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HIDDEN MARKETING ASSETS

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INTERVIEW SERIES

**Free Secrets From a Man Who's
Sold More Than \$6 Billion
In Products Using These
Direct Response Methods**

Michael Senoff Interviews Ted Nicholas

 Michael Senoff's
HardToFind Seminars.com

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.hardtofindseminars.com

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Free Secrets From a Man Who's Sold More Than \$6 Billion In Products Using These Direct Response Methods

Ted Nicholas has sold more than \$6 billion in products – that's more than any other guru! He's owned 23 businesses, made millions in direct mail, knows the ins and outs of negotiating, and has written and tested copy for more than 30 years

Imagine how easy marketing would be if you could consult an expert for all your business dealings. Someone who has already made the mistakes you're about to make and can tell you a better approach – a winning approach.

It could save you thousands and make you millions. Ted Nicholas is doing just that and in this interview you'll hear some of his tried and true methods that have earned him his guru status.

According to Ted Nicholas, most copywriters think it's important to cater to as many prospects as possible, but if you cast your net too wide, you'll neglect your niche-specific customer and essentially shoot yourself in the foot. And in this interview, you'll hear how to make sure your marketing is narrow, targeted and as effective as possible.

You'll Also Learn...

- The most costly mistake Ted has ever made – and how to easily avoid making something similar
- How Ted grows his list and keeps it hot
- Tips for renting lists and ways to prevent yourself from getting ripped off
- How the internet has affected the direct mail business and what you need to know to make it nowadays
- How Ted consistently gets 80% off his magazine advertising – Come to find out, you just need to ask for the discounts that only the pros know about
- An analysis of one of Ted's sales letters – from the font color to the headline and length, everything is calculated
- Why Ted says you should never promote anything you're not passionate about – and the one lesson he learned straight from Napoleon Hill
- Whether or not testimonials are as strong as they used to be – and how to use them to invoke the kind of emotions you want
- How to use "scarcity" tactics to effectively call people to action

- And much, much more

Ted says he's an entrepreneur first. He started out with zero, knows what it's like to be on the other side of the desk, and knows how to get people into the mindset to succeed. So if you've ever dreamed of having a guru in your pocket to consult whenever you need to, this audio interview is for you. For more information on Ted's program go to <http://www.tednicholasmentoring.com>

Ted: Now in this case I'm talking about a simple secret which lead to \$5.9 billion in revenue. Well, again, no marketer that I'm aware of can make any claim anywhere close to that and can not personally mentor you for the next year and teach how to use the same secret to make yourself very wealthy. So of course my readers and people on my list are looking to increase their wealth, increase their revenue and make more money and that headline psychologically ties into that self interest of becoming richer, wealthier.

Hi, 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. Along the way, I've created a successful publishing business all from home 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 on-line, downloadable, audio business interviews. I knew I needed a site that contained strategies, solutions and inside angles to help you live better, to save and make more money, to stay healthier and to get more out of life.

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

Ted: Hello, Michael.

Michael: Good evening to you, Ted. How are you?

Ted: I couldn't be better. How about you?

Michael: I'm very good, thank you very much. It's 9:30 in the morning and I'm in San Diego and I know its 6:30 your time.

Ted: It is that.

Michael: It is great to be talking with you live. I've listened to you for hours and I'm a real fan. You've been a mentor of mine, even though you don't know it, for a very long time.

Ted: Well, I'm delighted to hear that. We're trying to get all of your listener's good information to use right away. So I'm looking forward to the interview.

Michael: Absolutely. I appreciate that. I'm thrilled that we'll be able to deliver. First question I want to ask you, Ted, is can the little guy still make it in the direct mail and the Internet business? Is there room for the guy who has never done direct mail or Internet marketing and can he still make it because I think a lot of people, one of their biggest obstacles is that confidence level. They don't believe that they can really do it. What would you say to a guy listening?

Ted: There is no question about it and I get asked that question in various forms all the time. The little guy today, in my view, has a better chance than making it than in any other time, particularly with the advent of the Internet because you can basically do a lot of stuff for little or no money. Whereas, when I started my direct marketing empire in '73 with a \$90 ad the obstacles were greater because it cost so much money to test ads and direct mail and so forth.

Whereas on the Internet you can do it, as you know, with little or no money. I like the chances of a little guy today much better than I did when I began, with one caveat; the little guy has to have a level of knowledge about marketing and copywriting before he or she has a chance to succeed.

So in that context if a little guy knows what he or she is doing their chance of success is much greater, in my view, than it ever was.

Michael: There are a lot of mentors out there and a lot of marketing guys and lot of gurus. Why should my listeners really be listening to you over a lot of these other guys?

Ted: A lot of the guys, maybe most of the guys, have never really operated a business. See, the difference between me and other mentors is that I'm an entrepreneur first and a copywriter and mentor second in the sense that I started 23 companies actually; started and sold the companies before I became a guru. So I'm really one of the listeners; in other words, I'm closer to being one of your listeners who is an aspiring entrepreneur than most of the mentors.

A lot of the mentors are not really businessmen, they're not entrepreneurs, they are creative people, they are very good in certain ways, but they haven't had that entrepreneurial, kind of been on your side of the desk experience. I started with nothing, I started with zero and I wanted to learn how to be a successful entrepreneur and I realized that I had to learn how to sell stuff that I didn't know how to sell stuff and there were no mentors that I could go to, or very few mentors.

My first mentor was Joe Kostman, and he and I later did a seminar before he passed on. There were very few guys out there teaching, whether they were good or bad. I didn't know of any. So why people should listen to me is simply because I've been there, made every single mistake because a lot of people say they never make the same mistake twice. My God, I've made the same mistake five, six, seven times before I finally get it.

So when people are listening to me they are listening to kind of a seasoned entrepreneur who has done a lot more and I've sold a lot more than any other so called guru that I'm aware of.

Michael: Give me some numbers. How much have you sold?

Ted: Almost \$6 billion worth of stuff in my own companies and in my client's companies. So most of the gurus that I know they are not into that kind of a level of selling so I've had a lot of experience. And not by any means do I suggest that I don't make mistakes, that I still don't screw up things because I do. But I do less than I used to and I can help people get into the mindset that they need to get into before they can succeed. I think all of those things contribute to what I can bring.

So when you write a headline, for example, that's just not the words on the page it's really understanding the mindset and emotional place where entrepreneurs are because everybody in the world wants to have entrepreneurs come to their seminars and buy their stuff and so forth. Either the American Expresses of the world want it and every guru wants it because they are the guys that are going to the seminars and buying the books and tapes and so forth. But the problem is in order to sell the entrepreneur, it looks easy, but you have to get into the mindset of the entrepreneur and really, as I said, I'm an entrepreneur first so it's an almost natural for me to talk and communicate with the entrepreneur because I'm one of them. I'm not just some creative guy that knows how to string a few words together and all of a sudden I'm a genius as far as writing copy and so forth, like some people are. Or like some people purport to be. So that is a big difference.

Michael: It is. Other than Joseph Kostman as a student did you order his seminar material or did you go to his seminar?

Ted: I went to his seminar. God, I'll never forget it. It was in Philadelphia and I was in my mid-20's and I'd never heard of Joe Kostman.

Michael: How did you respond? Was it a newspaper ad?

Ted: It was a newspaper ad, it looked interesting, for entrepreneurs to go there and it was a very low price entrepreneur and you got all this stuff. He was big at giving you a lot of Government booklets about how you could sell your stuff all over the world. Give licenses, get licenses and I thought this is fantastic.

