinpointing guaranteed profits. Which ties in to key step number three: Focus your marketing on shifting the risk to you.

Take a look at the sales letter in Example 1 at the back of this chapter. My central theme of guaranteed profits is stated in the bold, two-sentence headline. And it's constantly hammered home throughout the sales letter. Ease of use, my main support point, is also given strong, direct treatment throughout the letter.

It is this central theme, this solution to your clients' most irritating problems, that gives you a distinct business advantage over your competition. And I can't emphasize strongly enough that this theme must be market-driven. It must be revealed by your research of the market itself.

Next, I raised my rates. A simple marketing plan that was priced at \$2,500 was raised to a minimum of \$4,000. This represents a 62.5% increase! But don't forget, it's also tied to a significant increase (and guarantee) of performance.

I also raised my hourly consulting rate from \$125 to \$350. And I began charging my full hourly rate for travel and meeting time. Before, I was charging a reduced fee of \$75 for travel and meeting time. This represents an increase of 280% for consulting and 466% for meetings and travel time.

Let me add one more thing. It doesn't stop here. My goal is to eventually charge \$1,000 per hour for consulting. It all gets down to value. The other day, a client stopped by to

discuss a promotion he was considering for his restaurant. After about 5 minutes, I recommended a single, key adjustment to his basic idea.

His eyes grew as big as saucers. He immediately recognized that this simple adjustment could net him thousands, perhaps tens of thousands of dollars. Now to me, a recommendation that's as valuable as that should easily earn me a thousand dollars.

The Results Of My Field Test

One thing I want to emphasize is that exceptional marketing is a continual cycle of testing and more testing. Even though my theory was based on solid research, it was still just a theory. The market can prove you wrong almost as easily as it can prove you right. So test your marketing prudently and inexpensively before making a major commitment.

Anyway, here's the results of my test.

In the first week, I received 5 leads for new business. One was for a small project, and the other four were substantial assignments. Of the five, I closed on four of them. Prior to using this approach, I used to close one out of four.

Not only that, but one of the major projects was for a franchise. I've since been recommended to other franchises in the chain, and it looks like I'll close a number of those also.

One assignment was subcontracted through an advertising agency I'd worked with frequently in the past. Would the conventional wisdom hold true? Would I generate ill will with my hefty rate increase?

To the contrary! The account executive told me that the word must be out about my skills. And that she considered me their secret weapon, but knew that people would find out how good I was sooner or later. She closed by asking in a concerned tone if I'd still be able to help them out!

You see, she already considered me under-priced. And now, even though I might be priced higher than other consultants, she knew that she couldn't lose. If I came through, her agency would be made to look great. If I somehow flopped, it wouldn't cost them a cent. Either way, they win.

One more thing. The sales I made were all closed within a few days, some on the spot. I offered so much more than my competition, people jumped to make sure they got in on a good thing!

How To Use These Techniques To Increase Your Income

To parlay these techniques into success for your consulting practice is really quite easy. All you have to do is take the three key steps and apply them to your practice.

Then use the sales letter in the example at the back of this chapter as a model for your marketing materials. You have my permission to use it or modify it any way that you like.

The key is to take what works in my sales letter and apply it to your own practice. There's no need to reinvent the wheel or develop your own totally unique concept. Everything you need is right here.

With just a little effort, you should easily be able to start working your program in 1-2 weeks. Your research should take about 4 or 5 hours. Developing a solid business advantage theme based on your research results should take another hour or two. Creating and printing a small batch of marketing documents to test your theory should take a day to write and two or three days time at your printers.

You may decide to create a sales letter, a new brochure, or a telemarketing script. None of these will take much time, and once they are complete, you should see results within a week. The thrill of seeing people clamoring to do business with you is truly a special feeling!

Conclusion

You have just completed your first step toward significantly boosting your income – and doing a better job for your clients. I hope you'll put what you've learned into action by starting now. Because knowledge is just knowledge until you give it some action. It's action that really produces results. And what I've shown you here is a powerful, flexible opportunity to take highly profitable action.

If you don't take action the results are predictable. You'll have the same old weak, hit-and-miss results that most consultants settle for. And the same mediocre fees. Don't let that happen to you!

You now know how easy it really is to improve your performance, deliver more of what your clients hire you for, and reap the financial rewards of doing so. Go out and do it. Do it for the sake of your business. And do it for the sake of the people whose lives will be made better from having used your services!

Example 1 – My Sales Letter

FREE

10 Hot Ways To Put \$1,200 - \$3,750 Extra Profit In Your Pocket This Month... And Every Month!

Dear Business Owner,

Would you like to boost your monthly profits by \$1,200-\$3,750 or more quickly and easily? If so, this may be the most valuable letter you'll ever read. Here's why...

My name is Bob Serling and I'm a marketing consultant. I specialize in generating tremendous profits for businesses from sources they never even knew existed.

For no up front fee, I'll show you 10 specific concepts you can immediately apply to your business that will make you a lot of money. And for each concept you eventually adopt, unless I'm successful in making you money, it won't cost you a dime! Because I don't get paid until after I make you 4 times my fee in increased profits.

Here's how it works. In nearly every business there are pockets of untapped profits that go completely unnoticed. But you've got to know exactly how to find them and exactly what to do to make them pay out maximum returns.

As I said, I specialize in locating these lucrative pockets of opportunity and showing you precisely how to develop them to their full profit-bearing potential. What's more, the risk is entirely mine. Because, quite simply, if I can't make you money, I don't get paid.

Can I really find the tremendous opportunities you may have overlooked? Can I really increase your profits by many thousands each and every month?

Maybe, maybe not. It really depends on the specifics of your business. But there's one thing that's absolutely certain. It won't cost you a cent to find out!

All you have to do is call me at (619) 944-5646. I'll be happy to set up a FREE consultation at your convenience. During this consultation, I'll show you at least 10 specific concepts you can immediately use to pull in eye-popping profits.

Don't wait. If you really want to make some serious money, you owe it to yourself to check out this remarkable offer. So call today for your FREE consultation!

Sincerely,
Bob Serling, President
Stratford Marketing Group, Inc.

Lesson 21:

Tricks Of The Trade – An Insider’s Guide To Tips And Techniques For Producing Maximum Sales And Profits

Do you know what the dumbest thing is you could possibly do with your marketing? Well, I'll tell you: Spend a lot of money.

Or, more accurately, spend a lot of money on anything before you've conclusively determined that it's an all out winner. Yet that's what the majority of businesses do “ and it costs them dearly.

Have you ever run a brand new ad and paid the 3-times rate, or 6-times rate or however many times rate to “save money” instead of paying more for the single run rate? If you have, you made a foolish mistake. You probably wasted your money.

Have you ever done a full production run of a product only to find that it didn't sell at all? I have and I lost a bundle. So have most of my clients and they lost money too.

Have you ever printed thousands of brochures and then had to scrap them because they got dismal results? Or sent out thousands of sales letters only to find that barely a soul is interested in what you're selling? If so, you aren't alone.

I could go on and on with many more examples, but I think you get the picture. The point I'm trying to make is that most businesses, including yours, waste huge sums of money on marketing that's doomed from the start.

And this doesn't have to happen!

Look, any fool can throw a huge wad of cash at a market and sell a few products or services. But in the long run (or short run, depending on how much money you have) they end up in a loss position.

I'm going to show you how to stop wasting money on your marketing. I'm going to show you how to lose as little as possible and win as much as you can. I'm going to reveal – right now – how to leave your competition in the dust.

Here then, is **Serling's Rule of Maximum Profit Marketing:**

Don't outspend your competition, outsmart them.

I know what you're thinking. That's easy to say, but another thing to actually do. Never fear. As with all of my marketing materials, I go short on theory and long on practical examples.

What you'll learn in this chapter is how to replace huge marketing expenditures with small doses of ingenuity and get superior results. I'm going to reveal the most high-powered, practical techniques I've accumulated over the years that can help you increase your sales and profits as much as possible.

And I'll give you a fresh perspective for viewing all of your marketing efforts. A perspective that will make your marketing an exciting, profitable challenge instead of a nerve-wracking, downward spiral.

How To Develop Ingenious Marketing – And Use It To Build Your Bank Account!

In a minute, I'm going to give you an arsenal of ingenious tips and techniques that can make you a lot of money. But first, let me tell you how I define ingenious marketing. For our purposes, I define ingenious marketing as a simple difference that produces superior results.

Sometimes that means doing something that everyone knows they should do, but for some reason they don't. Sometimes that means taking an idea from a completely different business, adapting it to your own business, and improving your results. But most often it means looking at things from a slightly different perspective to come up with a new angle that's vastly superior to the old.

With this definition in mind, here's a collection of simple, ingenious techniques you can use to produce superior profits.

1. The Profit Porthole

This first technique is an example of superior vision in marketing. By the way, I gave this technique its name, but I didn't come up with the original idea. I read about it a few years back in a journal. But let me tell you, it epitomizes how a simple change of perspective can produce phenomenal results.

A shop owner was having great difficulties in getting people to come into her store despite an exceptional location with an abundance of foot traffic. So she hired a marketing consultant to help solve this critical problem.

Here's what the marketing consultant did. First, he told her to create an alluring display of some of her most attractive products and set it about five to ten feet back from the center of her window. Then he instructed her to shine a spotlight on the display.

Next he told her to have her entire window whitewashed so nobody could see in – except for a small circle where customers could peek in and see her display.

Now, here's the stroke of sheer genius this marketing consultant came up with to attract more curious prospects than you could possibly imagine. Above the circle, he painted this message: “For Women Only.”

