

HMA

HIDDEN MARKETING ASSETS

University

INTERVIEW SERIES

**More Secrets Learned From A
Marketing Consultant**

Michael Senoff Interviews Robert Stover

Dear Student,

I'm Michael Senoff, founder and CEO of HardToFindSeminars.com.

For the last five years, I've interviewed the world's best business and marketing minds.

And along the way, I've created a successful home-based publishing business all from my two-car garage.

When my first child was born, he was very sick, and it was then that I knew I had to have a business that I could operate from home.

Now, my challenge is to build the world's largest free resource for online, downloadable audio business interviews.

I knew that I needed a site that contained strategies, solutions, and inside information to help you operate more efficiently

I've learned a lot in the last five years, and today I'm going to show you the skills that you need to survive.

It is my mission, to assist those that are very busy with their careers

And to really make my site different from every other audio content site on the web, I have decided to give you access to this information in a downloadable format.

Now, let's get going.

Michael Senoff

Michael Senoff

Founder & CEO: www.hardtfindseminars.com

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Published by:

Michael Senoff
JS&M Sales & Marketing Inc.
4735 Claremont Sq. #361
San Diego, CA 92117
858-234-7851 Office
858-274-2579 Fax
Michael@michaelsenoff.com
<http://www.hardtfindseminars.com>

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How To Sell More Consulting Services At Full Price In A Shorter Period of Time Than You Have Ever Done Before. Amazing New Technique Has Clients Flooding Your Practice To Hire You... And At Full Price!!!

Robert Stover Interview.

YES, you can learn from Richard, but you can also learn from other consulting experts who have been doing it for years. Their in the field experience is the "Real World" consulting you need to hear. Robert Stover's marketing consulting experience will save you much time and frustration. He reveals the reality of consulting. You'll hear what it's like dealing with clients, how to leverage your practice. You'll hear some advice in reengineering the sales process. You'll learn about segmentation. You'll hear why a start-up business is not a good client for you. You'll hear eight wildly successful consulting client case studies that you can use in your own consulting practice. This is a three part interview. Each recording is about 20 minutes each.

Robert: In two weeks, they went from selling one out of 20 over six weeks to selling four out of 20 in two weeks.

Michael: Wow.

Robert: It was 300 percent increase in their sales cycle.

Michael: That's incredible.

Robert: And, when I talk about leverage, the leverage is and it can be – you can increase sales by training salespeople, absolutely, but you can't increase the results 300 percent. But, if you change the structure that they work within, you can just jolt the sales upwards.

MUSIC

This is Michael Senoff with HardtoFindSeminars.com and Consulting Secrets. Here is a recording with one of our newest HMA Consultants. His name is Robert Stover. Going back and forth, I learn that Robert is an expert marketing consultant who's been in the marketing consulting field for some time. When I saw some of the case studies that he

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presented to me, I had to interview him to offer his interview as ongoing training for all the new HMA consultants who come on board. Just listen to this – Robert’s created \$800,000 for a guy in a week and a half. He sold \$40,000 an hour with a \$349 letter of a product that an entire telemarketing operation couldn’t sell before. This strategy went on to make \$400,000 in the next two months. He’s picked up a sales team’s sales 300 percent in two weeks by doing the opposite of what most sales trainers teach. He’s helped clients grow two businesses from scratch to several million a year and more. He’s added profit centers to a client that grew the company from seven million to 25 million and more. Robert offers a lot of real in the world trenches about the marketing consulting business. We also talk about voice broadcasting technology and how it can be modified and used to catapult your consulting business. Hang on to your seats because this is exclusive training just for the HMA consultants, and I think you’re really going to benefit from Robert’s experience.

Michael: What I want to do as I bring people into this HMA training, I want people out there in the consulting field, and they don’t have to be doing consulting just like Richard’s system. You’re doing a million dollars in consulting and I want the people who come through here to learn from all different aspects. Why don’t you tell me a little bit about yourself? How did you first get into the whole consulting gig?

Robert: Well, I probably started off going through high school, and I think even younger. I was doing little businesses on my own. So, I already had an entrepreneurial bend. So, by the time I hit college, I had already played around in ten different businesses from car dealing to selling livestock and onward from there.

My junior year in college came one of the wildest opportunities. I had a friend who’s fiancé’s dad own car dealerships. He decided to move out closer to his daughter going to his college. So, in Lavonia, Georgia, he decided to start a car dealership, and he said, “Hey, get that Robert, and have him come and I want him to be my marketing manager.” We started a car dealership from scratch as two juniors in college. He came in, walked into a bank, walked out with a \$500,000 credit line, and said, “Okay, here’s how you take a car in. Here’s how you do this. Here’s how you do that. I’ll see you.” And, he went back to Pennsylvania. So, he left two inexperienced college kids in charge of a car dealership. My buddy was an ace at finance, and I kind of scrambled through the selling of cars and the marketing of cars and how to get the people to the lot and stuff like that.

Michael: Was it a brand name dealership?

Robert: No.

Michael: These were brand new cars?

Robert: Yes, Chrysler.

Michael: Chrysler, okay.

Robert: Chrysler under his name which at the time was Lash, and so for three months we lived in – the town was so small there were no apartments or anything – we lived out of hotel room running this thing. It's one of those early adventures in business. After that, I went to work for Proctor and Gamble in field advertising.

Michael: What is field advertising?

Robert: Field advertising – basically, was 100 percent travel. We never knew what was coming up in three weeks. We'd get a manila folder in the mail. It was kind of like a Mission Impossible where it says, "If you decide to take it, here's your job." And, it may be, "Go in, we're going to do sampling of Citrus Hill in the stores and you need to hire all the samplers. Traverse City, Michigan, go." Boom. So, they'd send us in to do that. Or, it may be, "We're pulling Duncan Hines cookies off the shelf and sticking a new formulation out. You need to go over to Kalamazoo, Michigan, go." Boom. So, we'd go in and hire people to yank all the product off the shelf and do things like that. It's hard to define as a job. It's everything the sales and marketing people didn't want to do.

Michael: How long were you with them for?

Robert: About a year. After that, I went to work and I started dividing businesses, and I mainly started for myself. I started on the sales side working with the sales forces and what not. It's the majority of my experience. With the sales, you start looking at the products, looking at what they're doing and "How can I get more leverage?" So, that led to marketing. And, then I worked on the marketing – for example, in the copywriting and things like that, then my question was - they use me as a copywriter. A client comes, "Here, I'm selling this to this market. Write something." I started looking where was the real leverage, and I was actually deciding what markets and what products were going to those markets. So, I sort of climbed the totem up to working more of a strategy then specifically with sales or copywriting.

Michael: When you were doing consulting with businesses on the sales side, was that just something that you put together? Were you following like a formal program like Sandler Sales Institute or something like that?

Robert: I put together a bunch of stuff from NLP, some sales training that I had, personal techniques I had done.

Michael: And, how'd that go for you?

Robert: It went well.

Michael: But, it was limited because that was just one aspect of growing a business.

Robert: Correct, it's one. It's one pillar, and in the long run as we discover a little later on in the call here, it's not the highest leverage you can go after. It was kind of the quest for leverage, and how can I make a bigger impact with clients than what I'm doing. A quick example – with the sales force, you're going to want behavioral change. So, you can come in and get them motivated. Their performance might go up a week or two afterwards, and then it drops back down because there hasn't been skill change. Skill change, guess what? It takes practice. It takes discipline. It takes follow-up things like that. So, you're looking at a month's long process to get maybe 25-30 percent increase in what they're doing. What we'll talk later if I can alter the structure they operate in and the processes the approach the client with, we can get hundreds of percent increase in an extraordinarily short time.

