

POWER POINTS VOLUME 1
ADVERTISING, MARKETING & SALES
DAN S KENNEDY

Power Points Master Index

Volumes 1-3

<u>Subject</u>	<u>Vol. #</u>	<u>Power Point #</u>	<u>Page#</u>
Action	2	314, 321-322, 328, 330	293, 296, 300 304,
	2	335, 434, 438	342, 345
	2	444-448	348-349
	3	917-919, 946, 957	624-625,645,650
		959	652
Adversity, Management Of	3	749, 771, 791, 794,	475,489,506,507
	3	796, 814, 835, 843	508,524,545,554
	3	961	563
Advertising, purchase of	1	108-115	114-117
Advertorials	1	70, 81, 98,	63,77,102
	2	524, 590	389,448
Attention, commanding of	2	490, 511, 520, 5 23	371,382,387,388
	2	524, 531,5,34, 536, 537	389,391,397,398
	2	538, 552, 554, 561	399, 420, 429, 437
Believability	2	514, 515, 517, 524,	383,384,386,389
	2	669-689	457-459
Big Thinking	3	754, 768-769, 785,	479,486-487;498
	3	790, 828, 851	505,538,561
	3	881-882, 956	581-582,650
Bonuses	1	30, 33, 34, 36, 58, 65	32, 34, 36, 54, 59
	2	507, 553 ,601, 660,	379, 425, 449, 456
	2	733-748	465-466
Call To Action	1	63, 64, 65, 88, 99, 119,	57, 59, 87, 103,
	1	125	122, 129
Cash Row Surge	1	261, 273, 275-277 445-	257,263,264,265
	2	446, 460	248,355
Celebrity	2	295, 296	284, 285
Choice	2	513, 551, 569-570, 611	383,419,444,451
Closing	2	550	418
Collections	1	277	265
	2	462	356
	3	807-813	522-524

<u>Subject</u>	<u>Vol. #</u>	<u>Power Point #</u>	<u>Page #</u>
Colors	2	523, 663	388,456
Comparisons	1	32, 77	33, 73
Competition	1	13, 16, 17,26,37,42,	18, 20, 29, 38, 40
	1	62, 77	56, 73
	1	145,213	198, 231
	2	292-294,355-357,	282-284,315,316
	2	441	347
	3	750-753, 763,767	476-478,484,485
	3	770, 788-789, 797,	487,502,509
	3	799,826,828,850-851,	513,537,538,561
	3	856-857	563
	3	957	650
Concentration	2	436,466	343, 359 583-
	3	883-884, 908-909, 952	584,609,648
Confidence	3	752, 767, 775,	478,485,492
	3	779-782,	495-496
	3	796, 799,828, 836	508,513,538,545
	3	877-880, 882,	576-578,582,
	3	887-891,	589-590
	3	913, 947-948	615,645-646
Contacts	2	300,425-426	286, 336, 337
Copywriting	1	54, 55,56,57,60, 61, 64,	51-56
	1	67, 69, 73, 74, 75,	57, 60,62,71,72
	1	116,119,120,122	121-124
Copywriting, misc.	2	543-545,551	414,419
Coupons	1	84, 85, 86, 87, 92	83-85, 89
Creative/Creativity	1	25	28
	2	533	392
Creativity, Creative	2	306,307,339,345 387-	289,306,310
	2	390,406-407 408-	325, 326, 328 328-
	2	412,439,442-443 451-	330, 345, 347
	2	452	350,351
Creativity, Creative Thinking	1	148-159, 187, 189, 258,	200-203, 222, 223
	1	265, 287 750, 786,790-	256,261,270
	3	793, 796, 798, 850	476,500,505-507
	3		508, 510, 561