The results were phenomenal! Women lined up to get a chance to see what was in that porthole. And loads of men just had to see what it was that they weren't supposed to look at. The store's sales soared and the owner reported that as well as bringing in more sales from women (her primary clientele) she also made more sales to men than ever before.

Can you use this idea for your business? Can you modify it slightly for even better results?

Here's an idea I have for improving on the original concept. How about wrapping a strangely shaped item and putting it behind your porthole. Then write above it: “Guess What This Is and Win a FREE _____.” The item your customers would win would be something related to your business.

Let's say you own a restaurant and your message was: “Guess What This Is And Win A FREE Dinner Every Month For 6 Months!” You'd get loads of people coming in to register their guess. Many of them would stay for something to eat. And you'd be able to capture all of their names and addresses for future marketing efforts.

If it applies to your business, give this technique a try. It's fast, simple, and extremely effective.

2. Grabbers – How To Make Direct Mail Produce Extraordinary Response

If you've ever sent out a mailing and gotten dismal response, you know what it's like to feel really disappointed. Here's a technique that can really send your response through the roof. In fact, I recently applied this technique to a client's mailing and increased their response by over 400%!

Most direct mail fails because it's too boring to get anyone interested in reading it. A grabber gets your readers attention and pulls them into your letter.

A grabber is a physical object that you attach to your letter and work into the theme of your letter. Grabbers have been around for decades, but few people use them. And even fewer use them effectively. Examples of grabbers I've seen used effectively are dollar bills, candy, toys and gadgets, even a plastic garden slug!

Example 1 at the back of this chapter is a copy of a grabber letter I've used to sell my services. For our purposes, I've xeroxed the magnifying glass onto the front page. But in the letters, an actual magnifying glass was taped to the letter. This added bulk and a funny shape to the envelope that helped to get it open.

The other thing a grabber does is set you apart from the rest of the crowd, which can be very helpful. I use my grabber letter for generating leads.

It used to be that when I called to follow up my initial letter (a non-grabberitized letter) at least half of my prospects wouldn't remember receiving my letter. But when I changed to using a grabber letter 95% of all my prospects remembered receiving my letter with the magnifying glass. That got my foot in the door and really contributed to my closing more sales.

Try a grabber letter. There isn't any product or service that they won't work for!

3. When An Opportunity Presents Itself, JUMP ON IT!

This next story is another prime example of ingenuity at work.

It seems there was an East Coast stockbroker who commuted to work daily on a toll road and found himself paying a toll each way to work. Every day, he would pay two tolls just like everyone else who used the toll road.

But this stockbroker was a little different than everyone else. He actually found a way to turn those tolls into a powerful marketing tool. Whenever he paid his toll, he would check his rear view mirror. If the person behind him was driving a nice car, he would also pay the toll for that car. And he would leave his business card with the tollbooth attendant.

When the driver behind him pulled up to pay the toll, the attendant informed them that their toll had already been paid by the person ahead of them. And the attendant would hand the slightly shocked driver the stockbroker's business card.

Would you like to know the results of this ingenious bit of marketing? The stockbroker reported that he got more new clients from this clever technique than from any other method he used!

Now you may not be a stockbroker and you may not travel on toll roads. But that isn't the point. The true point is that you need to continually be alert for those little opportunities you can use to gain a marketing advantage. Big profits can often be produced from little ideas.

4. Making Your Local ATM Machine Pay You Big Dividends

Here's a clever, low-cost technique you can use to make ATM machines pay you in a big way. All you have to do is place a contest entry box at local outdoor ATM machines to collect the names and addresses of hundreds of prospects.

Here are the steps to making this technique pay big dividends:

Small Business, "BIG" Profits

1. Create a bunch of contest boxes and place them at ATM machines on Friday evenings. Pick them up on Sunday evenings.

Think about this for a moment. With all of the different banks in your area, there are at least a couple dozen locations you could use to harvest prospects. You might even consider paying a reliable teenager, college student, or senior citizen to work your ATM route for you.

2. Offer a prize that your prospects will be motivated to respond to.
3. Compile all of your leads every two weeks. Award the contest winner their prize and follow up all the other contestants with a letter or phone call that goes something like this:

Dear Friend,

Hi! My name is "Frodo" Williams, and I'm the owner of Frodo's Frozen Yogurt Shop at 123 Birch Avenue.

I'm writing to thank you for entering the drawing for our "Mountain-Sized Sundae For Four." Unfortunately, you didn't win the grand prize. That was won by Jane Smith, and did Jane and her family ever have a great time digging in!

But I'm happy to tell you that you did win our consolation prize. The next time you drop by Frodo's, just bring in this letter along with the envelope. I'll be happy to give you a FREE medium-sized frozen yogurt with the topping of your choice.

We always have at least 12 different flavors of frozen yogurt and over 20 different toppings. So drop by any time for your FREE frozen yogurt and topping.

Thanks again for joining in the fun of our contest. I'll look forward to seeing you real soon.

Sincerely,

"Frodo" Williams, Owner

Do you see how powerful this concept is? By using a simple contest, you can create a steady stream of ongoing, paying customers. Run a contest every month and you could easily double your customer base in a very short time.

Here again is more proof that you don't need to invest big money to generate handsome returns.

5. Testing – The Secret To Making Your Business As Profitable As Possible

Throughout this course, I've repeatedly emphasized the importance of testing to maximize the return on your marketing dollar. And it bears repeating again.

It's this simple: *Smart, successful companies always test.*

Foolish, unsuccessful companies fail to test. There are two major excuses I hear from clients who are resistant to testing. The first is, “We're already profitable.” That's great, but how will you ever know what the upper limits of your profitability are if you don't test?

The second excuse is, “We already know how to reach our market.” That type of closed mindedness is particularly limiting. Markets are dynamic. They are constantly shifting and changing. Plus, new marketing techniques come along every month. To remain static and stubbornly refuse to test is a guaranteed way of limiting your sales and profits.

Okay, so let's say that you're a forward-thinking person with a keen eye for profits. Here's a quick review of the essentials of testing. Test only those elements that could have a significant impact on your results. The most critical elements of an ad that should be tested are:

1. Headlines
2. Price
3. Offer
4. Copy

You also need to carefully test the mailing lists you use and the media you advertise in. The day of week or month of year when you advertise can also be important elements to test.

Test only one element at a time. If you change your headline and your price, you won't know which element is responsible for your change in results.

Key every ad, sales letter, press release, or promotion that you use. Add an extra character to your suite number for each different test – Suite 300-A and Suite 300-B. Keys allow you to accurately track and compile the results of each test. They also provide you with a means of identifying which lists or media are working best for you.

Never replace your control (which is your best producing ad or sales letter) with anything else unless the new piece proves conclusively that it will get better results.

If you do replace your control, test the old control again a year or two later. Often a slight update to an old control can result in significant profits.

Test as prudently and inexpensively as possible. Run as small an ad as possible the fewest number of times. Or mail the fewest pieces as you possibly can while still allowing for conclusive results.

Conventional wisdom says that 2,500 pieces is the fewest you can mail for a mathematically correct test. I disagree. I've **tested as few as ten pieces for a lead-generating letter and as few as 500 for a letter** to make a direct sale with excellent results. The number you mail really depends on your business, how qualified your prospects are, and whether you're looking for leads or sales.

However many pieces you mail or how many places you choose to run your ad, the objective is the same. You want to conduct as small a test as possible to determine whether you sink or swim.

Here's my sure-fire method for maximum results testing:

1. Run a small, inexpensive test.
2. If your first test is successful, run a second test. Your second test should be no larger than five times the size of your first test.
3. If the second test is successful, test a third time. Again, your third test should be no larger than five times the size of your second test.
4. If your first three tests are successful, you have a powerful marketing piece you can roll out on a major scale.

One last thing about testing. A few minutes ago, I told you what a control is. What I want to add to that is that there is no such thing as a permanent control. Regardless of how successful your control is, you should always be changing and testing different elements of the control. Or, testing other ads or sales letters against your control.

6. Your Market Is The Ultimate Decision Maker As To What Really Works

This is actually a follow-up to the prior point. The only way you'll ever know for certain what works is to put it out there and see how the market responds. Of course, you should try to understand your market as well as possible and tailor your products, services, and marketing to your customers. But even when you do, your best educated guess can be wrong.

If possible, try to contact a few of your prospects who didn't respond. Find out why. Then take that information and change your products or marketing accordingly.

Here's an example to illustrate what I mean. A client of mine recently asked me to help him market a brainteaser puzzle. He showed me his classified ad, said it was a dismal failure, and asked me to write a different ad.

I declined, telling him that his market was sending him a distinct message. Since his ad wasn't all that bad, the market was telling him they were not interested.

One last thing. The bonus item you offer must have a strong perceived value to your customers. Coupons for discounts off future purchases work well. My favorite bonus item, though, is a printed report. Perceived value is high, but your actual costs are quite low.

“12 Great Crock Pot Recipes”; “8 Ways To Cut Your Taxes Today”; and “6 Steps For Protecting Your Home From Theft” are all examples of simple, inexpensive reports that would have strong appeal to specific markets.

7. The Fastest, Easiest Profits Around Can Be Found At The Point-Of-Sale

Would you like to increase your sales by 5% to 30% with almost no effort or investment? Who in their right mind wouldn't? What I'm about to show you has to be the fastest, easiest way of increasing your profits you could ever imagine. If you think I'm excited about this topic, you're absolutely right. Right now my pencil is burning up the page trying to get this information down on paper for you.