So I go and hear this fellow, Joe Kostman, you know I'm into health and he was a body builder and very fit guy and very friendly, very warm and really caring about the people in his audience. I just liked his style and I just couldn't believe it. I'd never been to a seminar like that and I didn't know of any seminars that were anything like that. It was just so impressive to me.

He had written a book called, *How I Made \$1 Million in Mail Order*, which is still a very good book. A lot of good concepts in the book. I was just so impressed with him. Some years later, as I mentioned, he and I were the featured speakers on this ship where you take a cruise to South America and the people would listen to the seminar in the morning, it was like a week long, and during the afternoon me and Joe were teaching these direct marketing concepts. It was just a great thing and I learned a lot from him. I thought and still think he was just a wonderful guy.

Michael: Were there any other seminar mentors before him or around the same time?

Ted: There weren't before him, but a few years later and I'm bad at going back in time, but it was a few years later I believe when I was in my late 20's I saw an ad for a seminar in Philadelphia where Napoleon Hill was the featured speaker and there were three or four other guys I'd never heard of before, Bill Gove who came to one of my seminars a few years ago and he passed away about age 96 or so. He was there and a guy by the name of J. Douglas Edward. J. Douglas Edward was one of the first guys whose record I bought about closing sales. It was terrific.

I go to this stadium in Philadelphia that held 21,000 people and there were 17 of us in the audience. I couldn't believe it. We're in this stadium, 17 people, holds 21,000 and it was one of these things where everything went wrong for these people. Their mailing didn't go out; I mean a lot of things went wrong, obviously. But Napoleon Hill came out and he was like 85 years old at the time, he came out and he poured his heart out to 17 of

us. He told me a lot about seminars because, in the meantime I've done hundreds of seminars and I've seen some top speakers who are upset when they don't have the audience that they think they deserve and take it out on the audience, which I think is such a horrible thing. I was bound and determined when I saw that that I would never cancel a seminar and I didn't care how many people were in the audience. I would just give everything I can to every audience. I learned that from Napoleon Hill and I read his book, *Think and Grow Rich*, which I think is one of the classic business books. Those are some of the early people that I was exposed to.

Michael: Can you tell me a story, a lesson learned. Let's start off with a big blunder. Think back in your direct mail or space advertising career, what pops out in your head of a really big, costly mistake?

Ted: Well, the biggest blunder I think of all the time and I tell people that the big lesson is that you can have too much money because when I first began I didn't have the money so I couldn't make big, costly mistakes. I couldn't afford them. But after I became really successful, had a huge mailing list, I was earning almost \$1 million a year just on list rental revenue in my company because I had about 750,000 buyers in the later years.

This is biggest blunder; I bought this company called Auto Racing U.S.A because I was so convinced that I was able to make anything successful that was a good product that I marketed directly to the consumer. So I bought this company, but the problem was and I didn't know and don't know now, anything about auto racing.

Michael: What was the product?

Ted: It was called Auto Racing U.S.A and it was a direct, kind of glossy publication that showed what auto racing was all about, the world of auto racing and I was fascinated by it because I had discovered that some people say it's the biggest attendance of any other sport. I mean it's huge in America.

But I personally, to be honest, I hate auto racing. I hate the sound, the smell, I don't like the fact that somebody can have an accident and get seriously injured or even killed in auto racing. But I bought it, not because I love the sport, but I bought it because I thought it could be a profitable addition to what we were doing. I thought it was the best publication that I'd seen on auto racing.

So anyway, I bought it, we hired the best copywriter that was recommended to us, we hired people who did printing for auto racing promotions and we did everything wrong. Everything bad happened to us.

The insert of the material in the sales letter was done wrong and this was the type of insertion that if it was not inserted in the proper sequence it made a big difference in the results.

To make a long story short, I had invested \$350,000 to buy and promote this thing, and I think we went out to over 100,000 people in the test and we got something like 15 orders. A complete disaster.

I always had in my companies in Delaware the Hall of Fame and the Hall of Shame and this was number one in the Hall of Shame. The Hall of Fame were all the winners and the Hall of Shame were all the bombs. So many campaigns that didn't succeed and this of course was the number one because I'd never spent that kind of money and had such a disaster.

So the big lesson was for me never promote anything you don't know anything about.

You are listening to an exclusive interview found on Michael Senoff's [HardToFindSeminars.com](http://www.HardToFindSeminars.com).

Michael: Did you think you were invincible at that time, I mean to mail out to 100,000 on a test.

Ted: I thought I was invincible because we'd hired one of my readers in my companies. I had started the largest incorporating company in the world, Company Corporation, when I came out with my first book because the registered agents would only deal with other lawyers. I said that was ridiculous; I wanted to deal with entrepreneurs and I started the Company Corporation and so one of my readers sends me this thing. He's a consultant he helps people find their real driving force. He would argue in his book that the driving force that every company should have was not understood by most of the owners and entrepreneurs and the top executives of the company.

So I thought, jeez, he sounds like a really bright guy and we'll hire him and it'll be fun to have a weekend seminar in a private location in Virginia. We found out the driving force of our company, big surprise, is the direct marketing ability of the company. And he basically argued that we could, as a direct marketer, pretty much succeed at anything that we tried, assuming there was a market, assuming that the marketing was put together intelligently and the copy was strong. So based on the premise is when I went at it and it just didn't go off. I thought I was convinced we definitely did have the direct marketing skills, not only my own personal skills, but my team of people that I work with. Based on that is when I decided to go ahead with the purchase of this company.

Plus, at that point, I had never purchased a product like that before. It was like a new experience. I thought, jeez, this is fun. You just take some money and you just go out and buy...it was like a new thing for me. It was a very costly education and I never did get involved again with anything that I didn't know anything about and wasn't passionate about.

Now I talk a lot at my seminars about this. Unless you are passionate about it, first of all you are not going to succeed in it and you are not going to want to stay in it and life is too short anyway. So the big lesson is; don't get involved in anything unless those things are in place.

Michael: For more information on Ted Nicholas and his mentor program go to TedNicholasMentoring.com. Go to www.TedNicholasMentoring.com. Thanks for listening.

Can you talk about the one success you are most proud of, whether it's in your direct mail promotions or your how to form a corporation for under \$50 without an attorney.

Ted: I think that the first big success is the one I'm most proud of because it really revolutionized. I really started a new industry which is tough to do because usually you fail when you start a new industry. So I was pleased to start the do-it yourself incorporation industry in the U.S. because everybody from my lawyers to my advisors to my friends to other entrepreneurs told me I could never do that. That I couldn't break in to a kind of legal monopoly that went on at that time.

Michael: How old were you at the time when you started this?

Ted: Around 35.

Michael: Okay, 35.

Ted: But I was convinced that it could be done because it just seemed so logical to me. I knew in my heart being an entrepreneur, and this is another psychological thing that I just knew that other people that I talked with didn't know, including all the publishers that turned down my first book; nine of them turned it down. What they didn't know is that entrepreneurs were just like me. They had no money, no credit ability to borrow money because nobody wants to talk to a young entrepreneur, no bank does. So you have to really use creative financing techniques. And the last thing you need is an unnecessary legal fee.

I had formed at that time, something like 16 corporations. My lawyer was sending me bills from between \$1,500 to \$2,000 and I thought if I could write a book with the forms already in it and all you have to do is tear the

forms out, man oh man, what a fantastic service that would be for entrepreneurs.