<u>Subject</u>	<u>Vol. #</u>	<u>Power Point #</u>	<u>Page #</u>
Creativity, Creative Thinking (cont)	3 3	859-876,893,914, 916	569-575,591, 616
Credibility	2 2	514,515,517, 669-689	383,384, 386 457-459
Crisis, Management Of	1 1 1 2 2 3 3 3 3	250-254,261, 263-276, 278, 279,280 306,307,336,381 445,449,455,465 749,770,771, 807-814-818,835 844 905,949,959,961	254,255, 257 260-265, 266 267 289, 305, 323 348, 350, 353, 358 475,487,489 522-524-526,545 555 605,646,652,653
Criticism	1	78	76
Customer, Knowledge of	1	14, 15,23,24,28	18, 19,26,27,31
Customer Acquisition	2	565	442
Customer Base, Marketing to	1 1	6, 15, 28,79,82,96 105, 106,117, 122,127	6, 19,31,76,79,100 112, 121,124,131
Customers, Marketing To, Management Of	1 1 1 1 2 3 3 3	170, 171, 173, 174, 175,179, 180,192, 193,195,212,284, 285, 286 288,289,406 776-777, 782, 788, 796, 806, 824,830 846	263, 264 212,213,214,224 224,225,231,269 269, 270 281,328, 493-494,496,502 508,521,532,539 557
Customer Service	1 1 1 2 3	170-172, 174, 175, 177,178, 183,200, 227 291,323 770, 846, 853	208-212 212,213,221,227 230 282, 297 487,557,562
Customer Value	2	566-568, 571	443-444, 445
Damaging Admission	2	509, 516	380,385
Deadlines	2	504,508,511,623	377, 380, 382, 452

<u>Subject</u>	<u>Vol. #</u>	<u>Power Points #</u>	<u>Page #</u>
Decision-Makers (selling to decision makers)	2	496	374
Direct-Mail	1	186, 297	222,
	2	297	285
	2	554, 555, 556	429, 430
Direct Mail Package	1	95, 97-99, 103	99, 10-103, 111
	1	124	124
Distribution	1	142, 143, 169, 190, 203	196,197,207,223,
	2	426	228
	3	758	337
“Dominant Thought”	2	315, 387, 436	482
	2	442-443	394,325, 343 347
	3	883-885, 887-891	583-585,589-590
	3	912	611
E-Factors	1	51, 2, 73	48,50,71
Economics	2	565, 569-570, 572	442, 444, 445
Ego	2	310	291
Emotion	1	51, 52, 73	48,50,71
Emotional Factors	2	498, 499, 501, 518, 519	375, 376, 386, 387
	2	549, 552, 558, 562	417,420,435,438
Endorsed Mailings	1	106	112
Entrepreneur, Being A	1	130,133, 134-135,	148,150, 151
	1	137,138, 139,172,	193,194,210
	1	203,205,223,231,	228, 236, 245
	1	238,240,241,243,	249-251
	1	250, 258, 263,282	254, 256, 260, 268
	2	290,324-328,331	281,297-300,301
	2	336-338,341-344	305-306, 307-309
	2	346-348,354,417	310-311,315,332
	2	418-424,434	333-336, 342
	2	440-441,449-450	346-347, 350
	2	451-452	350-351
	3	749, 750-753, 754,	475,476-478,479
	3	768-769, 771-777,	486-487,489-494

<u>Subject</u>	<u>Vol. #</u>	<u>Power Point #</u>	<u>Page #</u>
Entrepreneur, Being A (cont)	3	779-794, 798-800	495-507,510-514
	3	814,820-821,824, 828,	524,527-528,532
	3	834-845, 847-848,849-	538,542-556,
	3	858 905-909, 916-921,	557-558,561-564
	3	949, 957, 959	605-609,623-626
	3		646,650,652
Envelopes		72, 93	
	1	554, 557, 589	67,98
	2		429,431,448
Expertise		132, 185,240	
	1	299,453	149,221,250
	2	751-752,755,764, 767,	286,352 477-
	3	782, 787, 800	478,481,484
	3		485,496,501,514
Expiration Dates		504, 623	
	2		377, 452
Farming		8, 82, 96, 105	
	1		14,79, 100,112
Fear		51, 59, 71	
	1	504,505	48, 55, 63
	2	895-897	377, 378 595-
	3		597
Fear, Conquering Of		139, 140, 141, 173,	
	1	240,241,243,263	194-196,210
	1	321,326,384-387	250,251,260
	2	775, 779-782, 784,	296, 299, 324-325
	3	796, 799	492,495-496,498
	3	894,898, 904	508,513
	3		595,597,601
Features vs. Benefits		496, 497, 502, 503,	
	2	528, 547, 707	374, 375, 376, 377
	2		390,415,462
Financing/Installments/Pmts		62, 99	
	1	167	56,103
	1	462	206
	2		356
Finance (Personal) i.e. Financial independence		456-460,463	
	2	467-473	353-355, 357
	2	942-943	359-362
	3		638-639
First Sentence		534,536, 537, 538	
	2		397, 398, 399
Follow-Up		556,569-570,571	
	2		430,444, 445
"Free"		130, 34, 58	
	1		32, 34, 54