The reason I'm so excited about this particular concept is that I've never seen it fail. Everyone I've ever come in contact with who has used this technique has made money with it. On top of that, almost no one uses it! So you'll gain another preemptive advantage over all your competitors.

The technique I'm talking about is called a bump or an upsell. To use the bump or upsell, you simply choose a weekly (or daily) special and offer it to your customers at a discount. The catch is, you offer it only to those customers who have just purchased from you.

The offer goes something like this:

“Thank you for shopping with us today. By the way we're featuring a weekly sale of screaming blue wham blasters at a 15% discount. Would you be interested in one today?”

That's all there is to it. Depending on the popularity of the item and the amount of discount, 5% to 30% of your paying customers will take you up on your offer. Not bad for virtually no effort and no additional expense.

The upsell works because the hottest time to get someone to buy more from you is right at the point of sale. They've already got their wallet out. You've overcome any buying resistance. All you need to do to increase the amount of the sale is make them an attractive offer.

This increase to your average sales amount can improve your profits every day, every month, and every year. From now until you stop doing business!

8. Lock In Future Profits With Continuity Sales

Continuity sales are an exceptional way of controlling cash-flow and profits well into the future. Continuity sales are simply a contract to purchase products or services on an installment basis for a fixed period of time.

That may sound complicated, but in practice it actually is not. The best example of a continuity sale is a magazine subscription. 12, 24, or 36 issues, delivered each month for “X” amount of dollars.

Do you own a dry cleaning business? How about an annual deal to clean 5 shirts or blouses per week for a set amount of money? You'll give a discount to get the business, but you'll lock down sales for months to come.

Do you own a pizza parlor? How about a deal to deliver a pizza (or many pizzas) every Monday night during football season? Lock down those profits!

Are you a CPA? Show your clients that by having you do a quarterly review they can actually save thousands on their taxes. Your clients save money and you make money.

You can structure payments for continuity sales on almost any basis, but I recommend that you go for complete payment up front. After all, the discount is based on a customer's commitment, and they'll feel a lot more committed when they have money on the line.

9. How To Pre-Determine Whether An Ad Will Succeed

The best way to test any ad – or for that matter any sales pitch, new product, or new marketing concept – is to survey your current customers.

Now, I'm not talking about sophisticated, high-tech marketing surveys. What I mean is low-tech, down-and-dirty research where you call a dozen or so customers and get their opinions.

Ask them to look at two ads and tell you which one would be more likely to make them buy from you. Find out why and make sure you plug that into any future ads. Or ask them what kind of products they're interested in. Why? Is there already a good one on the market? Who offers it?

This type of in-the-trenches research can make you a fortune. It can also save you from wasting a fortune on lukewarm ads, concepts, or products.

One final tip. Ask your customers if there is anything they use your product for other than what it was intended for. You may get lucky and discover an entirely new profit center that you never knew existed.

10. One Of The Best Ways To Get Your Message Across With Maximum Impact Is To Accentuate The Obvious

A lot of people look for something new and different to give their marketing that extra added something. Tell your customers precisely what you do that makes you special. It doesn't matter if everyone else does it too.

If nobody accentuates it and you do, your customers will think that you're the first. And you'll gain a powerful advantage. Just like our star insurance salesperson.

11. To Accelerate Sales, Reverse The Risk

Have you ever noticed how difficult some companies make it to do business with them? Or how their elaborate procedures make you feel like you're being screened to tell if you're a potential terrorist? Let me tell you, companies who treat their customers this way are killing tons of sales.

To do business these days, it's imperative that you make your customers feel needed and appreciated. Why tell customers, “Absolutely No Refunds After 7 Days”? This puts all the risk and responsibility on your customer's shoulders.

You can reverse the perception of that risk and communicate that you value your customers by restating the same message. How about. “We'll Gladly Refund The Full Purchase Price For 7 Days.”

I'm sure you see the difference. But I also want you to understand that a welcoming attitude can do so much for your business while an attitude that puts your customers on the defensive can only damage your sales.

Now, let's take this one step further. As you probably already know, I'm a great advocate of bending over backwards to treat your customers exactly how you'd like to be treated. To me, that's not only good business sense, it's just plain common sense. Yet most businesses fail dismally at doing this.

What I want to do here is show you why it's extremely advantageous to your business to assume much more of the risk and treat your customers like royalty.

First, let's look at what I mean by reversing the risk. Do you have a product or service that's of high quality? I hope you do – and if you don't, this is your number one problem to solve! If you do, then you should do everything you possibly can to proclaim that fact.

“If you don't agree that our Chocolate Ecstasy is the finest dessert of its kind on the market, we'll refund your entire purchase price.”

“If your tax returns aren't back in your hands within 4 days, it's free. And if there's ever a mistake, we'll pay the full difference.”

Can you see what a powerful selling tool this is? Do you begin to realize how you can easily position yourself head and shoulders above your competitors? Reversing the risk from your customers to yourself gives you ultimate credibility. And credibility is vital to making as many sales as possible.

Now, I know what you might be thinking. Won't reversing the risk like this increase your requests for refunds? Most likely it won't! And if it does, the increase will be slight. What does it really matter if you increase your refunds by a percent or two if you've increased your sales by 10 to 30 percent?

If your product quality is good and you deliver what you promise, you'll have very few returns or refund requests. There's always the occasional cheat who will take advantage of you, but most people are more than happy to receive fair value for their hard-earned money.

12. Sampling – How To Use It To Build Sales Now And Build Future Sales

This is one of my personal favorites. One of the reasons I like it the most is that it defies conventional logic, but because most businesses have rigid conventional approaches to marketing, you can use it to blow the socks off your competition. I personally use this technique all the time.

Sampling simply means giving away a sample of your product to make more sales. There's no finer way to demonstrate the value of your product than to give someone a hands-on opportunity to use it.

Have you ever walked through a mall and had someone approach you outside a cookie shop with a tray of cookie pieces on toothpicks? That's sampling.

The giant computer printer manufacturer, Epson, established its controlling foothold in the industry by sending hundreds of printers free of charge to key users in the industry. When they were ready to purchase large quantities of printers, they bought Epson. Why take a risk on some other unknown printer?

Sampling can work wonders for your business too. Get your product into your customers' hands. Offer a free month of your services to qualified prospects. You'll find that you get immediate sales and generate the kind of first-hand experience that results in future sales.

13. Setting Profit-Making Priorities

Without fail, every prospective client that wants to hire me tells me that their key interest is getting more customers. Without fail, I try to make it clear to them that this limited perspective can have a severe impact on their profits.

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What you should really be interested in is making more sales – and that doesn't necessarily mean acquiring more new customers. So let's take a look at which marketing priorities can best support our goal of increasing sales and profits.

For almost any business that's been around for two years or longer, your priorities should be:

1. Generating more sales from your current customers.
2. Reactivating old customers.
3. Converting prospects to new customers.

Please notice that I said this is the most profitable way to rank marketing tasks for ongoing businesses. If your company is less than two years old, you probably need to concentrate the majority of your efforts on acquiring new customers. But you should also devote significant time to repeat sales to your existing customer base.

But back to the task at hand. The priorities I've just listed are based on producing the maximum sales and profits for the least amount of effort and expense. So let's take a look at how well each of these prioritized tasks performs.

Generating more sales from your current customers is by far the surest, easiest route to take. The most difficult part of getting a new customer is overcoming their well-founded skepticism. That's why it often takes many contacts with your marketing before a prospect will make a purchase.

Secondly, because you're fishing for qualified prospects, you have to put your message out to thousands of people who have no interest in what you have to sell. But you still have to pay to present your pitch to all of them, so prospecting can be quite costly.

However, when you start to make repeat sales to existing customers, the numbers shift dramatically in your favor. First off, there's no longer an issue of credibility. Your customers already know you and what a great job you do. Most likely, they'll be happy to do even more business with you.

My clients find that when they make an offer to their existing customers, 10 to 30 percent of these customers buy from them. And better yet, they get these kind of results every month of the year!

Secondly, the cost of marketing to existing customers is just a fraction of what it costs to market to prospects. You know exactly who your customers are and where to reach them, so there's no wasted expense.

Before we move on to the next point, I'm going to reveal a powerful marketing secret to you. I call it **Serling's Rule of The Fractional Sale:**

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A customer's first purchase rarely represents their full capacity to do business with you. In actuality, a first sale is a customer's fractional, limited test of your ability to deliver on your promise.

What this rule means is that a first sale is just the tip of the iceberg. Once you've made it and satisfied your customer, the potential for more sales is enormous.

All right, let's move, on to the second priority – that of reactivating old customers. Here again, your expense is minimal because you know precisely who your old customers are. Where things change with old customers is in the area of credibility.

But here, there's good news too. Every business loses a few customers here and there because of problems. And with those customers, you may have a credibility problem. However, with most businesses the one factor most responsible for customer loss is the business' failure to keep in touch with the customer. And this problem is quite easy to overcome.

Here's how I recommend dealing with both problems head on. Simply write a letter to all of your old customers telling them that you miss them and you'd like to do business with them again.

Also, tell them that if your company did anything that may have caused them to quit doing business with you, please call you (or a designated employee) and you'll see that the problem is corrected immediately.

Then, offer them an attractive incentive to resume doing business with you. A discount, a gift, access to reserved products, and so on.

You'll be pleasantly surprised at how effective this technique can be. Most customers never receive any attention whatsoever from the companies they do business with. Usually, all it takes to win an inactive customer back is the act of showing them a little courtesy and giving them an incentive to purchase again.