I was absolutely convinced that I knew from my own experience, even though these other guys turned everything down, said it couldn't be done. When I formed the Company Corporation, actually the first name was the Corporation Company and I got this massive law suit from the largest incorporating company in the world at that time.

Michael: What were they called?

Ted: They were called The Corporation Service Company, CSC. They sued me on the basis that the public would be confused by my name being so close to their name. So I said, "Look, I don't want to go into a law suit over this. I'll tell you what I'll do, I'll reverse the words, and I'll change it to the Company Corporation, instead of the Corporation Company." My clients didn't care, any name that I wanted to use, I mean my book readers didn't care. So I just changed the name and went forward.

The thing I was so excited about is when I started selling the book from that \$90 ad it was great. But what was even greater is that between 10% and 12% of the buyers of the book incorporated through my company. By the time I'd finished by '91 about \$100 a year after the third year, they were spending between the registered agency and other services that they were buying from us like filing of Delaware tax forms, and I had 125,000 clients paying me \$100 forever and I had a chance to sell and I decided I would sell. Now the company has 350,000 clients.

I was their marketing consultant for years and they recently sold again about four years ago and I no longer work with them. To me it was just a great thing to be able to do a book that everyone said would never work, the lawyers wouldn't let me, and they'd file a massive suit. They tried to stop from doing the book or at least they had a mock trial over the whole idea. Then to start this new industry, I'm the most proud of doing that because I just went against all the odds and all the people that are supposed to know about things like that and just did my own thing.

Michael: Ted, when you decided to write that book, you were just thinking of selling the book. Did you have in your mind that you were going to have additional products and services to sell on top of that book. Or was that a revelation as the book got going?

Ted: As I started getting into the book and I started listing the registered agents that were available for the readers to use, I then contacted those people and I got their sales material and I could see that they were saying in their promotional material that they only dealt with lawyers.

So I thought this is really something. There is a big gap here; they are dealing only with lawyers so they are like controlling the fees amongst each other. In other words, they are all what I call “smoking their own dope.” They are all smoking their own dope, I’m new kid on the block and I can really go in and cut the price and deal directly with the entrepreneurs and lawyers and accountants who will refer business to me. So I thought I had a real chance to do something enormous and as soon as I started marketing the book, my telephone was ringing off the hook, my competitors were calling all upset that I was causing so much commotion in the State of Delaware because the book focuses on incorporating in Delaware, which has a lot of advantages over other States. That’s where 2/3 of the American New York Stock Exchange Company is headquartered.

So I could see that I was right, basically and it feels good to be right when everybody else is telling you that you are wrong.

Michael: What’s the lesson for people who want to self publish their own book? When they try and decide on a book to publish there is money in the book, but really the book should just be the ticket to a...

Ted: The book should be a list builder. The lesson is create a book that has fabulous benefits that helps you build your database of people and then sell people other things; services and products and other books and seminars and other information products. But the big lesson that a lot of people come out with this schlocky, poorly packaged, miserable book and when you do that you are just killing potential future sales instead of building potential future sales. That is one great lesson.

Of course the other lesson is, as you well know, Michael, I mean if you break even or make money on the front end, there is a tremendous profit on the back end.

You had asked me about big mistakes, well the other huge mistake that I made—see when I first started I didn’t know anything about direct marketing, like the lingo and the back end. I didn’t even know what the back end was. So to me when I started I had the book and I had the service company, which were both doing very well, so when I wanted to add even more sales, I simply came out with another book and I wrote more ads. I wanted more sales and I came out with another book and I wrote more ads. What I didn’t grasp for quite a while was that I could sell or use my techniques to sell higher priced products like tapes and videos and things like that that were information end products. Because I saw myself at that time, kind mentally without putting it into words, I saw myself

as just this seller of products by direct mail that were kind of in a book category, a \$30, \$40 product.

It took me a while to figure out because I then could see people renting my list; a lot of them were selling low grade subscriptions of books like *Reader's Digest* and *The Wall Street Journal* were using my list very successfully. They were selling products that were quite low in price, too. Then I started seeing a few start selling higher priced things. So naturally it occurred to me that if they can sell to my list higher priced products I can sell to them.

So then I started grasping the concept that my list is even more valuable than the list rental revenue that I'm getting, I mean because I can use it to do a lot of other things. I lost a few years, I think, because I just kept on writing because it was relatively easy for me to do what other people seemed to be almost impossible for them to do and that is to create a lot of new customers. To create new customers I would just come out with another product, write more ads. More new customers, create a product come out with more ads. Whereas I could see some of the people that began using the list, they only sold a little bit on the front end and then they would begin to sell and nurture the back end kind of stuff.

Then I started combining the front end and the back end and it really helped me build the company up to a much higher level.

Michael: Let me ask you this; you were renting your list. So when your list was on the list rental market, someone who wanted to rent the list like *The Wall Street Journal* or someone in the seminar business, they would have to send you their sales promotion for you to give them okay to go ahead and rent the list?

Ted: Correct.

Michael: So you would see those coming across your desk to sign off and decide do I want to rent my list to this marketer?

Ted: By this time I had a President and a Marketing Manager seeing stuff like that. I really delegated. I mean I didn't look at it very closely, I could see they were good names, you know, *Wall Street Journal*, *Reader's Digest*, things like that. If the Marketing Manager said that their piece wasn't in conflict with what we're doing we just approved it.

Michael: Would you keep up with the continuances of the *Wall Street Journal* and was renting over and over again, you know they were really—

- Ted: Well, again, I would get reports like that that they were renting over and over because the list was so hot they were renting over and over again. So I would see those reports, sure.
- Michael: So it slowly dawned on you that, hey, my list, I'm getting list rental income from it, but I should be selling higher margin and different products?
- Ted: See, my focus is a little different than that. My list was so hot so I was focusing on how can I market my list more effectively because the list is so hot. So the way I was focusing then is I'm going to write promotions and I'm going to have the hottest list marketing thing because I had my own list marketing department, with just a couple of people in it. But I was in the back room, basically writing copy for the individual retail products but also writing copy—I remember one of the headlines for example, for the list rental area, was "Test 5,000 of our list free and we'll deliver a Rolls Royce to your desk overnight." Or something like that. It was sort of that direction. And what it was a beautiful Rolls Royce replica, like 1/20th the size that sat on your desk. I was focused more on that kind of stuff.
- Michael: You list was a product that you were selling?
- Ted: My list was a product. We obviously had expended our costs by that point, when the list was generated there was no more money that we had to spend because the list was already there, it was a product. So if we marketed the list 90% or something like that of the revenue, 90%, 95% was profit. We renting \$700,000, \$800,000, and \$750,000 or so was profit. So I thought what a fantastic business this is. I don't have to create products, print products, and warehouse things. The list is already there, it's like done, finished! So I love that side of the business and focused more on that perhaps even more than I should, but it just seemed logical to me to go in that direction.
- Michael: Sure. Since we are talking about mailing lists, can you give the listeners a tip about renting lists; things to keep in mind and how to protect yourself from not getting ripped off? Some secret strategies for list rental.
- Ted: First thing is there is never a list as good as your own list, the one you generate and no matter what list you rent, it's not going to be as good as the people know you, trust you, and love you. First lesson.
- Second lesson is when you a hire a list from the outside you have to find the list as close to your list, your house list as possible. That means that you want people that have spent approximately the same amount of money to buy a product that is as close to yours as possible. So you want the closeness. Then you want recentcy, you want people on that list to be, and everybody refers to it as a hotline. Three months or six month

hotline that their purchase is recent because those people are purchasing something similar to your product and they are hot, contrary to what people think, they are hot for more stuff in that same category. So if you offer a book or a newsletter or special report on the same topic or similar topic as some competitor has come out with, your chance of selling is much greater than it is if you go to just some list where people have spent money in the mail, or spent money by direct response.