Michael: So, the quest for leverage – then came copywriting.

Robert: Right, and essentially it's salesmanship multiplied. Back in '88-'89, I ran across these guys – Gary Halbert, John Carlton, Jay Abraham.

Michael: I love hearing this story. How did you first run across any of these guys?

Robert: Actually from my dad. He had gotten some mailings from the early Jefferson Institute. There's a guy named Mark Stoddard.

Michael: Mark Stoddard.

Robert: He was more of the star than the other guys. The other guys kind of came to his show. They had Gary and others doing the talking, and John Carlton. I still remember his gun to the head analogy back then, and his promise to help any copywriter for free if they call him. I didn't call, but I kind of laugh today because obviously he's one of the superstars in copywriting today. So, I heard that stuff and it just clicked something inside of me. I would go out and walk for hours, listening to him, writing notes, taking notes in a dictation machine, hand transcribing things. It's hard to say why it clicked, but it's like I found home. It was more marketing oriented than just pure sales oriented. It was a way to make a

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much bigger impact on a business, much faster and much easier for less money. Then, it went from there.

Michael: Let's talk about some case studies. You had sent me some information that you had created \$800,000 for a guy in a week and a half. What's that all about?

Robert: This is a classic example of the leverage of a sales letter versus individual sales people. I came walking in. They were selling seminars. It was a \$395 seminar, and the way they sold was they would send out brochures, and then follow-up with telemarketing. It was a yearly event. The year before they sent out a brochure, and didn't make one sale. Then telemarketers, and they have to sell them for five months. Telemarketers call for five months, following-up and selling in person. I sat down and wrote a sales letter for him. We sent it out, and as you'll find is very common, over the objection of their marketing vice president, because, "We don't talk that way. No one will read that." In the next week and a half, 905 orders came in there. They didn't even have a system to handle it. Nine hundred five orders flooded pretty much every voice mailbox in the company.

Michael: How many did they send out?

Robert: That was out of 6,000.

Michael: So, they had a list of 6,000, and the way they were doing it – they were just sending a lousy tri-fold brochure.

Robert: A beautiful brochure.

Michael: Beautiful four-color brochure?

Robert: Yes.

Michael: And, multi-page? Or just front and back?

Robert: Multi-page.

Michael: Okay, for this seminar – what was this seminar selling?

Robert: It was a sales training, kind of get together for real estate agents.

Michael: So, they were spending all of this money on telemarketing, following-up.

Robert: And, commissions correct.

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Michael: And, commission. How'd you approach the guy? How did you get to write the sales letter? Did you know him? How did it all start?

Robert: I did sales training for his people, and then I got to talking to his sons about, "This isn't where the real leverage is." So, they went and talked to their – it's a family business – they talked to their dad, and he goes, "Well, do a one page black and white letter, and then mail them first class." I said, "It's not the answer." So, we were kind of butting heads. He said, "Oh no, just do a flier." I'm going, "It's not the answer." And, then the VP of Marketing is going, "He told you to do a flier. You do a flier." So, I went and wrote a sales letter. I just knew in my heart, this was the wrong approach.

Michael: How many pages?

Robert: This was a four pager.

Michael: Okay.

Robert: So, I came up, and the VP of Marketing freaks. He goes, "You're told not to do this. No one's going to read this stuff." I'm going, "Let's just show it to the man, the guy in charge." He's going, "Okay, but I'm telling him I had nothing to do with it." I'm going, "Fine. Let's just talk to him." So, we go in and talk to him and the guy read it and kind of looks over his glasses, and instantly the VP is going, "I told him not to do this." On and on and on, and he goes, "Let's do it. Let's try it."

Michael: First class, 6,000 people?

Robert: Yep.

Michael: Hand-addressed or typed?

Robert: Typed.

Michael: Live stamp or indicia?

Robert: Indicia.

Michael: Return card?

Robert: Nope.

Michael: Nothing? Just an address?

- Robert: Not even an address.
- Michael: Nothing at all?
- Robert: You've got Friday to call was the only pull.
- Michael: You've got Friday to call on the envelope.
- Robert: No, there was nothing on the envelope. I made them take off the company name on the envelope – white, type address.
- Michael: Do you remember the headline?
- Robert: Something I would never do today. As you get more conservative, but it was something to the effect of – his whole thing was the “Superstar Real Estate Agent”, and those customers knew it and it had a buzz about it. So, what I drilled into was the excitement of the conference, and people would actually get up at four in the morning and go stand in line to get the best seats. It was interviewing the sales force, and they were telling stories about people jumping over seats to get – it was just a zoo. I tapped into that nerve in the headline, and it was something to the effect of, “Superstars Bribe Security Officers.” And, from there it went into “Security Officers say that these superstars are more rabid than Madonna fans.” But, then it went into typical benefits sell, and everything was deep. So, ironically, it's something I wouldn't do today, but it hit the nerve.
- Michael: Why wouldn't you do it today? What would you do different now?
- Robert: Typically today, I would lead with more a benefit oriented approach on something specific they're going to get, and where this one was more story copy, without a promise. It worked, but it's a much riskier approach to copy.
- Michael: 6,000 went out, and what happened?
- Robert: Some got it within the region the next day. The phones started ringing off the hook at night. All the messages were going into the various secretaries' voice mailboxes. So, they come up the next morning – there's 100 something people signed up for this thing, and then it just started to grow from there as the mail hit more and more of the places and within a week and a half there was 905 orders. The salespeople were just incredibly upset because I just cut all the commissions out, and the secretaries were upset because they were spending all their time now transferring orders.

The VP was upset because he looked bad. The only guy smiling was the owner.

Michael: What did he say to you? Do you remember?

Robert: He never said anything to me. No, he told someone else “I found a winner here of a consultant”, but that was about it.

Michael: What was in it for you? Did you negotiate something?

Robert: I had a monthly retainer deal, and that was it. There wasn't any percentage.

Michael: Okay, great. That's a great story. The power of one sales letter. You sold \$40,000 in an hour with a \$349 letter of a product that an entire telemarketing operation couldn't sell before.

Robert: Right, this is a fun one. I had a client. He was in the mortgage industry, pretty well respected fellow as far as education. We got the wild idea, and this is back in '84 or '85, when teleconferences were really a big thing back then. They actually had value, and it cost .50 a minute to put one on per person and such. We came up with this idea, “We'll create this great teleconference, and once a month people get on with leaders in the industry from all over the industry. We'll have them pay \$2200 for that privilege.”

Michael: And, this was a mortgage?

Robert: Mortgage originators. So, we're charging them \$2,200 for that. The guy had a good name so it was a good chance. It worked on the real estate side. So, it kind of was common sense that it should work. For a month and a half, his sales teams – and this is to existing customers – would call their best customers and go, “We've got this great new thing. It's going to do this. You going to be on it?” No sales. People would not buy that.

Michael: For \$2,200 bucks?

Robert: Right. In hindsight, “That's crazy. Asking them for \$2,200 a month. That's just a bad proposition.” So, I'm thinking about it, thinking about. The owner of this company was an incredibly persuasive speaker. So, I'm thinking and I had the thought, “Why not use the teleconference to sell the teleconference?” So, what I did was take a really small A4 invitation-sized envelope, parchment paper – I sent off an invitation just pretty much asking, “You're my best customers. I want to let you know first. We're going to be launching a new thing called – we didn't tell them what it was.