Finally, your last priority should be acquiring new customers. I'm not suggesting that you neglect this area – just that you put it in proper perspective. For my money, the real purpose of getting a new customer is not for the profit from the first sale. It's for the opportunity to add another name to the list of customers you can sell to over and over again for many years to come.

That's why I frequently advise clients to spend as much up front as they can afford to acquire a new customer. Most of the time, it will even pay off in the future to break even or take a small upfront loss to acquire a new customer. Because you know that the repeat sales later down the line will more than make up the cost.

14. Improve Your Offer, Improve Your Profits

Surprisingly enough, many ads and sales letters never come out and directly state their offer. Instead, they stick it on the order coupon or just list a price. I've got to tell you, this is sheer idiocy!

Customers care only about one thing when it comes to you, your product, and your company: What you can do for them and how this will make their lives better or easier.

One of the best vehicles you have for showing your customers precisely what you can do for them is your offer. A good offer is really a summary of the most powerful benefits you deliver.

**“Pharmacists – Our Computerized Prescription Filling Machine
Will Increase Your Productivity By 30%”**

... is a pretty decent offer. But let's look at how we can pump it up and supercharge its effectiveness.

“Pharmacists – Cut Your Prescription Costs By 30%”

Our computerized prescription-filling machine is fast, accurate, and completely reliable. In fact we guarantee it. **Try this innovative device in your store for 30 days for FREE.**

If it doesn't streamline your operation and increase productivity by at least 30%, it won't cost you a dime. Plus, if you order within the next seven days, we'll give you a *three months supply of prescription vials absolutely FREE!*”

... Now there's an offer with real teeth. A no-holds-barred, benefit packed offer that hits your prospect right between the eyes. If they don't buy from you based on this kind of offer, they probably aren't really a qualified prospect.

Did you notice how the bonus was rolled right into the offer? Don't hide your bonus. Get it right out there at the front lines.

Which reminds me. When you have a powerful offer, don't bury it somewhere towards the end of your marketing piece. Get it out in the open right away. Feature it in the first or second paragraph. Or make it the headline of your piece.

It's never too soon to show your customers exactly what's in it for them.

15. Why Long Copy Always Outsell Short Copy

Let's put an end to this debate right here and right now. Long copy always outsells short copy without exception. Proponents of short copy are ad agencies who love witty, sparkling copy that wins lots of awards.

But there's one major drawback to award-winning copy. You see, all of these awards are based on how creative, clever, and visually dynamic ads can be. But these type of ads are primarily fluff. They look good but they don't sell.

Short copy doesn't make sense when you take the time to examine it. If you were going to propose marriage, would you limit yourself to a one-minute proposal? I doubt it. Instead, you'd want to shower your intended with all of the practical, romantic, ingenious things you could think of to hear that magic word, “Yes.”

Closer to home, would you limit an outside salesperson to a few paragraphs to try and make a successful sales pitch? Of course not! If they had a hot prospect you'd give them all the time they needed to pitch and close the sale. And that time would be spent convincing the prospect that what you offer is Just what they're looking for.

The same goes for writing copy and getting people to read it. If what you offer is truly of interest to a prospect, they're going to want as much information as possible to help make their decision. And you owe it to yourself to do a thorough in-print selling job.]\

Here's Serling's Rule On Copy Length:

**Copy should be whatever length it takes to do a complete selling job.
No longer, no shorter.**

Would you like to see a sample of long copy that works? Example 2 at the back of this chapter is one of the sales letters I used to sell a product called “The Marketing Master Course,” which was an earlier version of this course. It runs eight pages – twice as long as the standard four page letter most direct marketers use.

When you read this letter, you'll see that there is absolutely no fat in it. Everything is there for a purpose. And every element works in harmony to show the reader precisely what's in it for them.

Variations of this letter pull extremely well whenever we use them. The length of the copy was determined by what was necessary to say in order to do a complete selling job.

Nothing more. Nothing less.

16. Warm Up Your Sales By Warming Up To Your Customer

Here's another thing you should know about making your copy do a much better selling job. A key characteristic of successful copy is warmth and empathy. The majority of copy I see suffers from a major flaw. The flaw I'm talking about is that the copy is written with a stark, cold tone. This is particularly prevalent with copy that's used to sell financial services or technical products.

Let me tell you, you don't have to sound like a robot to sell robotics. Just the opposite. A few years ago, I was asked to help a Fortune 500 corporation improve the results of a direct mailer they sent to engineers pitching CAD/CAM hardware.

They felt that because their target audience was extremely interested in technical details and the technical merits of the product, their copy had to sound like it came directly from their test labs. How wrong they were! Even though their product offered major advances over the competition, their mailer generated an extremely weak response.

They put strict limits on what I could do. The physical format was limited to a two-page self-mailer. The offer was set and I couldn't alter it. There would be no guarantee. No bonus. All I was allowed to do was change the copy.

Here's what I did. I created a powerful customer benefit headline. I did almost nothing to the content of the copy. I reordered the flow of the copy to emphasize the most important benefits to the customer first. But the primary difference was that I rewrote the existing copy using a warm, conversation tone.

I used a lot of “you” language. I spoke directly to the reader. I wrote as if you and I were having a chat over coffee. I got rid of everything that sounded like a hermetically-sealed institution talking to a group of engineering technicians.

I did maintain all of the information regarding technical specifications because these are vital to an engineering decision. But I couched each specification in terms of what it could do for the reader.

The revamped piece blew away the old control. With essentially nothing but a change to the tone of the mailer. That's what warmth and empathy can do for you. Go back and look at the letter I used to sell “The Marketing Master Course.”

Read it for “feel.” Doesn't it make you feel like you're having lunch with the writer and he's telling you personally about a wonderful new discovery he's made? Doesn't it make you feel like you and the writer have a lot in common? That you have the same problems, goals, and aspirations?

That “feel,” that sense of warmth and empathy, can substantially boost your sales.

17. Cash In On Major Profits Hidden In Your Business By Using Licensing Agreements

If I was to ask you to list the assets of your company, you'd probably say your inventory, plant and equipment, accounts receivable, property owned or lease rights, and equity. A few forward-thinking individuals would include patents, copyrights, and research and development.

If that's all you could come up with, you're suffering from asset tunnel vision! You're also missing out on a tremendous opportunity to develop another lucrative profit center. What is it that you've overlooked? A vast array of valuable intangible assets.

Do you have ads that work better than your competitors? Sales pitches that work like crazy? Customer service policies and procedures that keep your returns and refunds the lowest in the industry? Or any other proprietary techniques or procedures you use in your business that out perform the rest of your industry?

If so, you're sitting on a potential gold mine. You can license the rights to use any of your specialized techniques or assets to other non-competitive firms. You can do it for a flat fee, a percentage of the profits, on a royalty basis, or any other way that makes sense to you. Or you can conduct seminars to teach your techniques to others and charge whatever the market will bear.

Let's say that you own a videotape rental business and you have an inventory management system that allows you to stock fewer tapes but rent out a higher volume of your stock. So you can effectively lower your costs while increasing your profits at the same time.

Why not license this technique to every other videotape rental business in the country who isn't a direct competitor of yours? You could actually end up making more money through these licensing agreements than you make in your daily business.

Licensing agreements are an invaluable source of additional profits for nearly any type of business. Why not add it to your product mix today?

18. Put The Best Marketing Minds In The World On Your Team By Using A “Swipe File”

I'm going to let you in on a nifty little inside secret. But I need you to help me a little here. So what I want you to do is pick up any newspaper or magazine that's handy. Thumb through it and skim the ads quickly. It doesn't matter whether they're good or bad ads.

Now, I'd like to ask you a question. What is it that all of these ads have in common?

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I won't keep you in suspense any longer. The one thing I can guarantee you these ads have in common is that not one of them is original. A headline concept, a phrase here, the offer, the look, the feel, the opening, or some other element was lifted from another ad.

Are you shocked? Are you in disbelief? Don't be, because it's absolutely true. And there's nothing wrong with it. In fact, it's one of the simplest, most ingenious ways you'll ever come across to improve your marketing.

For those of you who may be morally outraged, I'm going to show you why this is totally ethical. You see, I'm not talking about directly plagiarizing someone. I'm talking about borrowing the essence of an idea and custom tailoring it for your own specific needs.

It's done all of the time and it's completely ethical. How much difference do you think there really is in automobile technology? Hardly any. Every auto manufacturer uses essentially the same technology. They just tweak it here and there and package it a little differently.

The same goes for fashion, books, records, diets, movies, consumer products, computer technology and nearly any other product or service you can think of. If someone comes up with an innovative idea, you can bet the rest of the industry will follow suit as quickly as possible.

Okay, so hopefully I've convinced you that there's really nothing wrong with a bit of creative borrowing and you won't end up as a professional license plate presser for doing so. Let's move on to how to become an expert borrower.

It's really very easy. All you do is set up a separate swipe file for each type of marketing or advertising area you think is of value to your efforts. For instance, I have swipe files for headlines, direct mail packages, small space ads, large space ads, catalogs, card decks, order coupons, postcard mailers, self mailers, joint ventures, and news releases.

Whenever you see something that looks like it could help you do a better selling job, stick it in your swipe file. Then when you're ready to create a space ad, go through your swipe file of space ads for inspiration.

Or if you need a headline, read 20 or 30 from your swipe file. You'd be surprised how effectively this can get your creative juices going and possibly trigger a real moneymaker for you.

By using swipe files, you can get the best marketing talent in the world working for you. Capture their ideas. Then use them for inspiration or modify something to fit your needs.