So I'm looking all the time for similarity, recentcy and when I have those things and then, of course it's absolutely necessary to begin developing relationships because in all parts of my business activities, what I'm looking to do is not do a one shot thing, a one mailing thing. I'm looking to build a relationship and that can only be built over time and you have to learn not only for you to trust the people, but people to trust you because you are exchanging lists, usually.

In other words, we would never rent our list unless we had the right to rent the other person's list. And vice versa. So you are looking for trustworthy marketers; marketers who are offering a similar product at roughly a similar price recently. So those are the main things you have to look for.

Michael: How about list brokers? Were you dealing mainly with the list owners or were you ever using list brokers?

Ted: No, we're dealing with the list brokers and we honor the list brokers because the list brokers play a terrific middle man role in that they are representing and giving you a lot of information and running down lists and getting people that own lists to rent their list because there is always that conflict that when people have a list, especially if it's kind of a new list, they're not sure whether they should be renting it or not so the list broker can often be the catalyst to get that person to rent their list.

So you are only paying 10% or 20% of commission and of course unless the list sale is made, the list broker is not even paid so I think they play a very vital role. For many years some of our closest friends are the list brokers and we protected them even if there was a question whether they should get commission or not, we paid the commission because they are just great to have on your side, I think.

Michael: For more information on Ted Nicholas and his mentor program go to [TedNicholasMentoring.com](http://www.TedNicholasMentoring.com). Go to www.TedNicholasMentoring.com. Thanks for listening.

Okay, let's say you want to do an initial test with, for instance, a new book and you want to drop some direct mail. You are going to test something as close to your offer, price point, your going to match your market what

you have and you're going to test hotline names first, preferably with repeat buyers. Let's say—how many are you going to test on that initial run and then how would you gage your future tests before you rolled out and if you rolled out how big do you roll out?

Ted: What we are going to do is look for 3,000 to 5,000 of each of the lists we're going to test, in addition to our own house list.

Michael: How many different lists will you test?

Ted: We will probably test three to five lists in addition to the house list, depending on how confident we are about the new product and the profit margin and just the gut feeling about it. Usually we did around five tests in addition to our own list and then if we had good results on two or three of the five lists, then we would roll out from 3,000 to 5,000, we'd probably go to 15,000 or 20,000 and we would try and get more hotlines in the same category. If their hotline list number was quite small then we would test more carefully a segment, maybe another 5,000 of the non-hotline names to see if the difference between the hotline response and the older names was as good. If that was as good, then we would feel more confident to go to 25,000, to 50,000 to 100,000 because ultimately I like to do mailings of 500,000, 700,000. That's expensive; you're talking about \$500,000 or so. So by that point I've got to be very convinced that the profitability is there and that I'm not going to lose a fortune on the mailings.

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Michael: You had a big company, I mean at that time, who was crunching all of those numbers? What kind of staff did it take to really analyze that?

Ted: Between my two companies, the publishing company and the incorporating company, about 100 to 125 people or so, including the inbound telemarketing. So the crunching of the numbers, I'm like a big believer and I use a lot of direct marketing techniques to recruit people, I like hiring people that are the very best in their field, the smartest in their field. So I remember we had Lora Lee, our number cruncher, she was the top statistician in her University, I mean she was like a brilliant person with numbers. Much stronger than I am and I'm pretty good with numbers, but if I have brilliant student like that they are going to be able to find things and be able to interpret what the numbers mean even better than I can.

So I had a top statistician and I also had Don Green, the best controller probably in the direct marketing field.

Michael: What does a comptroller do?

Ted: He would just do monthly profit and losses, but even more importantly he would help analyze and interpret what the campaigns were producing and profit and loss. We would do a profit and loss on every single campaign, every single ad, every single mailing. So with the help of a controller and a statistician in my company, we really knew what we were doing as far as making decisions about going forward with different products. Because of the kinds of activity, there are so many mailings going out and so many full page ads being run all over the U.S. and everything, you know there is just so much money going in and out that it is very important to keep control of it. I could see most of the people that I knew seemed to be pretty sloppy to me as far as how they were accounting for what was happening in their companies. I'm very big on having strong people, good people and watching those numbers very carefully because that's what it's all about.

Here's what I saying earlier, if you weren't really careful, you could be out of business with just a few mistakes, whereas now a person can be pretty sloppy and a lot of people are on the Internet, if they are reasonably good at the marketing side they can kind of get away with murder. You can't do that very well if you are doing everything offline. Now, of course, the top marketers are doing a combination of offline and online and they have to be statistically very strong.

The only exception is my old friend Agora, Bill Barner, he's got kind of a company wherein he's got some strong people, some weak people, he's got like an amalgamation of people that are doing their own thing. I've never seen anybody succeed like that. I could never run a company like that, I'd go crazy with non-centralized management the way he has.

Michael: Let me ask you this, Ted, from your seminars and when you were running your space advertising you talked a lot about buying remnant space and that really gave you a competitive edge being in the right position in the magazine or the publication and buying remnant space. With today's costs in media and advertising and increased cost of postage, how much more difficult to make this stuff work and space. Could you make any of your older ads work today in space?

Ted: Oh, sure. Some of the older ads are still working in space that I've done for clients. See I've closed my U.S. company, my original U.S. company that did the seminars and everything when I moved to Switzerland. But a lot of my older ads, like the ad on public speaking that I did for Georgetown Publishing, that company has been sold, but there is older ads that I did years ago that are still running very successfully and lot of the older ads that I did for the Company Corporation, the big incorporating company, are still running by the new owners, they are still running.

The difference is, of course, I think there are two things happening; the retail prices are higher on virtually all products being sold these days. And you can still make great deals because the magazines, a lot of them are having more trouble than they had before. I've been offered a lot of magazines for sale and I say a prayer every day now that somebody wants to be in the magazine business. To me, that is a miserable business. You have to put a lot of money out, it's capital intensive and you're depending on advertisers and that is a tough way to go.

But, you can still negotiate terrific deals, maybe better deals now than ever.

Michael: Can you tell my listeners, if they want to negotiate some space ad to test a book or an information product, how would they specifically step by step contact the publisher and negotiate a good rate?

Ted: Well, I have a whole technique that I teach at my seminars. Basically, when you are thinking of going into a magazine or a newspaper for that matter, that may be a market for your product or service, you call the newspaper up, call the magazine up and you ask for a media kit. Then in the media kit you get a sample of a publication and demographic information. They all have it and they are used to dealing primarily with advertising agencies who ask that question.

So you get the sample of the publication and you have the demographic information. If it looks like it's the kind of publication that you want to run your ad in, you start asking some questions that elicit the kind of answers to determine whether or not you can get a good deal. You have the rate card in front of you of what the publication is asking. But I look at all rate cards as simply a wish list. If you send an order into a magazine or newspaper based on the rate card, they will gladly accept your order. But you are going to pay substantially more than you can in almost all cases if you negotiate.

See, they are used to dealing with advertising agencies that make all of their money on how much the advertising costs, because they usually get between 15% to 18% on how much is spent. But the entrepreneur like me and like my clients, they make more money if they buy more advertising cheaper. So I'm always looking to buy the advertising at the lowest possible rate.