“We’re launching a new service. It has to do with these basic areas. The call’s limited to X number of people.” They were a buck a piece. There were 349 people we sent it to. It was a \$349 investment. I send that out.

Michael: How many did you send out?

Robert: 349.

Michael: Just 349 letters.

Robert: Right. It was 38 percent of the people came on. So, it came out to 70-80-90 people, a little over 100 people on the call. We did the call, pretty much we did an infomercial with the guy. We talked back and forth, and I wrote this script for him, and then roughly outlined it. We didn’t do it word for word. So, we outlined the flow kind of a problem solution motivational sequence approach and what it was and how it would and how this conference would let them get information before anyone else did. How he was on the road several times a month all over the country learning new ideas, but he didn’t get to share them until his big seminars like once every six months. So, this is a way that he could get the ideas before the competitors. So, that was the content of the half hour teleconference. As soon as that teleconference ended, the phone was flooded, and the next half hour they created 22 sales.

Michael: Did you ask on the teleconference for the order? Or just information loaded.

Robert: Information loaded, and then, call if you want to join. It was not a hard sale.

Michael: Wow.

Robert: It was informational in the sense that it was benefit laden from the standpoint of what they get and the advantages of being on it, but it wasn’t a hard sale. They went on to rule that out because he had a much, much larger list, and over the next month, I brought in hundreds of thousands of dollars.

Michael: Okay, let me ask this – what was in it for you? Did you set up-

Robert: I had a retainer relationship.

Michael: Just a retainer?

Robert: Yes.

Michael: At that time, did you think about doing contingencies?

Robert: Yes, I had some early bad experiences with them.

Michael: Can we talk about that?

Robert: Sure.

Michael: What were some of the bad experiences with contingency?

Robert: Well, first I'd observed first hand – I can't mention names – one very well-know marketer do a joint venture with another very well known company. I happened to be behind the scenes with the other company. I had set the deal up. The marketing guy pulled the trigger on it, and did incredible for the company. The amount that they were going to owe him based on their agreement was huge. It was probably \$200,000 they had to write a check for, and I noticed things kind of going on in the accounting department, scrambling and closed-door meetings, and everything else. Basically, what they did is they cooked the books on him. And, I kind of watched how that went. There's nothing – they had contracts and everything in place, but there's nothing you can do to protect yourself against someone who's going to do that.

I'd seen that. I did some joint ventures. I put two companies together, and one company had a good relationship with as the other one I called cold. I got them to come together. I even thought of the concept of the product that they sell. It was actually one of the first direct marketing packages ever sold in the real estate industry. So, I put this venture together. I got all the players together, and then one of the partners in the business came to me and said, "Well, I've got a problem. The other two partners don't want to pay you because"- and I still remember this quote, -"all you did was introduce them to somebody." Okay, never mind that now we're 15 years later, that product is making millions a year for them. So, it just came down to defending yourself. If you're going to play with bad people, it's very difficult. So, with those two experiences, I had moved to retainer rather rapidly. I did other ventures and getting people to execute can be a challenge as well. So, for me, it's like, "Well, you've got to make money here."

Michael: That's kind of what's so nice about Richard's system because he experienced similar situations and he went right to retainer or per-project basis, and it gives you a chance to build a relationship as you work with someone, and then if you want to go contingency and you've got the trust and you feel good about it, then there's some opportunities down the road.

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- Robert: Absolutely. That's very important. I know there's a lot of hype around joint ventures, and all you do is one thing and millions will come flooding in and you don't have to work again, and the truth is, "Yeah that can happen." But, there's also a truth that when people start making tons of money and they have to write you a really big check, and they look and go, "What did you do? You made a phone call." So, then human nature kind of comes in and so what was once a really strong relationship there, the overwhelming pressure on the person is to somehow slight the deal and disengage it. That at all doesn't mean they don't work. I still put them together for my clients. They're an extraordinarily fast way to grow a business.
- Michael: There's another aspect that I've experienced being on the side of not being paid a commission on a joint venture, and that is you feel like you're almost an employee because that person controls the money. It's just a bad feeling. You feel like because they're holding your check that they have the ultimate power. It's not a good feeling at all.
- Robert: No, it's not fun. One thing I started doing, and I did it on a few deals and then I finally said, "Screw it, I'll just do retainer relationships." But, it was an effective sales tool, and it would be something to the effect of, "Normally I charge \$15-\$20,000 for this project, but I believe so much in the impact it's going to have, I'll discount my fee \$10,000 and only take a \$5,000 upfront chunk against some percentage of the profit." Well, I would've been happy to have done it for the \$5,000, but it postured it far better. Now, in some cases it did create some residual income doing it that way. But, I was at least covered.
- Michael: That's a good way to position it. Here's another one – I've helped a client grow two businesses from scratch to several million a year and more. What are you referring to there?
- Robert: I've got a client who has two businesses, and one of them which is in the voice marketing industry.
- Michael: What industry was it?
- Robert: Voice marketing.
- Michael: Voice marketing?
- Robert: It's the automated systems where you can load-up a million customers and have each one get a message on their answering machine.

Michael: Voice broadcasting.

Robert: Yes, and the other one was a software product in the mortgage industry, called the, “Mortgage Coach”. Both were from scratch, and so you got all the fun and joy of fighting your way through the jungle on what approaches would work, what won’t work, what appeals will work, and so on. What had fascinated me was on the voice marketing side was I was able to come in and heavily influence them to begin testing message split on voice messages. Ironically, their customers are all Fortune 100 customers. Fortune 100 companies often don’t test at all. They’ll send out fliers and direct mail but there’s no testing protocol. They’re not set up to do it. So, if you say, “Hey we want to split this into two and test it.” They wouldn’t be able to do it. They have no tracking mechanisms. It’s just a competency that doesn’t exist. So, as amazing how difficult it was to do something that was Marketing 101 on a testing even at the Fortune 100 level. It was fun in a way it was a laboratory because you have these clients come in with these databases of ten million people. You could really rapidly test when you found clients that actually have the ability – one message against another, one approach against another, and the cycle was so fast on what would work when you’d test. Do you know what I mean? Because you get so much feedback so fast on not opinion, but fact.

Michael: What are some of the general things you learned when it comes to success with voice broadcasting?

Robert: First and foremost is make it sound personal, and another word we’d use is relevant. If you’re contacting people that aren’t your customers, you get angry hostility. If you call your customers, they love it. The other thing is it’s standard. I tested this in different not just with voice marketing but with sales forces, and with direct mail. For Ace Hardware we did this simple message before Thanksgiving. It kicked their sales up 48 percent on the day after Thanksgiving sale, and all it was a we found a voice that sounded like the girl next door, and say, “Hey, I just want to let you know you’re one of our better customers and we just want to let you know there’s going to be sale on whatever. We sent you something on it. You may not have seen it but, come on in.” And, that’s all it was.

Michael: That’s great.

Robert: And, pick it up. Somewhat fascinating that we discover within that medium is that using celebrities doesn’t work. We call it “Julie next door” because one of the girls that we use sounds like Julie next door against all the people like John Madden. Julie kicked John’s butt, and it came down to believability of the message. It was very believable that Julie from Ace Hardware gave you a call. It’s not believable that John Madden gave you

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one. There's a lot of little things in that industry that wouldn't apply to a broad industry, but we found out what would work and what wouldn't and things like that. You could reduce response on there by using voice marketing by actually including too much in the message. Say we sent somebody a direct mail letter, and then in the voice message you go back and say, "We sent you a letter and inside it's going to tell you this and this and here's the offer." It would reduce response, and it comes down to almost like header copy on the outside of an envelope. If you tell too much, there's not any reason to open the letter. You're telling them enough to say no, but not enough to say yes.