Here's another way I use my swipe files. Sometimes when I'm brainstorming an idea for a client, I'll browse through all my swipe files. Every so often, something I see will trigger a breakthrough idea for a client's campaign. If you don't already have a swipe file, start yours today.

19. Marketing Is An Ongoing Process, Not An Isolated Event

What I'm going to end this chapter with isn't actually a technique. It's more a philosophy that will carry you a long way if you put it into action.

One of the most common and most limiting problems I find among my clients is an expectation that every marketing effort they undertake should be a major success. Sorry, but life just doesn't work that way.

These same people are often bitterly disappointed by any failure or mediocre results and interpret that to mean that they should quit marketing altogether. And they often do just that. The shame of it is that many people give up just when they're on the brink of breaking through.

You have to be realistic about your marketing efforts. Was that last clunker really a loser or did you learn an important lesson about what doesn't work for your market? If all you did was break even, will you make it up with repeat sales in the future?

Or if you did hit the jackpot with a particular marketing piece, are you savvy enough to recognize that you can't just sit back, relax, and collect on it forever? You have to keep testing other elements and marketing pieces that will perform well for you.

Marketing is not a static event. It's a dynamic, fluid, ongoing process. The idea is to get to the point where you make all of your mistakes and failures on the smallest possible scale and get the maximum benefit from your successes.

Your goal should be to find as many ways of marketing as you can that work for you. And to do only as many as you can comfortably handle. Relax. Have some fun. And look at marketing as a continuing adventure!

**Example 1 – Sample "Grabber" Letter
(Magnifying glass attached to the top of letter)**

Garry Smith
Smith Whizbangers, Inc.
1 Whizbanger Way
Chapel, NC 20000

Dear Mr. Smith,

As you can see, I've attached a magnifying glass to the top of this letter. Why have I done this? Actually, there are two reasons:

1. I have something very important to tell you and I needed some way to make sure this letter would get your attention.
2. And secondly, since what I'm writing about has to do with the tremendous assets hidden within your business, I figured this detective's tool was particularly appropriate.

Which gets me to the point of this letter. You see, I'm a marketing consultant, but a lot of my clients like to say I'm actually a "marketing detective." That's because I specialize in uncovering large, unclaimed pockets of profit hidden within a client's business.

I've recently developed a number of extremely simple ways to turn your overlooked assets into substantial profits. I can probably produce an extra 20% to 40% profit for you annually with very little effort or expense on your part.

Best of all, I do this on a contingency basis, which means I don't even get paid until you've already banked the profits. Here's how this works. I ask for only a modest advance (just enough to prove that you're earnest) and the remainder of my fee is paid strictly out of profits.

My fees are typically 25% of the newfound profits I produce for you. I'll mastermind the marketing and provide all of the copy -- completely turnkey. Stated another way, would you pay me \$25,000 after I had made you an extra \$100,000 in the next 12 months -- \$100,000 you'd have never had access to before you read this letter? Particularly in light of the fact that it requires a very minimal amount of time and capital investment on your part.

Let me take a moment to give you one example of the innovative type of marketing I'm talking about. It's a disarmingly simple way of making your sales people more productive with no additional expense or effort. I call it a "sales quick fix" and I like to start a new client with it first because it gets immediate results. In fact, you can have it up and generating profits in about an hour.

The downside of this technique (if you could call it a downside) is that it isn't necessarily the most profitable technique I have to offer you. But it will produce a very real annual increase of 5% to 15% in profits.

I always tell my clients to expect increases toward the lower end of that range, but the higher gains have definitely been achieved. I think you'll agree, though, that even a 5% increase in profits isn't bad for just an hour's worth of your time. Especially considering that it's a perpetual 5% -- day in and day out for as long as you're in business.

If I've captured your interest and you'd like to get the full details, just let me know. I'll be happy to set up a short telephone meeting, with no cost or obligation, at your convenience. Because these

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techniques are so simple, you'll be able to tell within fifteen minutes how viable and lucrative they will be for your business.

I'm very enthusiastic about these new methods and I think you will be too, Mr. Smith. I'll look forward to hearing from you soon. And to helping you pull every bit of profit from your hidden assets!

Sincerely,

Bob Serling, President
Stratford Marketing Group, Inc.

P.S. If we commenced a relationship next week, we could put the "sales quick fix" into action immediately. Following that, I could start generating even more impressive cash-flow for you within two weeks. From that point, it just keeps going!

Special note: This grabber letter is based on a format perfected by Gary Halbert, one of the most ingenious copywriters around. Please see the reference list at the end of this course for information on how you can subscribe to Gary Halbert's newsletter.

Here's How To Sell More Of Your Products And Services Than You Ever Dreamed Possible – Guaranteed!

What I'm about to show you is risk-free and completely guaranteed. Here's the bottom line: You will make at least \$5,000 extra profit... and I mean \$5,000 you never would have seen without this breakthrough information, or it won't cost you a dime. The truth is, \$5,000 extra is just the tip of the iceberg. You'll probably make much, much more!

From: Jim Vassar, Executive President
Vassar Communications

Dear Friend,

Would you like to increase your sales and profits almost overnight? Would you like to take complete control of your business? To have the security of being certain it will thrive regardless of whether the economy is down, up, or in-between?

If so, this letter is crucial to your financial future.

Here's why. I want to tell you about some information I've come across that's been absolutely pivotal in increasing my profits. Then you can decide whether it would be as valuable for your business as it's been for mine.

I recently had the good fortune of meeting a marketing consultant named Bob Serling. I don't quite know how to describe what Bob does except to say that I've never met anyone else who works the way he does.

You see, he specializes in simple, practical, yet ingenious marketing techniques that can literally shoot your profits through the roof. I should know. Because just the few things he's doing for my business are having a tremendous impact on our bottom line.

For example, by using just a couple adjustments Bob made to our marketing strategy, we literally tripled our sales in just 30 days. Plus, each month we continue to blow away the previous month's sales record! Best of all, it didn't cost us a cent more than we were already spending to achieve this phenomenal increase.

Obviously, results like this are extremely satisfying. But what really intrigues me is the way Bob goes about increasing sales and profits.

If you're like me, when you first hear about something like this you probably think it must be some complex, high-tech set of concepts and techniques. Actually, quite the opposite has proven

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to be true. Bob's techniques are simple, solid, inexpensive and easily sustainable methods for rapidly "growing" virtually any business.

In a nutshell, he's come up with an amazing program that:

1. **Brings as many new customers into your store as you can possibly handle.**
2. **Increases the average dollar amount of every sale you make.**
3. **Converts each customer you do business with from a one-shot sale to an eager, repeat buyer.**
4. **Makes sure you get the maximum number of referrals from existing customers, new customers, and even from prospects.**

Bob has packed all of this into a comprehensive 3-volume marketing course that reveals nearly every remarkable technique you could possibly imagine for successfully marketing your business. It's called The Marketing Master Course -- How To Make Much More Profit For Much Less Time, Effort, And Expense.

Bob has told me he can absolutely guarantee that any business that applies these simple, proven techniques can improve their profits by at least 15 to 40 percent within 12 months. And I wholeheartedly agree with him since I'm living proof. Just the few techniques I've used so far have rocketed our sales off the chart.

Now here's the best part. I'm happy to tell you that if you're interested, you can get a copy of this course at a substantial discount. But only for a very limited time.

I'll cover all the details of Bob's generous offer in a few minutes, but first I want to tell you some more about both Bob and this powerful, profit-making course. Let's start with a little background on Bob.

His Track Record May Impress You

Bob Serling has sold literally millions of dollars worth of products and services for companies nationwide. Here are a few examples of his marketing expertise at work:

- He took a small publishing house and helped them double their customer base nearly overnight.

"We have used Bob to create copy for advertising and brochures, and to plan marketing strategies. His ideas are innovative and have been successful for us. You can bet we'll continue to use him in the marketing of our books!"

Doug Dunn, Publisher
Word Wizards Publishing

- He worked with a major sports organization to increase their membership tremendously - during the off season!

"The sales letters that Bob wrote for us really did the job!"

Michele Myers, Marketing Manager
American Golf Corporation

- Under his guidance, a catalog of data processing products catapulted its sales and customer base in just one revamped issue.

"Bob Serling did a marketing review for our catalog. He made some changes to both our copy and overall strategy. The results were phenomenal, When you consider how much money Bob actually made for us, his services are one of the best bargains I've ever come across."

Ray Melissa, President
Melissa Data Catalog

- His marketing strategies sold out membership subscriptions, brought in a multitude of new home loans, and booked room reservations like never before for the clients of an advertising agency. And made sure those clients came back to the agency with even more business.

"Bob Serling's marketing know-how is always on target. He's never failed to get results. In a way, I hate to let the secret out, because I know that good news travels fast!"

Maria Covin, Senior Account Executive
Schroffel & Associates

Bob Serling has helped restaurants fill their tables, hotels and conference centers completely book their space, banks and insurance companies sell financial services, publishers move books and tapes, and high-tech companies sell sophisticated circuit boards.

Not to mention the boost he's given to manufacturing firms, retail stores, service companies, catalogs, professional services, club memberships, computer gear and more.

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And he's consistently done this with companies ranging from start-ups to medium-size businesses to Fortune 500 corporations.

Here's How You Can Start Boosting Your Profits Right Away

One of the things that impressed me most when I started reading The Marketing Master Course is the immediate applicability of every concept and technique Bob gives you. Bob does show you the "why" of what you'll be doing, but he doesn't waste a minute of your valuable time. He cuts right to the heart of the matter.

After quickly but thoroughly showing you why a concept or technique works, he gets right down to clear, step-by-step instructions of precisely how to put it to use in your business. Then he gives you a wealth of real-life examples to thoroughly clarify every point.