I begin asking a lot of questions and I developed a whole series of questions. Number one is: What is your mail order discount? This is what you ask the magazine. So the magazine is going to say either one of two things: Well, about 20%. But if you don't ask them, they will not tell

you. You ask them that and it's a 20% discount. Well, that's 20% on a \$10,000 ad. That is \$2,000.

I just did several seminars in Australia and those guys were all paying the full retail rate and in some cases still breaking even on their ads. I mean they are losing a fortune. But when I taught them this segment, man, do they get excited because they can go out and negotiate the rate. That was the first question.

The second question is: What is your publisher's discount? Now usually that is another 20%, if they have a publisher's discount. The other thing that they can answer on both of those first two questions is; we don't have a mail order rate, we don't have a publisher's rate. And you say, there is no pressure, you say as the potential advertiser, "Thank you very much. Do you mind if I ask you a few more questions?" They are going to say, "Of course, we don't mind." So then you ask another question: How often, and you don't say, "Do you offer remnant space?" You ask, "How often do you offer remnant space?" Because that assumes consent on your part and either they say they'll have to get back to you on that because they don't know because it's like musical chairs in magazines and newspapers. They change personnel a lot and they don't really know and the advertising agencies aren't asking them.

So you find out how often and if you are talking to a knowledgeable person they will say, "Well, we have from time to time have remnants and we give that to our top advertisers," is the typical answer. Then you ask: How often do you have distressed space available? This is space that somebody pulled out of a section of the country because for whatever reason the liquor company doesn't want to market, they only want to market in New England, for example, but you have the rest of this circulation in the United States available at a very big discount. So they will tell you that they do offer that for our best advertisers.

So it is very specific questions that will then enable you to determine what price. Now, I would get up to 80% discount off the rate card rate on my advertising. So a lot of my competitors, when they would see my ads running all the time in magazines, they would assume that was because the copy is great, the products are great, but the reality is the 1/3 segment, which is the cost of the advertising is so great and the competitors didn't have any kind of a system to buy, so the either didn't run at all or they paid the full rate or close to the full rate. That is a hugely important thing.

The other thing is when you are talking with the magazine it is very important to be on the right hand page, because right hand pages are about three or four times better for the advertising than the left hand page. And you have to be at least in the top 1/3, the front 1/3 of the magazine

because people that are buying magazines on the newsstands or subscribe, generally they are busy, they only get to read the first part of the magazine before they are busy with something else. If you are in the back of the magazine, you are going to die in most cases. So I would work at the time at getting pages 7, 9, 11 or 13, which are in the top front of the magazine and really premium pages without paying any more by simply saying to the magazine, "You are aware, Mr. Magazine, that I as a mail order publisher can not succeed unless I'm close the front of the magazine. I'd like to be in on page 7, 9, 11 or 13. Is that possible?"

Once I have all the discounts worked out as possible, and well, it is possible, of course, because they do it way ahead of the magazine and they can put you where ever they want to put you. So again, 99% of the time I would be in the front of the magazine. Some magazines like *FORBES*, the late Malcolm Forbes, the president-owner's father, loved my ads so much he would put me on page 1, which is even before the table of contents. Man, did I have some killer results in that publication.

Michael: Wow, what ad was that?

Ted: Numerous ones, because that's the other thing people don't realize; my book on incorporation has sold 2 million copies but what people don't realize is the book 32,000 words, but I wrote well over 100,000 words of copy to sell the book. Over 100 ads that I wrote about 30 of them were big successes and the others either did not make break even, so that I wrote so much copy that some people see the ads running over and over again, but I wrote a lot more ads than actually people remember because a lot of them only appeared once or twice in magazines. But the ones that did well I would repeat, and repeat and repeat.

Michael: I've seen those in your compilation where you rated everything with one star, two stars, three stars.

Ted: You've really looked at that stuff?

Michael: Yeah, that's a classic product out there.

Ted: Yeah, that one star system, and people like the late Gary Halmer, he's never seen anyone do ads and rate their ads. Gary and others have asked me they wanted to see all of my flops. I say, God, as thick as that book is, if I had all my flops I'd have a book of I don't know, 3,000, 4,000 pages! Many more flops than huge home runs.

Michael: How about the size of the space ads. Is bigger better if you have a winning ad? Give me just a couple tips on the space and should we go full page or...?

Ted: I started out with fractional pages, and as you know, I started out with little \$90 ads in The Wall Street Journal, of course that is the best read classified ads in the world. But I found out that over time all things being equal with a hot book or a hot product, the larger the space the more return per dollar invested than the smaller ads. You just command more attention.

But then when you go to a full page size, a 7x10, is where I've run 95% of my ads, the 7x10, for that reason and also for the reason that you can negotiate better deals as a full page advertiser than as a fractional page advertiser.

Michael: I see. Did you ever try double page spreads?

Ted: Tried double page spreads, yeah, I've tried back covers, inside front covers, inside back covers, I've tried every combination you could imagine.

Michael: Would double pay off better than a full page?

Ted: The best format is single page, black and white in the first few pages of the magazine. All things being equal, that's the best that I've found for an information product.

Michael: Okay, let's say you negotiate your fee. Can you negotiate terms or generally do you have to pay for that up front, with that discount?

Ted: When I started and didn't have much credit established I had to pay for a lot of them up front. But then as I got to be a regular advertiser in so many publications I got extended credit and I always loved running the ad and getting enough money in to pay for the ad before the bill was due. So this is what new people have to do. You have to come up with the money.

If I'm going to start a campaign now I don't go into the big, expensive space media immediately. I would go to less costly media that is hitting that market before I would roll out to more expensive media so that I don't have too much on the fire. I like to test small and roll out big so that I don't have too much going in the front end.

Michael: So how does your business look today? What are you keeping busy with over the last several years? What are you into?

Ted: Well, I'm picking and choosing. First of all I own 20% of probably the fastest growing nutritional company in Europe that is headquartered in The Netherlands. One year the company came out with like 67 new

products and I write all of the copy, I name all the products, I handle all the positioning of the products which is called Green Power. They came to me in 1998 at one of my seminars and they were doing \$500,000 a year and by 2003 they were doing \$72 million a year, and I own 20% of this company so it's kept me real busy and I've enjoyed it because I'm really into health personally and alternative medicine. A lot of the stuff I've done outside my own companies has been in the health field.

Michael: Is Green Power direct mail or multi-level?

Ted: No, it is all direct mail, primarily into Germany, because that's the biggest market in Europe. There are a few wrinkles because the Germany equivalent of the FTC is very strict and the way the thing is set up is that we're able to mail pretty much freedom of claims and things because we're mailing from The Netherlands into Germany and kind of getting around and pushing the envelop a little bit, but getting to the Germany market without too much restriction and it is helping the company grow tremendously. I've spent a lot of time doing that.

What I've also done in the last few years I've enjoyed doing seminars tremendously. So I've done a lot of seminars around Europe and the UK and Australia and I enjoy that a lot. Ever since '93 I've just been able to pick and choose. When I sold my companies I've just been able to do whatever I want to do. I play a lot of tournament tennis and I work a lot on fitness and I do consulting work for different clients, I enjoy that. So I've kind of spread myself among these various things that I enjoy doing. Also on a personal level, I promised my significant other who I've been with for 21 years, no more big companies and I've kept that promise. In other words, I'm tempted every day to start another company and start hiring people and doing all this stuff. Because the difference between owning a company and being a consultant is that you don't have the full control of what happens with all the stuff that you're advising, whereas if you own the company, you obviously have the full control over it. But, you have to pay price of being there maybe seven days a week and I don't want to quite do that anymore.