Michael: Have you seen an increased response with the direct mail package?

Robert: Absolutely – almost a rule of thumb anywhere from 15-35 percent.

Michael: So, what do you do? What's the message say?

Robert: It's just, "Hi so-and-so over here with the company. I just want to give you a heads-up that we sent you a letter", and usually include a benefit or something but nothing specific, "It includes a percentage off" or "It includes a discount" or "It includes a reward. Anyway, just keep an eye out for it. I didn't want you to miss it because it's real important." That alone will kick up your response. You don't need voice marketing to do that. I have actually tested that. It works in voice marketing, but hey why wouldn't that work for sales force? Why wouldn't it work for sales letter? Why wouldn't it work for a Fed Ex package? We've had sales forces like say we had a white paper or a special report or something we wanted to use as a lead gen piece, and we just go, "Why not?" We could do it by email, "Hey, we've sent you something. Keep an eye out for it." We did it for a client on emails. Just a quick, "We know you're busy. We wanted to let you know that sometime today you're going to be getting an email from Mihael Senoff. Just wanted to let you know to keep an eye out for it. Thanks."

Michael: That's great.

Robert: That's all you need, and you're going to look at a 15-20 percent increase in how many people you contact and talk to.

Michael: Okay, well, voice broadcasting, that can be a whole nother recording.

Robert: This one's brought in about seven million after three years.

Michael: I'll ask you again. Did you have a – was this just a straight retainer with these two? Have you made up your mind that that's going to pretty much be your model, straight retainer, just from your experiences?

Robert: Yes. Unless, it's a deal I can really control purse strings on, or really have a good trusting relationship with the person doing it.

Michael: Okay.

Robert: Because even with – I have one client I've had for ten years. We can fight over stuff, and disagree vehemently and it's just the relationship. That's why it works because we can be open and frank about stuff. But, even there, if I wanted to do a joint venture with them, and I absolutely trust him, but if I wanted to be absolutely sure, I'd still have to have the right to audit his books. Now, you're dealing with now you have to get an accountant because do you want to go in and pull his books? No. He's running a couple million dollar company and go through all the expenses and see where stuff lives. So, I'm not going to say I'll never do one, given the right circumstances I absolutely will.

Michael: Okay, how do you do your pricing structure with a client?

Robert: Sadly, I make it up.

Michael: You make it up. It just depends on how the potential?

Robert: Right. And one of the geniuses in why is in essence what Richard does. He's got a system. You look at this. You have to look at the USP. You go through this. I got intuition. I go in and dig around and find an opportunity, but it is not at all systematized like Richard's is.

Michael: What's a hot point that got you interested in Richard's thing after listening to the recordings? You've got a lot of experience in consulting and doing it, but what is it that really-

Robert: It's a systematic approach, absolutely. I'm going to tell you that you've got X amount of time, and then also what appealed to me about the cobbler's children have no shoes. I've done a terrible job at actually marketing myself. What I've done is I get in with a client, they introduce me to somebody, and I've been able to handle doing that, but I've reached the point – I was a 40 year old bachelor. I'm married now and said, "You know what? We need to put some predictability in this in this system where I don't have to rely on referrals or this and that and my wits, but there's a predictable system for getting leads and a way to onboard clients

and explain to clients what we're going to do." That was the draw with what Richard's done.

Michael: Okay, good.

Robert: I just take a look at it and I go - I see what they're doing. I know roughly their revenue and I go, "Hm, I can probably get about \$2,000 a month from this person. Or I can get \$4,000 or \$10,000 or whatever it is a month." That's where I start. Some I've gone in on a specific project. I'll take a look and I'll do that or write that or whatever for X amount.

Michael: So, what do you say? Are you a retainer or will they pay you that monthly? Or do you have a minimum of six months? Or do you change it up?

Robert: I do open-ended where they pay me monthly. I don't do contracts, and it's just like you can walk away from it anytime you want.

Michael: You don't sign any contracts?

Robert: No.

Michael: You just do an agreement over the phone or in person?

Robert: In person.

Michael: Shake hands and he writes you a check for his first month before you get to work?

Robert: Sometimes we do that and sometimes I just bill them. It just depends on – honestly, it depends if I got to do ten minutes for him. If, I've got to do thirty. If I think I'm going to do a whole lot of work, and maybe nothing's going to come from it, I go ahead and charge upfront. I would encourage anyone that's questioning about charging upfront just to do – for example if you're looking at a project or something, and go, "Great, to start this project, my standard way of operating is simply 50 percent to start, and then the rest on completion or approval." That way you're getting revenue and money coming in. That's been my bacon more than once. Because if you go in – "Oh, I'll do it in 30 days." You get a bunch of 30 day projects, and as you'll discover things don't always go right. All of a sudden, your cash flow is dwindling down rapidly in your savings account when you're trying to get a business going, and what you find is if you say it polite and nice but matter-of-fact, most go, "Oh, okay." You had asked about some of the bad stories and the horror stories.

Michael: Right, because you can learn from them.

Robert: Right, and I think I mentioned the one where putting the joint venture together and then – it was worth millions – and, then having one of the partners go, “You know what? All he did was introduce somebody. We’re not going to pay them.” If you learn, you learn how to posture better, now you know that kind of stuff can happen. You know how to prevent it a little better.

A fun one I had – fun in hindsight – was I did copy for a guy, he’s selling sports memorabilia, jerseys and stuff, and we did a thing to his customers, a letter out to his customer base. He goes back and I said, “Well did you send it?” He said, “No, we’re not sending that.” “Well, why not?” “I’d never send something like that to my clients.” He was adamant. I said, “What’s going on?” He said, “Well, just talk to my brother.” And, so I talked to the brother and the brother sounded completely different. He’s going, “There’s one sentence I didn’t know if it could be phrased differently.” So, I went, “What is going on?” These things went around that I given this particular business stuff to look at, and he kind of put it aside and wasn’t looking. What I discovered was he couldn’t read. He could not read. So, what he was doing was he’d hand it, and if anything was negative, he’s scared to death because he didn’t know what was being said or what was going out. The irony is this guy’s making millions a year and he can’t read. He completely learned how to compensate for it in his life.

Michael: Yeah.

Robert: So, I said, “Hey, you know what might help?” I go, “Sometimes the way you read something sounds different from how it actually looks on paper.” I go, “Would you like at all if I read these letters to you?” “Oh, could you do that?” “Yeah.” So, he never had to admit he didn’t read.

Michael: There you go. That’s great.

Robert: That was a pretty out there one. We had another situation. I was doing a direct mail piece for a major investment newspaper. I made all sorts of appeals and what not. So, I finally got the headline copy – I forget what the actual headline was going to be, but it was going to include a photo with it which was a guy at a desk in his corporate headquarters with his feet up on the desk with the paper covering his face, and it was going to be like, “Who’s this man? And, why’s he making money?” Something like that. Everything was ready to roll. We’re going forward with it. They were going to do the photo shoot. Of all things, usually it’s the guy wife who kills your copy. In this case, it was a security detail. Just that month, there

had been a number of investors that had gone in and shot their advisors. One of them was in Atlanta. So, here's the security detail –even though his face wouldn't be shown – said that no part of his body could show in an ad. So, that killed off that ad. So, you just never know. Those are out there doing it and I'm going to come in and write this. There's just so many things.