Here's an impressive list of just some of what you'll get in this comprehensive course:

- **Dozens upon dozens of powerful concepts and techniques that will open up countless new ways for you to dramatically increase your sales and profits. This detailed how-to guide will change the entire way you look at advertising, sales, and promotions. You'll come away with an arsenal of incredibly effective ways to outmarket and outdistance your competition long before they have any idea of what hit them.**
- How to multiply the results you get from every dollar you spend on marketing, sales, and promotions. Why settle for a 1-to-1 return when every marketing dollar could be doing the job of 3, 5, or 10 dollars?
- A simple, foolproof way to predetermine whether any advertising or promotional concept you're considering using will be a success or failure -- before you ever invest a dime in it!
- **An accurate, inexpensive litmus test you can use to establish a whole new basis for developing successful products, services, marketing ideas, sales techniques and business promotions. This gives you the tremendous advantage of having a completely reliable way to predict the outcome and project the cash-flow for any kind of project. A highly valuable tool to possess for getting ahead, wouldn't you agree?**
- Learn how an ingenious technique called "shifting-the-risk" can result in very real increases of as much as 400% for almost any product or service imaginable.
- How to save major dollars on all your ads and promotions. Using these techniques can often slash your costs by 20 to 80 percent!
- **If you're going to successfully market and promote your business, it's crucial that you fully understand how to write, or at very least, how to judge effective advertising copy. You'll get an in-depth tour of the key tricks of the trade**

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that eliminate useless wheel spinning and make sure you're getting the hard-hitting sales copy you vitally need.

- Discover why dirt-cheap "low-tech" research vastly outperforms complex, time-consuming methods. You'll find out how to quickly and easily determine the real reasons why people buy from you. Then you can use that key information to really kick your profits into high gear.
- There are dozens of new claims flooding the market on how to make sure your direct mail gets noticed and opened. Only 3 of them are consistently effective. This information alone can put thousands of dollars of extra profit in your pocket.
- **Discover a simple, dignified way to get both your active and inactive customers to enthusiastically give you more referrals than you can handle.**
- Space ads in newspapers and magazines can make you a fortune. They can also lose you a fortune before you know it. Find out which three elements are crucial to consistently pulling in big profits with space ads.
- How a simple, five-minute change in your advertising copy can result in windfall profits. And precisely how and when to make it!
- **How to find at least four new pockets of profit hidden within your business that you can capitalize on immediately. You could start banking these untapped profits in just a few weeks.**
- Why credibility is the crucial factor in the selling of any product or service. How to get and effectively use all the credibility you'll ever need. Plus, how to "borrow" another company's credibility and use it to sell tons of your products or services.
- Which seemingly innocent marketing situation can flatten your sales and put you out of business in short order. How to identify it before it happens and avoid it like the plague.
- **Find out the 13 worst mistakes most companies make when using direct mail. Make sure they don't rob you of all the profits you're entitled to.**
- FREE publicity has turned many small businesses into huge corporations almost overnight. You'll get a complete course in using this invaluable form of marketing to contribute heavily to your bottom line.
- Discover seven powerful words that will turn your marketing around completely. Your entire way of viewing marketing will be altered forever. You'll shed old, useless procedures and streamline your marketing to a finely-tuned source of perpetual profits.

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- **Profit from a simple, fast-acting technique that can turn customer complaints and refund requests into a new high-performance profit center.**
- A simple, solid technique that will put an immediate end to slow periods in your business -- even when times are tough!
- Get an incredible war chest of ingenious "tricks of the trade" master marketers use to significantly outperform their competition. Once you see these powerful techniques, you'll wonder why advertising agencies don't instruct their clients to use them all the time. The answer to that is simple. Ad agencies don't even have an inkling that these techniques exist!

I'm sure you'll agree that this is a rather astounding list of powerful advantages you'll be getting. But I want to remind you that this is just a partial inventory of what you'll find in Bob's comprehensive course. There's much more than I have either the time or room to elaborate on here.

Who Can Use This Master Course

Almost anyone who wants to see their sales and profits explode off the chart can benefit from this course.

Whether you are a retail operation, a manufacturer, a distributor, or you have a company that sells products or services by mail -- this course can make you some serious money.

The truth is, you'd be hard-pressed to find almost any type of business that wouldn't profit enormously from this course. In the first thirty pages, I myself got enough new ideas to keep me busy for at least the next six months.

One Last Thing To Consider -- It's Important

You know, every time I have lunch with another businessperson, it isn't long before the conversation rolls around to how to make more money in our businesses. If you're like me, it's a topic you're constantly concerned with.

The question is, how do you maintain your edge and increase your sales and profits in today's super-competitive market? How do you continue to prosper and grow -- even during tough times?

Here's one thing I can guarantee you. It can't be accomplished by continuing to do what you've always done.

What you've done in the past has worked to get your business to where it is now. But that's all it will do. It won't carry you any further. In today's economy, you simply can't keep doing the same things over and over and expect to get a different result.

What you really need to increase your sales and profits is to take a fresh, objective, completely logical look at what your business has been doing marketing-wise. And start exploring new and better approaches.

Small Business, "BIG" Profits

Which is precisely what The Marketing Master Course delivers. Not only will it give you the strategies you need to succeed in today's roller-coaster economy -- it will show you how to implement these strategies without spending a fortune.

If you really want to reap all the profit that's potentially available in your business... if you want to clearly understand every marketing advantage available to you on every marketing front... if you want to sell more products and services -- and much more often -- this innovative program is crucial.

Here's How You Get Started

As I mentioned earlier in this letter, for a very limited time, this course is available to you at a generous discount. The Marketing Master Course normally sells for \$299, but if you order your copy within the next 10 days, your rate is just \$259.

Now, it gets even better. When I was talking with Bob, he told me that his personal goal is to have this course overflow with vital, specific marketing information that's pivotal to increasing your sales and profits. In fact, he feels that you should easily be able to produce a minimum of \$5,000 extra profit by using the techniques presented in this course.

What's more, he guarantees your success! Bob has gone on record with the most solid guarantee I've ever seen. He promises that if you make a diligent effort to use what he's taught you and don't generate at least \$5,000 extra profit -- \$5,000 you never would have seen without this course -- in the next 12 months, he'll refund your entire fee. If that isn't an ironclad guarantee, I don't know what is!

Please understand though, that you will be expected to prove that you really tried to make these simple, inexpensive techniques work. You will be required to provide samples of your ads or promotions if you request a refund -- but that's quite easy to do.

The truth is, you'll never have to worry about a refund. Because when you actually do put Bob's marketing genius to work for you, I know your results are going to be as satisfying and profitable as my own.

If I didn't sincerely feel this way, I wouldn't even consider telling you about this course. I'm simply recommending Bob Serling's course to you because of the tremendous shot in the arm it's given my own business. And because I firmly believe it can do the same for your business.

So now that I've told you about this no-risk way to substantially increase your sales and profits, the next move is up to you.

You and I already know that if you've read this far, you have a strong interest in making your business as profitable as possible. All that's left is to take the action to do it.

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If you want to secure your financial future... if you want to stop gambling on how well your business will do... if you want to take control of how much more profitable and pleasurable your business can be, you owe it to yourself to take advantage of this risk-free offer.

It's easy to do. Right now, while its fresh in your mind, pick up the phone, call 1-XXX-XXX-XXXX and place your order. Or fill out the enclosed form and mail it in now. That way, you can get your business on a fast track to more sales and more profits as quickly as possible.

I wish you all the success you've ever dreamed of having with your business!

Sincerely,

Jim Vassar, Executive President
Vassar Communications

P.S. Here's a hot flash! Bob Serling is the kind of person who is always willing to go the extra mile. He's just informed me that he wants to do everything he possibly can to make sure you're successful.

So he's created a special report for you called How To Turn A Single Sale Into A Multi-Million Dollar Business. It's yours FREE when you place your order in the next 10 days.

I've just read it and let me tell you, it will stop you in your tracks. It's yet another simple, ingenious technique of Bob's that will put a smile on your face and more money in your bank account.

Order your copy of The Marketing Master Course within the next 10 days and this special bonus report will give you yet another source of tremendous profits!

Lesson 22: **How To Double Your Business In Six Months – Even During Tough Times**

For most businesses, increasing their sales and profits is a difficult chore even when the economy is strong. Add a down economy to the mix and many businesses quickly go under.

Why does this happen? And why do so many businesses find it so difficult to improve their profitability? The answer may surprise you. You see, in actuality, it has very little to do with the state of the economy. And it has very much to do with the fact that 9 out of 10 businesses know little or nothing about how to successfully market whatever it is they have to sell.

Look, nearly 90% of all businesses go belly-up regardless of what economic cycle the country is in. A weak economy just accelerates that failure because so many victims fall prey to the error of conventional wisdom. Conventional wisdom gives us this advice for a down economy: Cut expenses... reduce your inventory... watch all costs like a hawk... cut back on your marketing.

I agree with everything except the last part. A weak economy is never the time to cut back on your marketing. In a weak economy, making sales becomes more important than ever. It's absolutely not the time to cut back on your marketing. Instead, it's the time to start marketing smarter!

A weak economy is a critical time to make sure you keep customers regularly flowing into your business. And, because so many of your competitors will erroneously choose to follow conventional wisdom, a down economy can present an exceptional opportunity to increase your market share.

Let's backtrack a bit. I told you just a minute ago that the real reason businesses fail to increase their sales and profits is that they don't understand how to successfully market what they have to sell.