However, this mentoring program which I've been thinking about for a couple of years and started only about two months ago, we now have mentoring clients all over the place in all these countries. It is just so popular and I'm getting asked so many questions because part of the service is to answer and critique people's copy and Web sites and everything. I'm enjoying that a lot.

Michael: Let's do this, I'm going to have the listeners go to this URL and let's take a look and can we talk about some of your sales copy. You can go to this

page; go to www.tednicholasmentoring.com. That will take you to the sales letter for your mentoring program.

As we look at this can we talk about some copy tips, at least online copy tips.

Ted: No problem.

Michael: Who wrote the sales letter? Did you write the sales letter?

Ted: I did, yeah.

Michael: You wrote the sales letter?

Ted: I wrote the sales letter, yup.

Michael: Are you looking at it right now?

Ted: I'm looking at it right now. I have a copy of it on my desk here.

Michael: First thing that sticks out to me is the red background. Did you test that color or any reason for the red?

Ted: Yes, I've tested it, not on this particular one, because we went out like this and it is so successful that we just keep like this. But I've done a lot of headlines in red.

Michael: I mean the background of the page.

Ted: No, we didn't test that at all. But it is just so successful like this we've just kept it.

Michael: Yeah, this is your control so why change it, right?

Ted: That's right.

Michael: So I see, "Urgent announcement from the desk of Ted Nicholas." So, that's not a headline, what do you call the very first thing...

Ted: We call that a pre-headline. A pre-headline which can be up to, in this case, six or seven words. A pre-headline and then dot, dot, dot, and then the headline itself.

Michael: And the headline that you have quotation around the headline. Is there significance about that?

Ted: Yes, an enormous significance because some experts have studied and concluded that the headline is much more memorable when it's in quotes because it suggests that someone very important said it. Somebody very important did say it.

Michael: Now, what about the red color of the text. Is that something that's been tested and compared to black?

Ted: Yeah, I've tested that a lot and red works very well in different business offers. And we didn't test it on this particular one, but I've tested it so many other times that we just use that same pattern.

Michael: Can you read to me the headline and talk about that headline and talk a little bit about the importance of a headline and some of the psychology behind this headline specifically.

Ted: Well, a headline and I have found and so have others like John Cappels and other great marketers of the past, that 73% of buying decisions are made at the point of the headline and in my view, most people, most copywriters, most marketers don't spend nearly enough time on the headline. I have 12 different headline styles that I teach and there are actually 13. I just finished writing right now the first draft of the next newsletter for the mentoring group, which gets special stuff that I don't publish anywhere else. I take my mentoring members behind the scenes and they are getting the most powerful headline technique which I call the, "The Hidden Benefit," headline and a lot of times I'll use the hidden benefit headline.

So I really focus on headlines because it is so important. For instance, on a typical direct mail offer, I'll write, oh 100 to 250 headlines, whereas I notice other copywriters that I compare notes with they will write three or four headlines and they will choose one and go out with it. So I'm really big on headlines because very often I don't come up with the right headline until I write a lot of them. Then come up with the one that's just a killer headline.

Now, in this case, I'm talking about a simple secret, which led to \$5.9 billion in revenue. Well, again, no marketer that I'm aware of can make any claim anywhere close to that. And "Can I personally mentor you for the next year and teach you how to use the same secret to make yourself very wealthy." So of course my readers and people on my list are looking to increase their wealth and increase their revenue and make more money. That headline psychologically ties into that self interest of becoming richer, wealthier.

Then I go on in the sub-headline and “I’ve shown thousands of people how to enjoy a millionaire’s lifestyle, so many that they call me the millionaire maker. It’s easy when you have a multimillionaire by your side personally helping and guiding you every step of the way.” So what I’m doing there is bringing out one of the biggest benefits and one of the most popular benefits is that the mentoring members can contact me up to once a month and get feedback on their marketing plans, their strategy, their copy and I get a lot of the mentoring members constantly contact me about that and I spend a lot of time in making suggestions, and very often writing new headlines, suggesting new headlines, suggesting new copy directions and things of that sort.

Michael: When I was preparing for this call I was reading through this and I couldn’t wait to get to the bottom to see how much this mentoring was. I’m not just giving hype here to you or the listeners, but when I saw the price, I was like oh my God, I was really expecting to pay, and I thought it was worth it, thousands of dollars for this. But when I saw the price I couldn’t believe it.

Ted: It’s a very low price. I lean toward the lower the price the higher the value and having just a tremendous value that people can’t turn down. I mean everybody would do better, and everybody does better with a good mentor. And to have a mentor at such a low price with my background and experience I think it’s great.

Now, I do have in the back of my mind a lot of the top marketers of the world, my clients and readers and friends. And they want to write checks to me for thousands of dollars so that they can have access to me. A lot of them are already members of this mentoring program because they are waiting; they want me to have segments of the mentoring program that are a higher fee where they have more access to me. I am considering having groups of clients and higher fees with greater access. So that is in the back of my mind because people do expect access to me to be at a higher price than they are getting here.

But I’m going to keep this mentoring program for a lot of my clients because a lot of them are new in business and I’m going to keep the fees very simple and very low.

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Very good. Can I ask you this; the word “secret,” we see that a lot in headlines. Is the word “secret” a secret weapon when writing headlines?

- Ted: It is huge. It's very big and one of my favorites. I like "secret." So the secret of the most powerful headline writing system in the world. You know, it is a very, very powerful word. It is one of my 27 headline words that are my favorite that I've tested a lot.
- Michael: Now let me ask you, you have a short audio which I listened to and it basically outlines very briefly your credibility and what is included in the mentoring program and you have your photo there. Have you been able to test audio on online promotions and any feedback on that?
- Ted: We haven't really done a lot of testing on the audio. We just added audio a little while ago and it seems to be very well received. But we really haven't tested audio versus no audio. We haven't tested this form of audio versus another form of audio, but it is something. But what I love about the Internet is we can test everything we're doing so quickly, so inexpensively compared to everything we're doing offline. But this is working so well as it is. Again, I don't see any great urgency to be testing things like that right now.
- Michael: Your text, it looks like its New Times Roman. What is the best text for online copy?
- Ted: I use New Times Roman an awful lot and Arial. I like Times Roman and Arial for online copy. I used to always recommend and for offline, for whatever reason, Times Roman and Courier, the old Courier type face have tested out to the best typefaces. But for online, for whatever, reason, Times Roman and Arial seem to be the best faces to use.
- Michael: What about when you are writing the copy, the indenting, you're indenting each little sub-paragraph. Has that been tested where it is proven you can get better results with indentions?
- Ted: Years ago I tested that and I basically tested that offline, and we just used the same principle online.
- Michael: Have you ever written copy for some of the huge mail orders like Agora or Phillips Publishing or any of these big guys?
- Ted: Yes, I have. I have written copy for a lot of those guys and I've done various things for Agora and Phillips in the past. Right now, I'm just concentrating my own things right now, so I'm accepting new clients. You see, I had spent so much time with clients and so much time with Green Power that I was kind of like the shoemaker with holes in my shoes. I wasn't spending enough time on my own company. That, again, is another downside of being a copywriter and consultant for other companies because I would always favor my client's priorities rather than

in my own companies. So I'm now getting back to spending time on my own company.

Michael: If I were to print this letter out, it's 26 pages and there is a lot of copywriting students who come on to my site and they want to know, and I'm sure you did it all the time, how long should a letter be?