<u>Subject</u>	<u>Vol. #</u>	<u>Power Point #</u>	<u>Page #</u>
Gift-With-Purchase	1	30, 34, 58, 65	32, 34, 54, 59
Goals, Goal-Setting	2	301,302,303,304,308,313	287, 288, 290, 293
	2	315,326-327,329,332, 333	294, 299, 300, 303
	2	335	50
	3	883-885	583-585
Grabbers	1	97	102
Greed	1	51, 58, 66	48, 54, 59
Guarantees	1	35,43,44,45, 123 591-	35, 40, 41,124 448-
	2	609,651	450, 455
Guilt	1	51	48
Hardsell	2	532, 550, 552	392,418,420
Headlines	1	47, 48, 49,51,54,56,	42, 44,48,51,53
	1	72,118	67, 122
	2	534, 536, 548, 553,	397,398,416,425
	2	573-584	446-448
Hidden Benefit	2	497, 507, 584	375, 379, 448
"Hidden Worth"	1	188	223
	2	458-460	354-355
	3	755-766, 767, 790	481-485,505
Hyper Responsives	1	79, 80, 105, 122	76, 77,112,124
	1	144, 172, 174,175,	197, 210-212
	1	191-195	224, 225
	2	460	355
Inner Circle	1	79, 80, 105	76, 77,112
Information	2	388-390,406-407,428-430	326, 328, 339-340
	2	437-439,464	344-345, 357
	3	949	646
Innovation	3	750, 786, 790-792	476,500,505-506
	3	850, 854	561,562
	3	957	650
Interest, Development of	1	22, 27, 37, 38, 39, 40	25,29,38,39
	1	41, 42, 50,51,52,54	39, 40, 45,48,50,51

<u>Subject</u>	<u>Vol. #</u>	<u>Power Points #</u>	<u>Page #</u>
Interest, Development of (cont)	1	57, 67, 68, 73	54,60,71
Intimidation	3	775-776, 778, 782,	492-493,494,496
	3	828	538
	3	950-951,955	647,649
Irresistible Offer	1	31, 33, 34,35,36,58, 62,	33, 34-36, 54
	1	66	56,59
Irresistible Promise	2	451,508	350,380
Joint Ventures	1	169, 185, 195-196,	207,221,225
	1	260	257
	2	319-320,425-426	295, 296, 336,337
	2	464	357
	3	757-759, 765,	481-482,484,
	3	773-774,786,824	491-492,500,532
Knock-Offs	1	145	198
	2	406	28
Lead Generation	1	10, 48,76,81,82,	16,44,73,77,79
	1	88,101,107,118	87,110,113
Lead Generation Magnet	1	10, 11, 88,102,103,	16,87,110,111,
	1	104	111
Leadership	2	334-336	304-305
Legal	1	247-248,254,281	253, 255, 267
	2	348	311
	3	773, 797, 846, 848	491,509,557,558
Lists	2	555, 566-568	430, 443-444
Location	1	190	223
Long Copy	2	500,501,522,524,531	376,388,389,391
	2	536,540,541,542,546	398,403,413,415
	2	550,551	418,419
Love	1	51	48
Luck	2	418-424,446-447	333-336, 348-349