The key word here is sell. Because every business, whether they care to admit it or not, is really in the business of making sales. It's quite simple. Regardless of what your product or service might be, you must convince enough people to buy what you offer on a regular basis if you're going to stay in business.

Okay, now I'm going to prove to you that most businesses don't really understand how to market. In order to do this, I'd like you to answer a question. Don't analyze the question, just answer it instinctively: *What is the best method for getting new customers?*

If you're like most business people, you answered, “Word of mouth.” Well, if that was your answer, you're absolutely wrong! Word of mouth is actually an extremely weak way to get new customers. That's because it is an inactive technique. There is very little you can do to control how often, when, and where your customers talk about you.

Okay, that's the bad news. Now here's the good news. Successfully doubling your sales and profits is easy. All it takes is knowing what to do, how to do it, and then taking the necessary action.

I assume that you bought this course because you aren't satisfied with your current level of sales and profits. Let me tell you, that's all about to change. Right here and right now.

Once you finish this chapter, you'll have everything you need to start increasing your sales and profits right away. Everything you need to double your business in the next six months. And then, before you know it, you'll be faced with another, more fortunate problem. How to handle the continual flood of new customers and sales!

Overview – What You Need To Do In Order To Double Your Business In The Shortest Time Possible

Doubling the size of your business in a short time isn't difficult. In fact, it's actually quite easy. And there's no great mystery to doing it. All it takes is a bit of common sense.

All right, I know what you're probably thinking. “Right – if doubling your business is as simple as this guy Serling claims it is, why doesn't everyone double their business all the time?”

Well, to be honest with you, I ask myself that question all of the time. Why don't more companies do the few simple things necessary to guarantee their growth and fiscal health? Why do so many businesses fail in the first year or three years or five years?

I've come to the conclusion that: they simply don't know what to do, how to do it, and why they should do it! Most marketing books will tell you how, what, or why – but they'll rarely put it all together for you.

And you certainly won't learn much from an ad agency or marketing consultant. They seem to believe they have to hoard and protect every last shred of knowledge in order to stay in business.

I happen to disagree with that school of thinking. I think the more you know and understand, the more savvy you'll be about your marketing. And if you're savvy and successful it can only be good for both you and me.

After all, if I make a significant contribution to your success and you know there's even more where that came from, won't you be more strongly inclined to continue working with me? It just seems like common sense.

Common sense. That's what truly successful marketing is based on. In fact, ingeniously profitable marketing is nearly always achieved by applying common sense to determine the best solution to your marketing problem.

That's what I'm going to concentrate on in this chapter. Common sense. I'm going to show you four simple, practical steps any business can use to effectively double its size and profitability.

You'll find no tricks and no slick maneuvers here. Just common sense. You may find yourself feeling rather amazed by how simple marketing can really be after you've read this chapter. But at the same time, you'll also find that you're incredibly clear on how powerful these simple techniques really are and how much they can do for you when you put them to work.

Now, let's take a quick look at what these four simple steps are. Then I'll show you in detail how to implement these steps and why they work so well.

Step #1: You must increase the number of customers who do business with you.

Step #2: You must increase the average dollar amount of all your transactions.

Step #3: You must significantly increase the amount of repeat sales you make to your customers.

Step #4: You must put your newly acquired marketing knowledge into action.

Step #1: How To Win As Many New Customers As You Can Possibly Handle

Getting more people than you ever dreamed of to do business with you is a breeze. Really. It couldn't be simpler. Yet, I've never had a client call me and not want help with the problem of attracting more new customers. Here's all you have to do to get crowds of people streaming into your business:

Offer them something exceptional with no cost or obligation.

Okay, I think I hear your mental gears grinding again. Maybe you're thinking that I lied. Or that I tricked you and this is going to cost you an arm and a leg. But you couldn't be more off the mark if you tried.

You see, I'm not talking about giving away the store. What I'm talking about is giving your customers something they perceive to be valuable, but actually costs you very little. And making it something that will generate so much additional business, you'll soon forget about the minor expense.

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I'm going to give you two examples of how to do this – one for a retail business, the other for professional services.

If you have a retail business, all you have to do is run a contest and give something away for FREE. The more closely that something is related to your business, the more likely you are to draw people who will end up doing business with you.

Let's look at a real life example. I recently helped one of my clients increase the traffic in his restaurant. I had him run a contest offering the lucky winner FREE dinner every month for an entire year. He was flooded with customers clamoring to fill out entry forms.

The immediate increase in business was sizable because many of the people coming in to enter the contest stayed for a meal. Naturally, business could be expected to drop off once the contest is over. but in Step 3 you're going to find out how to keep business at a peak by converting these one-shot customers to regular, repeat customers.

How much did this promotion cost? Very little. My client hung a banner announcing the contest on the front of the store. He also got exceptional free press coverage because newspapers, radio, and television stations love to give things away for free to their audience. Especially when you're footing the bill for the free items.

The actual expense for the free meals once each month for a full year was just \$72. Even that cost was recovered because the winner brought friends with her who paid for their meals every time she came in. Which, by the way, is precisely how we planned it. This is a perfect example of applying common sense to come up with a simple, highly profitable marketing solution.

Now let's look at how you offer your customers something exceptional with no cost or obligation if you sell professional services.

There are dozens of ways to do this, but I'm going to focus on two of them. The first is to offer some FREE information in the form of a printed report that your potential clients will find extremely useful.

If you're a CPA, it could be a report called “12 Ways To Keep More Of What You Earn Under The New Tax Laws.” Whatever service you provide, it's easy to come up with five or ten ideas that would be valuable to new clients.

The second way is to offer a limited amount of your services for FREE. Let's say you're a mortgage broker. You can offer to waive the application fee for getting your clients a loan. You really don't risk anything, because you'll use exactly the same procedures to qualify your clients on the phone as you normally would. If they don't qualify, you don't have them come in for an appointment.

Your advertising costs don't increase because you simply include this offer in the advertising you're already budgeted for. If you get even a handful more new clients than you ordinarily would, your additional profits vastly exceed the application fees you've waived.

Do you see the simple, common sense logic behind these kind of offers? You're simply making an offer that's head and shoulders above your competitors. Very little cost, very little risk, and a lot of perceived value to your customers.

That's really what effective marketing is all about. Focusing on your customers. Giving them more of what they want. Finding ways to make their lives easier or better. If you can do that consistently with your products or services, you'll easily exceed your most ambitious business goals.

A Critical Concept – The Lifetime Value Of A Customer

Before we move on to Step 2, there's a critical marketing concept that I want you to understand. This concept affects every step of your marketing. And it separates truly successful companies from those who settle for just wishing for success. If you get nothing more than the understanding of this vital concept from this material, it will have been well worth your time.

Clients often ask me how much they should budget for gaining new customers. The only way you can ever determine that is by understanding and calculating the lifetime value of your average customer. If you know that, on average, a typical customer stays with you for six years at a profit of \$250 per year, then the lifetime value of a customer is \$1,500 to your business.

Once you can calculate the lifetime value, things begin to get really interesting. For instance, if the average customer is worth \$1,500, you could easily spend \$250 to get a customer and still make a handsome profit.

Or let's look at another interesting angle. If, by using the techniques you'll learn in this chapter, you effectively increase your repeat sales plus you increase the number of qualified referrals you get from your customers, you can increase your profits exponentially.

The overall lifetime value of a customer would increase substantially because each customer brings with them a predictable number of new, referred customers. At the same time, it doesn't cost you a dime more to get all of this new business unless you decide to accelerate your growth by investing more.

That's a brief introduction to lifetime value of a customer. What you really need to know is that by understanding what a customer is worth to you, you can calculate how much you can reasonably spend to get a new customer. And once you've determined which

marketing techniques work best for your business and how many customers they consistently yield, it's easy to plan the systematic growth of your sales and profits.

Step #2: How To Increase The Average Dollar Amount Of Every Sale You Make

One of the easiest and least costly ways to boost your profits is by increasing the average dollar amount of your sales. Here's why:

It's easy because your customers are already in your store or office buying something from you. It's inexpensive because you don't have to do anything special to get this extra business. Since the customer is already buying something, all you have to do is ask them to buy something else as well.

Of course, your success in getting them to buy something more will be measured by how effectively you ask your customers. Here's the secret. In order to get your customers to buy more from you, you have to ask them in a way that holds a lot of benefit for them. This means you have to make them an attractive offer.

Let's say you own a shoe store. Here's how you would increase your average amount of each sale. First, you select half a dozen very popular styles of shoes. As well as popular, they should be styles that have a healthy profit margin built in. Whenever a customer buys \$100 worth of shoes (or whatever amount you choose), you tell them that since they bought \$100 worth of shoes, they're entitled to any of the additional six styles at a full 20% discount.

If there's \$20 profit in each of these additional pairs of shoes and you get one out of four customers to take you up on your offer, you've effectively increased the average value of every sale by \$5. Multiply \$5 times every sale you make in a day, a week, or a month. It gets your blood pumping doesn't it?

This technique is called an upsell. It doesn't matter what business you're in, you can easily find a way to make this technique work for you. Service businesses can offer other services at a discount, supplies, or pertinent books and reports. As a side note, if you do any mail order business, this technique can send your profits through the roof!

The other technique I want to show you is called a bump. To bump a customer means to move them up the ladder to a higher priced model or more expensive package. Again, this is done by offering them an exceptional deal on the higher priced item versus a good deal on the standard item.

You simply let your customer know that the model they've chosen is a fine choice, but you can also offer them the deluxe model at a substantial discount and it has these additional features that make it a superior choice.