Ted: I get that question all the time. It should be long enough to tell the whole story. I never know, and people ask me all the time, "Do you sit down and write 26 page letter?" The answer is absolutely not. I don't know how long the copy is going to be. But what I do is sit down and I think of every possible benefit that I can and whatever that comes to that is the length of the letter. This is after I've trimmed what I consider to be any unnecessary copy. So I just don't know what it's going to be and if they are interested in your product or service they will read the copy.

I learned a long time ago, for example, I used to run in *The New York Times* book review my book on incorporating and was like a \$10,000 ad and they asked me to change three words in an ad, it was like 1,100 words. They had three words that the legal department asked me to change and I said I'm a nice guy; I'll change the three words. I went from a huge winner, about times cost, down to below break even and I then set up a policy in my company that we don't change a word of copy for anybody, we don't care who asks, we just don't change a word of copy. If people don't like something in the copy, pull the ad and don't charge us. We're not going to run unless we run exactly like we have it.

And the words were "only in Delaware." We added the words, "Only in Delaware." See that is confusing because in the book it explains how they incorporating works for anyone in the United States, they incorporate in Delaware, you don't have to live in Delaware. But when you have it in there it confuses the public and confuses the buyers and when you confuse people they don't act.

So the answer to your question is people will read however number of pages. Now if the copy is written the way we were all taught in English, you remember we were taught, "I received yours and September 17th," and so on. Two sentences is too long because that is so boring. But if it is written in a way that is exciting, that's interesting, that tells a story that goes right through from, Joe Sugarman, my friend, calls it going through the shoot and going right to the end of the copy. I don't particularly like that phrase, but he looks at it that way, and if it's written in an exciting way, it's never too long. Because on page 25 of page 26 there may be some benefit that that's the particular reason someone wants to be mentored by Ted Nicholas. You know, they'll find that benefit that applies to them. And everybody is different, so that is how I look at it.

Michael: I see some testimonials on the page. What would you say to someone who says testimonials are wearing out? People are so used to seeing testimonials that they don't really give them that much credit.

Ted: Well, I disagree with that because when we have copy with testimonials, without testimonials, the with testimonial copy always works better, but with one caveat; testimonials a lot times do not have the full name of the person giving the testimonial. Testimonial must have the full name, must have the city and town of the person giving the testimonial and the testimonial must be heartfelt and must be really on target and support what's in the copy. If the testimonial is like a namby pamby testimonial, like, "Your software is just wonderful. Thanks a lot. Joe S. No City and Town," it looks like hype and there is nothing specific, doesn't support the copy, it's just meaningless and worthless. That kind of a testimonial is better not to have.

But if you're selling a software product and software product helps many and I just helped one of the mentoring clients has a spyware detector kind of a product. Basically I rewrote his headline along the lines of, "How my spyware detector will help you from getting ripped off." That's in the form of a testimonial because a lot times what I advise my clients to do is take from the testimonial the most heartfelt words that are right on target as far as the unique benefit of the product and use that as the headline. In other words, let the customer write the headline so that testimonials are not only effective in a column, usually on the right hand side of the page on the Internet, but also very effective as headlines so that when other people are saying something about your product or service it's more effective than if you are saying it about your product or service very often.

So, especially if you're not an experienced copywriter, if you are basically repeating the heartfelt words of your satisfied customers that's even more effective than anything many copywriters can ever write. As many testimonials that I use, for example, in the Green Power company that I mentioned, I read testimonials from customers very carefully and I've found, well a company that a lot of people in the United States they'll be listening to this conversation I'm sure, right?

Michael: Yes.

Ted: Well, one of the big people I've consulted with is Nightingale Conant, the biggest personal development marketer online and offline.

Michael: Sure. I interviewed Vic Conant a while ago.

Ted: Vic, he's a good guy. What I discovered when I went in and I did what I call a needs analysis, and I look at what the company is doing, I asked them do you have any testimonials for your products? And they said they had several drawers full of testimonials. I said, but I look at all your copy and, at that time I looked at all of their brochures and I couldn't find any testimonials. Why are you using them? And they looked at each other and they didn't know why they weren't using them. So I looked at their testimonials and I found golden nuggets and isolated them and just edited the testimonials so that they were using the words of the person but taking the one or two sentences that were the golden nuggets out of their testimonial letters and boy that really helped their responses from their brochures and the way that they were doing the mailings at that time.

I notice that a lot of my clients, when I first go in, they're not utilizing the power of testimonials, which is to me, one of the greatest unused things because for some reason they don't see them as that powerful. You know a lot of the testimonials are namby pamby, "Thanks a lot, Vic, for publishing this book. We appreciate it. Joe Dokes." I mean that's a testimonial that doesn't mean much. But when you say, "After I took your tape program my income went up last year by \$153,000. Ted Nicholas from Montrose, Switzerland." I mean what can be more powerful than that, if it's a program about increasing your income? The testimonial just verifies that that can be done.

These are some of the things that I've found out about testimonials is that is how you use them that is critical. Another way to empower the testimonials is to ask for the photograph of the person giving the testimonial and 80% to 90% of the time they gladly send you the photograph.

In this letter we don't have photographs of the testimonial, as I recall. Again, it's working so well like this we didn't add any photographs. But in a lot of the stuff I do we have photographs of the people or a lot of the people giving the testimonials, which strengthens the testimonial, makes it more believable, doesn't sound like hype. See when people read testimonials the way most of them are presented without a full name, they think somebody else wrote them other than a customer. They don't seem credible; they don't believe the testimonial, in other words.

Michael: So, Ted, if someone printed out this sales letter, on page 15 there is a lot of bullets here in this sales letter. Can you talk about what is a bullet, why they are important to use in the sales letter and how should one think about creating bullets that capture the largest percentage of their readers to compel them.

Ted: I always look at bullets as answering the 'so what' question. They are like what are the benefits of the product and service and do they answer the 'so what' questions. Like when you look at one bullet as access to me, Ted Nicholas, at least 12 times a year via email for consulting and critique. And then the 'so what' is you really can contact me at my personal email address with any issues or questions you have and I'll give you my undivided attention, you can get personal critiques, feedback about your Web sites, sales copy, priority marketing points. My standard fees, \$5,000 an hour minimum, so that is a \$60,000 value.

Well, what I'm saying is you get access to me and answering the 'so what' question you get all this other stuff and why that is meaningful, it answers the 'so what' question. So I'm thinking of it in that way and for whatever reason those bullet points, I use bullet points in virtually every direct mail piece and almost every ad because it seems to be a format that people just read. They are very interested in reading those bullet points. They highlight those benefits.

Michael: Okay. When you know you have a reader reading your ad and they could come from all different backgrounds, different markets, is it important to create bullets that those different readers can identify with? Like casting a larger net to capture more of your market? Is that a strategy one should use when creating bullets?

Ted: That's not a bad thought, but what I try to do is I think about my typical person reading my letter, who is my market. I just create a bullet point for that niche. I don't try to widen it too much. I'd rather turn off some people if I make sure that I'm really capturing the mindset of the person who is the best prospect because I know you can't please everybody. You know, I look at a lot of copy and I can see the attempt of the copywriter is, "I don't want to hurt anybody's feelings, I don't want to offend anybody, I want to have the net as wide as possible," and they lose the power of the copy. The copy has to be right on to that prospect and turn off as many people that are not going to be—I don't want people in my mentoring program unless they are perfect candidates for it, unless they are really qualified, unless they're really interested, unless they are going to really follow up, unless they really want to be successful. If they just want to kick tires and mess around and play around, I don't even want them in the program, you know?