<u>Subject</u>	<u>Vol. #</u>	<u>Power Points #</u>	<u>Page #</u>
Magnetic Marketing	1	8, 10	14, 16
Mailing Lists	1	7, 82, 106	7, 79, 112
	1	197, 284, 286	226, 269, 270
Markets			
Markets, Choice of	1	1, 2,3,7,8	3, 4, 7, 14
Markets, Choice of- Cause of Failure			
Research of	1	4	4
Markets, Choice Of	1	12	17
	1	144, 146, 170,	197, 199, 208
	1	185,190	221,223
Marketer, Being A; Thinking Of	1	129, 131, 176,179,	147, 148,212,213
	1	184, 187, 189,198,	221-223, 226
	1	199,201,202,224	226, 227, 237
	2	345,362,406-407,414	310,319,328,331
	2	432-433,457-460	303, 354-355 477-
	3	751-753,768,776,	478,486,493
	3	791-792, 797, 829-830,	506,509,539
	3	833,854	541,562
	3	905, 956	605,650
Markets, Choice Of	3	751,762,765,788,	477,483,484,502
	3	790, 799, 826-827	505,513,537
Meaningful Specifics	1	37, 54,116	38, 51,121
Mentors	2	440-441,453	346-347, 352
	2	916	623
Money, Attitudes	2	326,413,456,461,	299, 330, 353, 356
	2	464,470,472-473	357, 360, 361-362
Money, Management Of	1	221-225, 242, 244,	213-238,251,252
	1	247, 255-257, 259,	253, 255, 256, 257
	1	267, 275, 277	262, 264, 265
	2	354,456-460,469	315,353-355,360
	3	805,819,821,843,	521,527,528,554
	3	844, 845	555,556
	3	942	638

<u>Subject</u>	<u>Vol. #</u>	<u>Power Points #</u>	<u>Page #</u>
Money, Raising Money; Loans, Venture Capital	1	242, 244-249	251-253
	2	445	348
		779,821	25,63
Multi-Step Marketing	1	9, 76, 82, 94, 95	14, 73, 79, 98, 99
Negotiation	2	358,380-381	317,322,323
	2	427-428	338-339
		953-955	88-90
News	1	21, 22,26,27,98, 101	25,29,102,110
Newsletter	1	105	112
Niche Marketing	1	5, 17, 105, 107	5,20,112,113
Objections, answering of	2	509	380
Offers	1	31, 32, 33,34,36,62	33,34,36,54,55,56
	2	504,513,569-570,	377,383, 444 451-
	2	611-630,636, 642-643,	453
	2	648-651	454, 455
One-Step Marketing	1	9	14
Opening	2	534,536, 537	397,398
Optimism (positive selling approach)	2	493	372
Order Forms	1	99	123
Pain, Use of	1	23, 51	26, 48
Passion	1	52, 73, 74	50,71, 72
Peace Of Mind	2	313,319-320,322	293, 295, 296
	2	326-327, 332-333	299, 303
	2	337-338,349,358	305-306,312,317
	2	431,449-450	340, 350
	2	454-455,466	352-353, 359, 360-
	2	468,470-473	362 629-637,645-
	3	922-941, 947-948,	646 653
	3	962	

<u>Subject</u>	<u>Vol. #</u>	<u>Power Point #</u>	<u>Page #</u>
Personal Self-Interest	2	494,495,515,518	373, 374, 384, 386
	2	537,558,561,562	398, 435, 437, 438
	3	960	652
Personality	2	359-361,377-378	317-318, 320-321
	2	520,521,540,541,542	387,403,413
	2	713-715	462-463
Personnel/Staff, Management of	1	136, 173, 176, 181,	152,210,212,220
	1	214,228-239	232,231-250
	2	331,334,339	301,304,306,
	2	346-348	310-311
	2	465	358
	3	770, 772, 773, 785,	487,490,491,498
	3	799-804,816, 835,	513-517,526,545
	3	837, 839, 842, 849	546,547,553,561
	3	914, 959	616,652
Photographs	1	38,39,40,41	38, 39
Planning	1	140	13
	2	305-307,309,340	288-289, 290, 307
Policies	2	316-320,332-333	294-296, 303
Positioning	1	17, 18, 19,28,35,37,	20, 22, 24,31,35,38
	1	48, 67,68,74,77,100,	44,60,72,73,108
	1	102,103,104, 126	110,111,130
	2	292,293,294,295	282, 283, 284
	2	298,345	286,310
Positive Thinking	3	793-795	507-508
Postcards	1	96	100
Premiums (See also: Bonuses)	1	30, 33, 34, 36, 58, 65	32, 34,36,54,59
	2	507,553,601,660,	379, 425, 449, 456
	2	733-748	465-466
Prevention, selling of	2	505, 506	378
Price	3	753, 779,782,	478,495,496,
	3	831-832	540-541
Price/price resistance	2	510	381