Michael: So, what's the lesson that you would tell the new HMA consultant so these things don't happen, i.e.; qualifying, really making sure your communicating to the client and identifying whether their ready to play ball?

Robert: There's no way around it. They're going to happen. For example, we modified the letter that went, but didn't it go with the pictures and photos and stuff. This guy was actually a billionaire with a major corporation. So, if you think you're going to go in and tell him in a security detail the way it's going to be, that's not going to happen. They just need to be psychologically ready that they're going to have a great idea. They're going to move forward, and something can come in and sideswipe it. You just need to be ready. They'll learn what to fight for and what not to fight for with clients. Heck, I've walked in and took the copy over, went in to have a final chat with it, and the owner of the company is sitting there with a pair of scissors and a little glue stick, and every line of my copy had been cut up. It was all over the desk. So, you work on something for hours. You think it's tight. You think it's right. You go in and there's your masterpiece cut up in ribbons with a guy with scissors and paste.

Michael: He wanted to rearrange it.

Robert: Not only rearrange it, but he was completely rewriting the stuff in-between, and it was one of those cases where he was – sometimes your client is right. This was a case where he wasn't. He just went off. A dollar bill mailing of all things. The guy was a paint store, a local store, "I've got to make sales next weekend. I've got to make sales." I said, "Okay, let's do this. Let's mail out a dollar bill. Let's use" – I forget the exact wording, but something to the effect of "Here's your first dollar off on our products in our store this weekend. If you come out this weekend, here's your first dollar off and we'll be having an additional 20 percent off savings."

I told him we'd send it in a little invitational thing with dollar bills stapled to the top of the envelope. A week and a half later, I'm asking him what happened. "Nothing, nothing came from that. It didn't work." "Really, tell me about it." "It just didn't work. It was a bad idea." "Okay, can you show me?" Because I didn't have the time to proof it before I went out. "Can you show me what you sent?" So, first of all, he didn't send it in the

invitation size. He sent it in the standard envelope with his stuff on it. Secondly, I opened it up, and my jaw dropped. He had photocopied the dollar bills, and then pasted the photocopy of the dollar bills on the letters. At some point, you just have to have fun with it.

Michael: From your experience, what kind of businesses do you like working with related to gross volume? Do you like the smaller Mom and Pops, or the larger ones?

Robert: Somewhere in the middle.

Michael: Somewhere in the middle?

Robert: By my nature, I haven't worked with a lot of retailers. I work with a lot of business-to-business, or business-to-end-consumer, but I have not worked with a lot of retailers other than through a client. For example, voice marketing where we were dealing with Fortune 100 retailers. I like them mid-sized. I'm kind of like Richard, somewhere like \$500,000 to \$5 million is nice. Once they get a marketing person in, I used to joke I go walking into a conference room and they had the people, and you can just hear the swords come out of their sheaths when they introduce me as well as what I did. So, the marketing people, they will fight for their lives.

There's two things – one, they don't like you. Two is they're insecure about their job because they don't know if you're going to consult then end up being hired, and three, they don't want to look bad. They don't know what you're going to say. So, if you work with larger companies with VP's in place or Marketing Directors, you just have to be very careful to take them into account, include their ideas in the thing, not threaten them, not make them look stupid in front of their boss, make them part of the final solution, but it's a heck of a lot harder.

It's kind of like Albert Lassiter in the old days when he used to work directly with the president of Quaker Oats or whoever else he's working with, and he got out of the business when he couldn't do that anymore and was working with managers. I like working directly with the guy who can make the decisions. We have robust dialogue, go back and forth, and work that way. So, very similar to Richard's model of who to target as a client.

Michael: You mentioned something you did something with Jay Abraham. Did you do consulting for him?

Robert: I set up joint ventures for his marketing seminars like the ones he did with Tony, then wrote copy.

Michael: Do you want to talk a little bit about some strategies?

Robert: Sure. You're going to go out and get about five pretty high leverage strategies if someone's looking to. They're simple, not always easy ways to really jolt the sales up. One of the first ways – it sounds kind of obvious, but it's not – and that's the answer to the question, "What business are you in?" There's classy ways – there's ways to define that. What almost everyone does is if they make widgets, well guess what business I'm in? I sell widgets.

Later, people started to define it a bit by functional, what we call the end benefits to consumer. For example, let's take that voice marketing company as an example, they can define themselves as, "We're a voice marketing company." Or they can define themselves as, "We create 15-20 percent increases in sales in less than a week for Fortune 100 companies." So, it's a different definition, and that definition radically alters what products you offer, what you say, what your benefits are, what your USP is – just about every ounce of your marketing, everything in your manufacturing processes, everything is affected by what business you think you're in.

If you see the power of it, for example, this voice marketing company I mentioned. We took a look at them. They had been defining themselves as "We're a voice marketing company." Later, take a look at some of the competencies as well as the end benefits they're providing, and they said, "Well, we're really masters at providing speed results to retailers. No one else can match what we can do result wise." As soon as they went there, well that opened up all new products they could bring to the table, and one of the keys as they looked at everything speed and results and things and customer marketing was the database. To do what they had to do to handle databases with ten million customers in it and divide them, and segment them, and mail them and make sure everything goes in time, they became masters of managing databases.

So, one of the products that they added was database management. That would've never come out if they kept defining themselves as a voice marketing company, and the database management services allowed them to get into direct mail, to email, etc. So, it vastly expanded their ability of what they could sell the client.

This is so important. I think we mentioned earlier about the company that went from 7 to 25 million dollars. That came about. They were a seminar company doing seminars, selling seminars, and then sometimes products. So, if you ask them, "What do you do?" "We're a seminar company." That's how they thought of themselves. I looked at it, and again, instead of

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looking at the product they're delivering, and instead of looking at the result they were delivering, I say, "Well, no, what you're doing is showing people how to increase their results and their sales. How else can we do that?"

And, so one of the ways they got to looking was everybody bought these tape products and go to the seminars, and then they'd go out all excited and not see the results. I said, "Why don't we start coaching them?" So, we put a coaching program into place. That coaching program drove the sales because people were paying \$500 a month to join that. Anyway, the coaching program drove sales from seven to 25 million in four years. That became a money maker. Most of it went to - you're hiring a couple of coaches- so the labor and the cost of manufacturing - there's nothing there. So, over half of that money's going to the bottom line. But, that happened because they saw themselves differently, and so in working with businesses one of the things you want to look at is what business are you really in. The leverage there effects everything.

Another fast way to create results is segmentation. There's a couple ways you can look at segmentation. One is the classic is like, what industry are we niched in? But, another one is "How do you look at your customers?" Let me give you an example of a software company. They've got a software that helps mortgage lenders educate clients at the point of sale. There results are fantastic from it. So, we're looking at the customer base wondering how can we increase sales? Instead of looking at that from messaging, what instead we did was look at the customer type. The research was showing a lot of the people buying the product had been in the business for a year less. So, we tried a segment and said, "Let's target the people that have been in the business a year less." In addition to everything else we're doing. So, as soon as you choose a different segment like that, it blew the doors open on sales because they're able to remessage to that segment.

Michael: Is that were you were marketing to mainly?

Robert: Excuse me.

Michael: Is that where you were focusing your marketing to that broker who's been in the business a year less.

Robert: They had been focusing their marketing to brokers, technically originators in general, but what the research showed was there's a sub-segment who had been in it a year less. So, what we did was we created a whole separate marketing program to those people. We didn't change what we were doing. We kept that revenue coming in. So, then it became a quick

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start – how you get started fast. So, it created a whole – as soon as you re-segment, you have to redo your USP for that segment. So, it created a whole nother additional revenue stream.