So the copy is directed toward the active person who is going to follow up and work on their success and I'm going to help them because I only want to help the people that, in my view, deserve to be helped.

Michael: Right. I noticed something that I don't see done much. Under each one of the bullets you have a value, a dollar amount. Tell me the psychology of

that. What are you trying to do here throughout the letter by putting that in?

Ted: I'm trying to build the value as so astounding that the little bit of money that people are paying, you know, it's \$97 a month, but actually the charter members which is still available now, is only \$47 per month. I mean that is incredible value. Well, I'm just trying to show the huge difference between what I charge, what I have charged, what I do charge major clients and when people can get in on the ground floor of this new program at such a reasonable and such a low price. So it's only an attempt to show the reality of the price versus the value. Showing the huge contrast.

Michael: Right. There is so much we could talk about this letter. I do want to skip down to the very bottom because when I reviewed it that is the first thing I did to look at the P.S. to try and get the essence of what this is all about. I think a lot of people do that in direct mail letters.

Ted: It's the second most read part of the letter.

Michael: So I'm looking at, "P.S.: I'm only offering the free month trial of the Ted Nicholas Mentoring Program initially to a small, select group. Only then will I roll it out to other lists at a much higher price. To avoid disappointment I urge not to procrastinate. Once the charter membership is full I will need to pull the page and your invitation along with it." This is a powerful four lines of copy. Can you talk about some of the psychological elements within just the first P.S.?

Ted: Sure, scarcity is something that motivates all of us and I know in direct marketing if people read this letter and they don't act now and join the mentoring program procrastination and delay in direct marketing is death. We know that so we want people to be motivated and a reason why to act now is because the price will go up and will not go back down so that the idea is to get somebody to make that—everybody hesitates when making any financial decision, particularly these days where the newspapers are full of gloom and doom and so on and exaggerating. I mean there are problems in the economy but the way the media covers it they are making it sound 20 times worse than it is. It is a temporary situation and about every 20 years there is a new recession and everybody says the world is falling apart every time.

So there may be a hesitation on the part of some people reading the letter because of the economy being tight. Should I do this? What I'm saying to the people is, act now, it's a low price, you're going to get all of this benefit, you're going to get all of this value and scarcity is one psychological trigger that causes us all to react.

Michael: When you say the charter membership is full you'll pull the page, you'll really pull the page?

Ted: Absolutely.

Michael: You're not kidding and it's not a marketing ploy.

Ted: No, I don't believe in kidding around in copy. I've just lived long enough and done so many things that I believe in just leveling with people and just telling them the truth. Dramatizing the truth, but telling them the truth.

Michael: Why a P.P.S?

Ted: P.P.S. because I don't want to make the P.S. too long and the P.P.S. just breaks up the P.S.s and basically again, telling the people if they don't act now, we'll just bring somebody else in their spot.

Michael: Let me read it. "If you find you're hesitant in any way, bulking at the price, even with the reduced charter membership price, that may be a good thing for all concerned. That means your spot will go to someone else who can profit from this insider information. My bluntness is not meant to offend anyone; it's just the plain truth. I don't want mentoring members unless they are 100% on board and therefore will apply the inside information coming their way each and every month. I've done all I can to make it as risk free as possible and now it's up to you to activate your subscription."

What is the risk free offer?

Ted: The risk free offer is basically try it out for a month, doesn't cost you anything and you'll get a free copy of *Billion Dollar Marketing Secrets*, an eBook version of this \$297 book. You will get that delivered to you on your computer. Try it out for a month, try the services, try the special membership site and if it's not everything that I've promised in the letter you can quit and it doesn't cost you anything.

If you continue on a month to month basis, the following month you'll get a free, beautifully bound copy of *Billion Dollar Marketing Secrets* and all these other benefits; you'll get a DVD with a lot of information on it, you'll get of course the monthly services that I provide and you'll get access to all the things that we have constantly coming on the membership site. I mean you just get a tremendous amount of things. You'll get access to what I'm advising other members about their particular—I have found over the years that people learn a lot more often on what someone else has been advised than what they are advised directly themselves, because you can a lot more objective and use that advice in your own operations.

So people get all this stuff and after that first month, if for any reason somebody wants to quit, they can quit at any time. They just let us know and we stop billing them.

Michael: I noticed that you have an almost like a handwriting script all over in different parts of the sales letter. That is one of the styles in your direct mail copy.

Ted: It is. I love margin notes and I love using handwritten things. One of my seminar attendees actually publishes a service called Doodles. You can get the services for like \$200 or \$300 and you get all this stuff that you get delivered digitally and there is a terrific handwriting that is on all these Doodles and you can use it in your letter, you can use it on your Web site and I just think it's a great thing to do. I noticed that this company is using my endorsement and I noticed the other day that Dan Kennedy has also endorsed this Doodle service. So all those handwritten things on the letter and including the P.S.s are handwritten using this Doodle service.

Michael: The very bottom of the letter says, "Why wait? Apply now." Why are you using the word, "apply now," rather than "buy now," or "order now?"

Ted: Because "order now," and "buy now," are negative words. In all of my copy and all of my ads and order forms I never use the word "order" and I never use the word "form" because order suggests that you are spending money, not necessarily. It doesn't talk about the benefit it talks about the expenditure of money. And the use of the word "form" I've noticed that even accountants that come to my seminars they hate the word "form." They hate to fill out forms. So I use like "free examination request," I use the word "application," I use the word "seminar application," I use those kinds of phrases rather than the words "order," and the word "form." I think it's a huge mistake for direct marketers and I want all of my mentoring members to know it is a big mistake on your offers to use the word "form" or "order." You'll simply get less orders.

Michael: Okay, I've clicked on the Apply Now button and then another window pops up and it says, "Ted Nicholas Mentoring Program Registration. It takes just five minutes to register for a free 30 day trial." So there are some questions here. What should someone do when they get to this page?

Ted: They should just answer those questions and send it in.

Michael: Then immediately all will have access into the membership?

Ted: Yeah, immediately they will get a welcome letter and the *Billion Dollar Marketing Secrets*, like within 24 hours, it is on its way. Then you get access directly into the membership site.

Michael: Very good. Ted, I could sit here for hours and we could talk about all kinds of things.

Ted: It has been a pleasure to talk with you. You've asked fantastic questions and I'm delighted that you know so much about my life and my business and my activities.

Michael: Well, I've listened to your seminars for hours and hours and read some of your books. But, fortunately for the listeners here, they don't have to stop listening to you because they can get you for hours and hours in your mentoring program and this isn't just hype; I'm going to sign up right after we hang up the phone because having access to you personally or by email is certainly going to be worth this small fee that you are asking. I would encourage any of my listeners to take advantage of this right now before it fills up because I know Ted and when you say you're going to stop it, you are going to stop it. You can only work with so many people and I would hate for any of my listeners on [HardToFindSeminars.com](http://www.HardToFindSeminars.com) to miss out on this because this is very valuable.

Ted: Well, thank you for those comments and I just want all the listeners to know that I will do all I can to help you to become more successful in your activities, whether you are beginner, whether you are already into the marketing of products online or offline. I know that what you are going to get will just help you in those directions enormously. I look forward to working with you guys.

Michael: Thank you, Ted.

Ted: Talk with you later.

Michael: Bye.

Thank you for listening to this interview with Ted Nicholas. I hope you have found it as interesting and captivating and compelling as I have. For more information on Ted Nicholas and his mentor program go to [TedNicholasMentoring.com](http://www.TedNicholasMentoring.com). Go to www.TedNicholasMentoring.com. Thanks for listening.

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