<u>Subject</u>	<u>Vol. #</u>	<u>Power Point #</u>	<u>Page #</u>
Price/Pricing Strategies	1	147, 160-167, 194	199,203-206,225
Pride	1	51, 79	48, 76
Primary/Recency	2	522	388
Product, Development of	1	18, 19, 24, 36	22, 24, 27, 36
Profit	2	565, 570, 572	442, 444, 445
Profit, Management Of	1	166, 168-170, 172,	206-208,210
	1	179-180, 182, 191,	213,214,220,224
	1	193-195, 197,	224-226
	1	203-204, 225-226,	228, 238, 239 250,
	1	239, 257, 259, 283	256, 257, 268 297,
	2	323,449,456-460	350, 353-355 356-
	2	462-463,465 802,	357, 358 516,517-
	3	804-813,	524 525-
	3	815-818,843,848	526,554,558
Promises, making of	2	491,559-560,614-616	371,436,451
Promotion Promotional	2	288,289	281
Audio Tape	1	103	111
	3	956	650
	3	786,800	500,514
Promotional Book	1	102	110
	3	956	650
Promotional Video	1	104	111
	3	956	650
Proof	1	38, 39, 40,41,42,67	38-40, 60
	1	102,103,116,122,123	110,111,121,124,
Public Speaking Radio	2	296,299,427	285, 286, 338
Advertising	1	101	110
Recorded Messages	1	88	87
Recruiting	1	136,169	152, 207
	3	786,800	500, 514

<u>Subject</u>	<u>Vol. #</u>	<u>Power Point #</u>	<u>Page #</u>
Referrals	1	206	229
	2	291,295	282,284
Reputation	2	291,293,294,298,318	282-284, 286, 295
	2	324-325,334	297-298, 304
	3	956	650
Research	1	12,13,14,24,81,117	17,18,27,77,121
	1	205-220, 260,285 388-	228-235, 257, 269
	2	390,406,428 429-	326, 328, 339
	2	430,437,453	339-340, 344, 352
Responsibility	2	324-328,334	397-300, 304,
	3	341-344	307-309
	3	892,959	591,652
Risk, Management Of	1	139,262	194,259 289,308-
	2	306-307,342-343	309 310-311,350
	2	346-348,449 773-	491-492,507,528
	3	774,794,821, 835, 843,	545,554,563,646
	3	855,949	481-485
Sale Of Business	3	755-766	
Sales(manship)/Selling	2	361-362,377-383	318-319, 320-324
	2	386,427	325, 338
	2	502,509,512,	376, 380, 382,
	2	525-530,532, 539	390-391,392,403
	2	550,551	418,419
	1	119	122
	1	125	129
	1	122	124
	1	127	131
	2	378	321
Clarity	1	119	122
Close	1	125	129
Complete Presentation	1	122	124
Cross Selling	1	127	131
Damaging Admission	2	378	321
Formulas	1	22, 32,35,42,46,	25, 33,35,40,42
	1	51,55,61,75,118	48,52,56,72,122
	2	362-376	319-320
listening	1	117	121
Objections	1	123	124
Permission	1	118	122
Practical Presentation	1	121	123
Preparation	1	116	121
Q&A	1	123	124
Showmanship	2	379	322
Simplicity	1	120	123
	1	126	130