So, then we started looking, and go, “Well, who else? Well, al these people have managers or they work for companies and have owners to deal with.” So, then we flipped and started targeting another segment, a distinctive segment – brokers and owners, and using them as influencers of the sale, where they would help push the sale. Instead of one license, they would buy five or ten licenses. So, that became a whole nother revenue stream.

So, the segmentation thing, like even in the Fortune 500 is very powerful. Take Enterprise Car Rental – all the other car rental companies – Hertz, Avis and Budget – they’re at the airport duking it out with each other over price and adding more and more features. Enterprise looked, I don’t know how they came up with the idea, but they said, “Well, how else do people use rental cars?” So, they go, “What about home markets?” So, what they came up with, people whose cars have been in wrecks and they need one, people who have a guest in town and need an extra car. So, they resegmented the customers. Instead of looking at airport people as the main customer segment like all the rest of the market was, they focused on their home users in the local area. Right now, Enterprise is the fastest growing car rental agency.

Michael: That totally makes sense. That’s why there’s one right in the shopping center down the street from me.

Robert: Right, and to show the power of segmentation just like how you define what business you’re in redefines everything you do, once you look at a segment, and you find one, it instantly changes the whole way you approach and do business, which is why Enterprise stuck them in shopping center. They got them in malls. They’ve got them, for example, if you go near a major area with a lot of shops, they’ll have one there. By the segment, they had to complete alter their strategy in how they approached. That’s a lucrative area for a lot of companies to look at it because neither they nor their competitors have looked at the segments and creatively resegmented and there’s a lot of leverage there.

After segmentation, we’ll call it self-process reengineering for a fancy name. Or, just say businesses are acting like two year olds. Everybody gets in the business. They struggle. They kind of break through. They find a way to get customers, well, the first way they find to get customers when they’re starting out becomes the way the company markets. That’s how they do it. So, if it’s a direct sales force, that’s what they do, and that’s all

they know. If they started with telemarketers, well, that's what they use and that's all they know. It makes sense. They're struggling and try to do it, but after you've been in business for ten years, you have so much more leverage available to you that you didn't when you started out. But, people won't revisit it.

Let's take for example a company was selling real estate education seminars to broker, real estate managers and offices, and they used telemarketing. So, guess what they did? They called up, "Hi Mike, I've got a program that will train your agents. It's a weekly program so, you have them sit down in front of the videos every week, and it's \$1,800." Then, they just started selling. What it created was about a six week sales cycle, and after six weeks, they would've closed one out of – it was one out of 20. I mean not bad when you take that kind of approach.

So, we go in and we look at them. I looked at. I said, "What do you got? What do you got?" "Well, to help them make the sales, we've got this video that has examples of the segments that we send out when they won't buy." "What else do you have?" "Well", and so we rummaged around. We found out that they had a management conference seminar taped. So, I grabbed that. I kind of looked at it and I said, "Here's what we're going to do." You've heard the old phrase, "You mail. You fail."? It's very common in the stock industry or any company that tells their sales people to stop sending information. If you mail them, they're just tire kickers. They're not going to buy. We turned that upside down, and I said, "I want you to offer them something in the mail. You're not going to sell them on the first call." So, the call became, "Hi Mr. So-and-So. I'm sitting here and we've got this package of stuff that's done, and we've got the specific result that people have gotten. They've doubled sales over three months after using this product." So, we say, "It's done this. I've got an entire package of information. Would you like it or not?" Boom, that was it.

Michael: For free.

Robert: For free, and a lot of them went, "Sure, send it." "Good, great. I'd love to send it, and let me set up an appointment when we'll talk next. And you can tell me if you liked it or not. Just do that." So, they'd set up appointments. So, this information would go out. So, then I'd have them go to the fax machine, and this is pre-email. So, we went to the fax machine and they'd send a letter, saying, "This is so-and-so. Great talking with you. I just want to let you know your package is going to go out today. Oh, by the way, here's another testimonial letter for someone who uses it. I thought you'd find it of interest." We sent that out.

The next day, they sent another fax that said, “Hey, Mr. So-and-So, I checked. Your package absolutely did go out, and it will be to you tomorrow. Oh, here’s a guy that actually used the product to make a profit. I thought you’d find his way kind of intriguing and fun.” Then, the day the packaged arrived, they got another fax. “Hey Mr. So-and-so, your package has arrived and I wanted to make sure you had your secretary look out for, and I’m looking forward to talking with you on” whatever the calendar date was they had the appointment for.

Then the package – what I did was – they never had a sales letter for this product. So, I wrote a salesman in an envelope letter for them. Then, they included, “If you purchase – if you call me first, I’m going to include this.” And, it was like a \$349 bonus of the seminar, the manager’s seminar in it. That was the offer. So, they’d send this out. A few days later one of the salesmen comes in, going, “I got the credit card for \$1,800. He called me and all he did was say, ‘Okay, I want the package. Here’s my credit card number.’” That was the sale. In two weeks, they went from selling one out of twenty over six weeks, to selling four out of twenty in two weeks.

Michael: Wow.

Robert: That’s a 300 percent increase in their sales cycle.

Michael: That’s incredible.

Robert: When I talk about leverage, the leverage isn’t – it can be, you can increase sales by training sales people absolutely, but you can’t increase the results 300 percent. But, if you change the structure that they work within, you can just jolt the sales upwards by modifying that. We talked earlier about the example of the telemarketers that couldn’t sell the \$2,200 product, and instead we’d first send a letter, then invite them into a teleconference, and then after that they bought, and you can’t even measure it. It went from zero to 22 sales in an hour.

Michael: And you’re giving them value first before you ask for the money.

Robert: Correct.

Michael: You really eliminate the salesmen. All you do is turn them into order takes.

Robert: Correct, and that’s the genius of manipulating the structure that the salespeople operate within. In another case we had a company that sold products to schools, actually a training program for kids with learning

disabilities. Their market was private schools. Typically, these salespeople go out. There would be no appointments. You just walk in, “Hi, is the administrator in, and can I talk with them?” You sit down with the principal, “We’ve got this program for kids with learning disabilities, here’s how it works.” And, your sales cycle commences, which would run on for months because of all the objections, and the teachers would have to be involved. It was a complex sale.

So, we walked in with the salespeople and instead of selling the product, we said, “Hey, we specialize in working with kids with learning disabilities. We have an entire body of knowledge that your teachers could use right now in the classroom to work with them better. We’d love to talk to one of your teachers at faculty meetings.” Which are usually held like once a month. “There will be no sales. We just want to give them the information as a service.” As soon as they did that and then they went and talked to the teachers, and then they started hearing this, at the end of the talk without even selling – all the teachers would turn to the administrators and go, “How fast can I get this program in this school?” It overcame all their objections and it shortened the sales cycle and it doubled sales. Fifty percent more sales closed that way faster. So, that’s another example of altering the sales process not just what the people are doing. That’s an extraordinarily high leverage area. Another simple one – have you heard of the 80/20 rule?

Michael: Tell me about it.

Robert: Eighty percent of your results or profits usually come from 20 percent of your product. Eighty percent of your sales will come from 20 percent of your sales people. It’s just a rule of thumb. The five percent/95 percent rule where 95 percent of the results come from five percent of the players. Went into a company and said, “Where are your sales coming from?” They said, “Well, it’s our entire telemarketing force making cold calls.”