A word of caution is necessary here. It's unethical, illegal, and exceptionally stupid to advertise a product you don't have in stock and then try to sell your customer a higher priced replacement. This is called bait-and-switch. If you pull this sleazy maneuver, you probably won't stay in business very long. And you may even end up pressing license plates in a government facility.

Bumps and upsells work as a function of numbers. Make your offer available to enough customers, and some will take you up on it. It's the percentage of customers who take advantage of your offer who will contribute to the overall increase of your average amount of sale.

But by all means, if someone is satisfied with the standard model, sell it to them. Don't risk losing a sale by pressuring customers into your bump. All you have to do to effectively bump is make your offer available. Because nearly everyone loves a good deal, you'll find that many of your customers will gladly take you up on your offer.

Step #3: How To Mine The Most Lucrative Source Of Profit You'll Ever Come Across – Repeat Sales To Your Customers

Do you want to know how to become wealthy beyond your most avaricious dreams? Of course you do, that's why you're reading this chapter!

While I'm having a little fun with this, the truth is that the long-term growth and profitability of your business completely depends on learning how to turn one-shot sales into regular, repeat sales.

And if you master this, if you can consistently convert customers into repeat buyers, your business will easily double or triple. In fact, repeat sales are the key to building wealth in any business.

First, I'll explain the “why” of it. Repeat sales are by far the easiest, most profitable sales you'll ever make. You see, attracting new customers is always the most expensive component of your marketing program. Prospects don't know you and have very little reason to trust you.

On top of this, you can't always be certain where to advertise to get more new customers. A source that worked before can suddenly become unproductive. And finding new sources is a hit-and-miss process that always means increased costs.

The easy, sure money is in repeat sales to your existing customers. There are a number of reasons for this including:

1. You already have the trust and goodwill of your customers. You don't have to spend time and money educating them to get past their natural skepticism.

2. It won't cost anything other than a simple letter and postage to find them.
3. You already know your customers likes and dislikes, so it's easy to craft an appealing offer.

Do you want to know the secret to generating exceptional profits for your business? Here it is:

Contact your regular customers and offer them something appealing at least once every month.

It's really that simple. You can easily double your profits in a short time by consistently offering your products and services to your regular customers. Look, customers love having a reliable, honest business where they feel like they're treated special and offered excellent values. They're just waiting for you to make them an offer.

Two of the best examples of this are American Express and Nightengale-Conant. If you're an American Express cardholder or if you've ever bought anything from Nightengale-Conant, you know what I mean. They send you an attractive, simple offer at least once, and often two or more times every month.

And let me assure you, they're making plenty of money doing it. If they weren't, they wouldn't continue to mail offers year after year after year. The big money is not in getting new customers – it's in consistently working your customer list month after month.

By the way, there are hundreds of smaller companies reaping the benefits of repeat sales daily. I only used the larger, more well known companies as an example because there's a stronger chance you've received their mailings and can directly relate to the point I'm making.

All right, I've shown you what to do and explained why it's so profitable. The only piece left is the “how” of effectively generating repeat sales. So let's get right to it.

Once again, the answer is simple and completely based on common sense. Remember all those names you collected in Step 1 when you offered your customers something exceptional with no cost or obligation? Well, now is the time to put those names to work!

All you need to do is put together a simple, one-page letter telling your customers that you value their business and want to keep them as a customer for a long time. Then offer them something special as an incentive to do more business with you.

What works best as an incentive? That really depends on your specific business, but here are a few ideas:

- Special discounts on products or services.

- Special products or services unavailable to walk-in business.
- First choice of special products or services before they're made available to the general public.
- Extended warranties at reduced prices or no additional charge.
- Exceptional payment terms.
- Money-back guarantees.

There are many more incentives you can use, but this should give you a wealth of powerful ways to construct your offer. There really isn't anything mysterious to this process. It's all a matter of doing it and doing it consistently.

One more point about repeat sales. It's the quickest way possible to increase your cash flow!

Step #4: Now That You Know What To Do, There's Just One Thing Left – Taking Action!

Everything I've shown you up to now is vital to successfully increasing your sales and profits. The previous three steps provide the foundation you'll need for systematically improving your financial position.

But while this final step may not be as interesting, it's more important than any of the other steps you've been exposed to so far. This vital, make-you-or-break-you step is, quite simply:

Take action on what you've just learned!

Look, I don't mean to sound negative, but probably the greatest disappointment I encounter in my consulting practice is giving businesses solid, highly profitable marketing advice and then watching them do absolutely nothing with it.

These same businesses will call me a few months later wanting to hire me again. When I ask them what results they got from my previous efforts, they'll answer something along the lines of. “Oh, we never actually got around to implementing that one. But we were really impressed and that's why we're calling you now.”

I can't think of a more foolish waste of a company's-valuable time, effort, and money! And I sincerely hope you don't ruin your business that way. So I want to leave you with one final piece of advice – the most important advice I've given you yet:

One ounce of action is 1,000 times more valuable than one ton of illumination.

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It's my opinion that you don't need any more information than you already have to start successfully marketing your products and services. You now know precisely what to do. All that's left is to actually do it.

Maybe you don't have the time because you're also responsible for the day to day operations of your business. But you now know what you'll need your staff or some outside help to get done.

The other common symptom I observe in my clients is they don't take action because they're afraid of failing. But I'll tell you something, a truly successful business can be measured by how many failures it's had. Each failure helps you find out what doesn't work, so you can more finely tune what it is you need to do to succeed.

The secret to “failing” effectively is to do it on a small, manageable scale. The easiest way to do that is to prudently test everything on a limited basis to keep your losses under control.

Test each new offer to just a few dozen customers. If it fails, revise it and try again. If it succeeds, test it again with another, slightly larger group of customers. If it's successful a second time, roll it out full force.

Please remember, running a business is a contact sport. If you spend your time on the sidelines as a spectator, your thrills will be vicarious. You have to really enter the game and become a player to take home a trophy!

Conclusion: **One Final Master Marketing Technique**

Congratulations!

You are now well on your way to becoming a master level marketer. You understand the “what to do,” “why to do it,” and most importantly – the “how to do it” of dozens of simple, inexpensive strategies and techniques that can rocket your sales right off the charts.

You have a solid grounding in the fundamentals that puts you miles ahead of all your competition. In fact, you're miles ahead of 99% of all other businesses in the world!

From now on, you'll make sure you're always bringing in a steady stream of new customers. With these simple, low-cost methods, you'll build your business to heights you never dreamed possible.

You'll also make sure that each sale is for the maximum dollar amount possible. Since the best time to sell more is when the customer is in the act of buying, you'll make sure you take advantage of this to optimize your profits.

You realize now that the real money in any business comes from repeat sales to loyal customers. So you'll do everything in your power to make sure your customers buy from you again and again.

Probably the most important concept you've learned – in fact, the cornerstone of running a successful business – is that all marketing efforts begin, progress, and end with the customer. From now on your entire business will be customer-driven.

Because the more you satisfy your customers' wants, the more you help your customers solve their most nagging problems, the more you help them achieve their most important goals, the happier they'll be and the more money you'll make!

In a very real sense, your business is actually a partnership with your customers. They tell you what they want, and you deliver it. Marketing is really that simple. And if you always keep this simple definition in mind, you can't go wrong!

Here's My Special Gift To You – One Final Technique

It's been my pleasure to be able to show you how to market your business successfully. Quite frankly, I have a deep respect for the men and women who possess the guts, discipline, and determination to succeed in their own business.

As a business owner, I believe you are a true hero. You put it all on the line every day. You take the ultimate responsibility. If your business succeeds, you reap all the benefits.

If it fails, you take the loss. That's an extremely difficult and admirable position to be in. And you've chosen it – no one forced you to go into business for yourself. So I salute you. You deserve it!

Before I go, there's one final technique I'd like to share with you. It's actually been touched on in many different ways throughout this course, but I want to take a moment to state it as clearly as possible, so you can use it to make your business even more profitable.

Here it is: **Always give your customers more than they expected!**

So many businesses try to just get by. They give only what they have to in order to remain in business. I believe this attitude is extremely damaging to your business.

First, it drives customers away in droves. It kills repeat sales, and guarantees that you'll rarely get any referral business. So from a purely financial standpoint, conducting your business this way is a disaster.

If you want to make as much money as possible, always deliver more than you promised. Your customers will be extremely satisfied and word will spread fast about your rewarding way of doing business.

Equally important, giving your customers more than they expected is a wonderful way to run a business. It energizes you, it pumps real life and excitement into showing up to work day after day.

The fact is, any business gets boring after awhile, regardless of how glamorous it may have seemed in the beginning. But when you deliver far more than you ever promised, doing business becomes a pleasure, both for you and your customer.

If you've ever been in a store or ordered by phone from a company that does business this way, you know what I mean. Everyone feels a little bit better for having been involved in the transaction. That's a payoff that's hard to beat!

So I heartily recommend that you make giving your customers more than they expected a key policy of your business. I promise that this single policy alone will pay you back far more than you could ever imagine.

A Few Last Words

I hope this course has enlightened you as to how easy it really is to double or triple your sales and profits. And I hope it has inspired you to get started right away.

Before I go, I'd like to ask a special favor of you. When you start putting these techniques into action and your sales are shooting up the chart, please drop me a note and share your

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success story with me. For me, the most gratifying aspect of sharing these powerful strategies and techniques is to see how much they have helped you.

It's been my pleasure to share the secrets of doubling or tripling your sales and profits with you. I wish you all the best. And may you sell more than you ever dreamed possible!