So, I’m looking at them and there’s some funny looking numbers. I’m digging around. I had a guy in a side department in finance who had been tracking and this goes back to the whole lecture on tracking, I said, “Where are they really coming from?” And, he goes, “Referrals from attorneys and things like that.” So, we took a look and sure enough, 95 percent of their deals had come from referral sources, and direct referral sources not from the consumer rep marketing that they were doing. Yet, one hundred percent of their marketing budget was aimed at the consumer market where only five percent of their sales were coming from. So, the suggestion was, “Let’s do this. Why don’t we have your sales people call the referral sources?” We knew what type of client they were and what not. They did that, doubled sales in 30 days.

Michael: Wow.

Robert: That's all it took. But, nobody had actually looked at their measuring and their tracking and things like that.

Michael: That's powerful.

Robert: And, that of course comes with – I know you hammer on it and a lot of the marketers hammer on it, which is actually testing their advertising. A lot of companies believe that, “Well, I'm just getting the name out there.” “Well, it looks good. We're branding ourselves.” And, they have no idea of the revenue, the profit, the sales they lose. I mentioned earlier voice marketing, doing the messages to customers. A major bank, credit card company, was making an offer to its millions of customers through direct mail. It was pulling a .9 percent result.

Michael: Right.

Robert: So, they said, “Well, we're test the voice mail marketing stuff. We'll just do one message.” I said, “No, you're going to do two messages.” They go, “No, we're going to do one.” So, here we are arm wrestling with the MBAs on the logic of actually testing two messages. They did not want to.

Michael: Okay.

Robert: Then when we finally said, “Okay, we'll do it.” They didn't want to test the message. The bottom line is before they did on .9 with direct mail. Now, with no direct mail, and just voice marketing, they jumped to – one of the messages pulled a 1.25 percent pull. The other one pulled a 2.52 percent pull. And, the two messages were simply – the one was, “Hi, I'm calling to congratulate you and offer you congratulations because of your record and your payment schedule, you're now entitled to receive a platinum card.” That was one message. The other message was, “Hi, I'm just calling to alert you that our credit department has authorized you to receive a platinum card.” Tell me which one of those pulled better for a little fun. The ad agencies all looked at it and said everybody goes with the congratulations message. I thought that was going to be the one that was going to rock. It was just the opposite. That's the one that pulled the least, the 1.25 percent, which is still a big one. It was a 30 percent increase in sales, but the one that rocked and jilted upward was the “I'm calling to alert you that our credit department has authorized you to receive.”

So, who could've known in advance what those results would be. You couldn't have. That's why testing those messages is so critical. We found

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out in large corporations, for example who have voice marketing on their mail, they always put their slogan in. When we tested voice messages and they put the slogan in – for example, one company slogan for the whole campaign was, “The more you spend, the more you save.” I said, “I hate that line. Take it out.” So, we’re going back and forth. So, finally the ultimate answer was test. And, every message where we stuck, “The more you spend, the more you save.”, it reduced the results 50 percent. That one line dropped their sales to the bucket.

We’re working on doing some direct mail for some mortgage companies, and they were doing the rebuys, and they’re sending out the mail, and typically the rebuys has saved us \$300-\$500 a month. I was looking at that, and he was going, “Well what does that mean?” Well, that’s kind of like four to seven thousand dollars a year.” “Well, what does that mean?” “Well, that’s like getting a raise, a pretty substantial raise.” So, we just dropped the line in, “You’ll save somewhere between”- I think it was four and seven hundred. I can’t remember the exact numbers, but –“a month. That’s like a get a four to seven thousand dollar a year raise.” Just that line jumped sales 20 percent. Bam! Just from that single line going in there.

We were trying to get Fortune 100 clients to come in, Marketing VPs of Fortune 100 companies. These guys are impervious. The product increased sales, again, anywhere from 25 to 45 percent. So, the ROIs were astronomical. We’re talking 500-1,500 percent ROIs off these projects. So, guess what we put into the marketing messages. We’ll show you how to get these kinds or ROIs, these kinds of results, nothing. These guys, they weren’t that concerned about the results. I don’t know why, but it wasn’t. So, I was thinking about it. One of their clients was going to be doing a talk, actually had done a talk and then had it recorded, and he showed all the results the company had done and all the 1,500 percent ROIs and that. So, I’m looking at it, and whoever – the appeal hadn’t been working. Telling Fortune 100 guys about the increase wasn’t working. So, I thought it was, “What’s going to work here?” I thought, “You know what this is like?” And, that’s like getting to peak inside of another company’s marketing department and how it operates. And, that’s what we lead with in the headline. We went from zero people attending the webinar, to 700. Just by shifting the appeal.

Michael: Do you remember the headline?

Robert: It was in the letter. Actually, it wasn’t even a headline. It was in the first sentence, and it was an invitation copy, and it was, “Here’s a rare opportunity to take a look inside the marketing department of a Fortune 100 company.”

Michael: So, this really comes down to understanding your market intimately and knowing what they want.

Robert: And, testing because sometimes you can do all those forum groups you want, and you need to research, and a lot of it is just looking it at and going, “What else is going to appeal to them?”, and going forward. We just did one in the mortgage industry, and we did a lot of results, headlines. I shifted the command respect – that was the main line “Command Respect”. It jilted sales 50 percent. A couple key territories or leverage points, you start creating – so it’s like, “What do I create?” And, you look for the leverage and what’s in those leverage points you experiment and test, and the leverage you reap is just incredible.

Michael: Robert, I can’t wait to go reedit and listen to it. This is some excellent advice – well-spoken, very good.

Robert: And, the big idea is small change is big results. It’s those strategic changes – not changing the color of the wallpaper in the bathroom, but going after the marketing communication, going after how they define their business, and that one is so important because that’s where all the USP and everything comes from as well as the opportunity for joint ventures as well as the opportunities for new products. It’s how they actually look at what business they’re in, and so two people next door to each other in dry cleaning can be in a radically different businesses in their heads and that will affect how they do business, and they’ll have a huge result. Segmentation’s big, and I really encourage your consultants to look out for segmentation. It opens up new markets.

Michael: What would you say to a consultant in relation to start-up versus set-up?

Robert: Set-ups. I’ve done start-ups and they’re tough. A set-up, you walk in, they’ve got a sales force. They’re already doing direct mail. They have some profit. They may not be making as much money as they want, but they’re successful. With start-up, you’re starting from ground zero. The guys got some product idea, and they haven’t even made their first sale yet. There’s a process you have to go, and I always say strategy is a hypothesis. Just because you think of an idea that you think is going to work doesn’t mean it’s going to work. Just because you spent hours writing a business plan, doesn’t mean the market’s going to accept. What’s the old joke? If you want to speak not laugh, show them your business plan.

Companies that are set-ups have already gone through that trial process. They’re not doing as good as they could be, but made it through the basic answers of – who are my customers, what’s my product, and what

business am I in. With a start-up, you're having to test everything all the way through. Take this voice marketing company – when they first started out, it was like “Well, anybody with database they can call their customers is a client.” I mean, they're calling everyone. They calling State Farm Insurance. They're calling banks and finance, credit card companies, mortgage industry all that stuff. Well, about half way through the process, mortgage ended up being pretty good as a client and then regulations came in, and said, “You can't call people that aren't your clients.” It completely wiped out that side of the business. Now, they're still calling everyone else – finance, Home Depot, you name it.

So we sat down and analyzed, “Well, what makes a great client?” And, we took a look at the results they had from the year. We created criteria. We went through all the criteria, and finally the answer came out as going after the retailers. Its good repeat sales. It's good customer base, and they actually have them. So, there's a constant reason for them to contact which creates constant resales. The owner took a look and he made a bold decision, and completely redirected the company and all the sales force into the retail industry. People were screaming about it, “This is terrible.” “We need to sell to everybody.” He got the first proof when they nailed a client was worth a million dollars a year to him in sales and then they went. So, on a start-up is difficult because there's so much trial and error and failure, and that doesn't mean you have to quit and lay down and die. It's just realizing the fact that you're in dynamic process and you don't know it all. You have to test.

Michael: Is there any other advice you could give any other consultants from your experience as far as succeeding in this business?

Robert: Yeah, I can million dollars right now for letters. You've got to get started. It's a hard thing. Like, I can write letters. I don't always like writing them, but I can. The PR side, I don't have a desire for it. it's a weakness. You can do it for a smaller business, but one of my clients deals with a Fortune 100 retailers, they need a professional PR person. They're setting them up. For example, they wrote them into Peppers and Rodgers. Do you know who they are?

Michael: No, I don't. I've heard of them. I don't know who they are.

Robert: They're pretty much the 'king daddies' When it comes to the whole CRM customer marketing movement. Anybody Fortune 500 probably does business with them. They get PR from – not only did they get this client major articles in major magazines focused at retail executives, but they got in front of Peppers and Rodgers, and they just did a case study on them, and they're now releasing it this month to pretty much anybody that does

CRM in not only retail but all the other industries. So, they come in if you're not experienced at PR and pull that off is going to be very difficult. Know your strengths as a consultants. Find out early are you better doing joint ventures and deals? Are you better at writing? Are you better at looking at a sales force and the restructuring it and letting other people do this? Can you go into segment analysis? Try to loosen up the client and go after it without you guiding them through it.

So, I think you don't have to do it all. As your consultants come in and you're getting your group together, there will be some in that group that are aces at coming up with killer USPs. There's going to be others that are brilliant at writing if you give them one, but really have difficulty conceptualizing it. And, Richard nailed it in some of the interviews with you that I've heard, like early on, I thought I'm strong even with the conceptualization. I can look at these things and come up with paths and routes and angles and strategic positions or USPs and that. It's quick. It's easy for me. Some of the other stuff's really hard. So, I used to think I was going to be one of these businesses, and wave my magical strategy wand and walk away with a lot of money. The business owners themselves don't want to be copywriters. You've got to get in there and execute at some point.

Michael: Right.

Robert: But, yeah, I think with your consultants working together, if the guys having problems with the copy, someone else can take a look over his shoulder and make suggestions and help him get it through, and come up with USPs, or if they don't do this, this and this, how else can they go into business. Because you're really repeat money, and I love Richard's seven step process. Once you've gone through the seven, if you think about things like segmentation, about redefining the business and stuff, you can always create more business for yourself.

Then the other one is reexamining the sales process or marketing process. That's propping up 150 percent – 300 percent in two weeks. I kept my mouth shut about it before I go in and look at it. If it's going to help you make money, go do it. It's a way of thinking and maybe we can have another chat at another time on mindset and how important it is as a consultant, and what you're going to do is walk in and they're going to tell you – a client will tell you a problem, “My sales force needs to close more.” So, you're going to run out and try to find out all these solutions on tricky closes you can use. Or they need to sell more or whatever it is, and I look at it and then just try to chunk up, “Well, do you want them to learn objection handling?” And, then they'll prescribe to you what they need, “We need to learn objection handling techniques.” So, I say, “Do you

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want to learn objection handling, or do you want to increase the sale?”
“Well, we want to increase the sales.” “Right, do you want to increase the sales or do you want to make profits?” Well, each one of those logical levels as you go up, exponentially increases the opportunities you have to go through in that business. They don’t just have to do with the initial problem that you want to look at.

Michael: Right, you look at the real problem.

Robert: Right, the more you look at the real opportunity. That makes sense.

Michael: On a side note, the voice broadcasting – do you think this voice broadcasting – I’m sure it could – but, do you have any ideas how it can be integrated for generating leads for appointments for opportunity analysis effectively?

Robert: Yeah, I do. I was going to test them a little bit with my clients. First of all you have to know the law, and the law is you can’t approach a consumer.

Michael: It’s got to be a business.

Robert: It has to be an existing customer, or it has to be a business. And, then the problem with businesses is, they don’t – if they have more than five people, they have a switchboard that you’re going to run into. So, you’re really not getting something in. I did some early testing with Staples, and the actually now use voice marketing because guess what? They’re going after small business people. So, they can use it, go after them to help increase their seminars or to pull to the stores or the discounts or wherever. So, I think we can run some tests.

Michael: Would a home business with a fictitious business name qualify as a business?

Robert: I think so. I’ll have to look, and I’ll have to talk with my client and their lawyers and get it going, but also right now the system is built to work with huge lists. So, for Mom and Pop, it’s not going to make sense for them to even talk to you. When they’re finished – they’re redoing their system – so, it’s completely automated so that you yourself can go in, leave the message, and upload your list.

Michael: That’s great.

Robert: And, run it on your own. They dumped millions into technology just to get the deliverables up and the algorithms so, when the answering machine answers it waits for the right second and it’s incredibly complex, but that

should be available probably in six months where anyone can go in, even a small business, and upload their customer database.

Michael: Is anyone doing this now?

Robert: Yes, some of their competitors would be Sound Bite, Sound Media – they don't make the real money unless they're doing it because it's only six cents a message. They're probably going to come up with a model that's like ten cents a message for entrepreneurs, and run it through that way.

Michael: It's still worth it.

Robert: Right, I've got two campaigns – one for my mortgage software clients. They've got a database of 40,000 originators that are these diamond customers, and I've got a voice marketing – I'm using voice marketing to invite them to a website for free reports, and I'm generating a three to four response rate on that.

Michael: Who's it going out to mortgage brokers?

Robert: Originators, yes.

Michael: And, what's it saying?

Robert: It's essentially saying, "Hey, just a quick heads-up. We just released an important report online that shows you a big promise." I can't go into it because it's current and competitive, but basically whatever your promise is, and you can get it by going to www.getthisnow.com.

Michael: And, it's converting a three percent to the site?

Robert: Yes.

Michael: And, they're downloading the reports?

Robert: Right, ten percent reply with \$150,000 in sales a month.

Michael: That's sweet. Now, is that mortgage originator in the office or is he working out of his home or what? It's going cold.

Robert: Yes, they don't even know who this company is and they go cold and get a three percent in the sales force and close ten percent.

Michael: Wow.

- Robert: And it's part of the reports and the set-ups and stuff like that.
- Michael: So, does the voice broadcasting look like it's going to be around for a while, legally?
- Robert: Probably.
- Michael: To businesses?
- Robert: Yeah, and my poor client sweated this through. It looked like it would be legally for existing customers, and I think the law can't touch it and especially for opt-in. usually when you call you leave in opt-out.
- Michael: Can you do that in a voice broadcast? Can you do an opt-out in a voice broadcast?
- Robert: Yes, in essence it's "if you have any questions, call 1-800-whatever." And, then they can call that if they want to be removed. The tell them there and the name goes on the "Do not call" directory.

I hope you've enjoyed this record with Robert Stover. This is an exclusive interview only for HMA Marketing consultants. This is the kind of training you'll get ongoing in the HMA training section of our site. You can print the transcripts out and read and use some of the ideas Robert's talked about it. If you'd like to get in touch with Robert for any reason, please email me at Michael@MichaelSenoff.com, or call 858-274-7851.