<u>Subject</u>	<u>Vol. #</u>	<u>Power Point #</u>	<u>Page #</u>
Sales Formulas	1 1	22,32,35,42,46,51, 55,61,75, 118	25,33,35,42,48 52,56,72,122
Sales Letter Appearance of	1 1	53, 55, 60, 75, 94 97	50,52,55,72,98, 102
Sales Management	3	801-802,833	515-516,541
Self-Confidence	2 2 2 3 3 3	290,299,326,335 340, 384-387 418-424,441,464 877-880, 882, 887-891,914, 947-948, 956	281,286,299,304 307, 324-325 333- 336, 347, 357 576-578,582, 589-590,616, 645-646,650
Self-interest	2 2 3	494,495,518,537, 558,561,562,706 960	373, 374, 386, 398 435, 437, 438, 462 652
Self-Motivation	2 2 2 3	330,350-352,356-357 408-412,415-416 442-443 887-891,962	301,312-313,316 328-330, 331-332 347 589-590,653
Self-Satisfaction	2 3	332-333,417,454-455 962	303,332,352-353 653
Sequences	2	556	430
Skepticism	2 2	514,515,517, 669-689	383,384,386 457-459
Speaking	2	296,299	285, 286
Specialization	1	19,37,50,102	24,38,45,110
Specifics	1	37,54,116	38,51,121
Strategic Alliances	1 2 2 3 3 3	169, 185, 195-196,260 300,304,425-426 440 757-759, 765, 773-774,786, 849, 858,914	207,221,225,257 286, 288, 336-337 346 481-482,484, 491-492,500,561 564,616

<u>Subject</u>	<u>Vol. #</u>	<u>Power Point #</u>	<u>Page #</u>
Subheads	1	56	53
Success (Failure)	2	453-455	352-353
	3	921,962	626,653
Swipe File	1	25	28
Tear Sheets	1	98	102
Teaser Copy	1	72	67
Technology	2	312	292
Telephone	1	89, 125	87, 129
Inbound Call	1	90,118, 125,127	88,122,129,131
Phone Upsell	1	91,118, 125	88,122,129
Outbound Call	1	100	108
Phone Numbers	1	181,182	220
Inbound Call			
Test Marketing	1	137, 184,282	193,221,268
Testimonials	2	515,582,703	384, 447, 462
Time Management	1	138, 173,237-238,	193, 210, 248, 249
	1	250-253	254
	2	301-305,311-312,314	287-288, 292, 293
	2	319-323,328,335	295-297, 300, 304
	2	339,341,427,434	306, 307, 338, 342
	2	436,461,466	343,356, 359
	3	782,784-785, 786, 798,	496,498,500,510
	3	803,822-825, 829,	516,530-533,539
	3	835,855	545,563
	3	961	653
Titles	1	11,47,48,54	16,42,44,51
Total Customer Value	2	291,458,460 566-568,	282,354, 355
	2	571	443-444, 445
Total Customer Value, Marketing of	1	6,28,29,79,105	6,31,32,76,112,
	1	127	131
	1	170, 172,174-175,	208,210,211,212
	1	179-180, 183,191,	213,214,221,224
	1	193-195,226	224, 225, 239

<u>Subject</u>	<u>Vol. #</u>	<u>Power Point #</u>	<u>Page #</u>
Trade Shows	1	102,128	110,131
Truth	1 3	20, 29, 42, 77 905-907, 945, 958	24, 32, 40, 73 605-606,640,651
Unique Selling Proposition	1 1 2	18, 19,35,37,50, 118,119 492, 553,563-564, 586	22, 24, 35, 38, 45 122 372,425,441,448
Upsell	2	569-570	444
Value, Building of	1	32, 33, 35, 36, 42, 79	33,3435,3640,76
Vocabulary	2	299,409-411	286, 329-330
Warning Ads	1	71,74, 101	63,72,110
Women (selling to women)	1	493	372
Words	1	54,58	51,54
Writing	2	297,298,299	285, 286
Yellow Pages	1	83,88	83,87
<u>BONUS REPORT: How To Obtain Maximum Referrals</u>	1		133
<u>BONUS REPORT: Recommended Power Points Reading List</u>	1		273
<u>BONUS SECTION: System For Goal Achievement</u>	3		655
<u>STEP ONE:</u> Goals Linked to a Chief Purpose	3	963	667
<u>STEP TWO:</u>			

<u>Subject</u>	<u>Vol. #</u>	<u>Power Point #</u>	<u>Page #</u>
Establishing Your Master Mind Group	3	964	674
<u>STEP THREE:</u> Faith/Mind Power	3	965	681
<u>STEP FOUR:</u> Personality Transformation	3	966	687
<u>STEP FIVE:</u> Attitude of Gratitude	3	967	694
<u>STEP SIX:</u> Self-Starter...Make Something Happen	3	968	700
<u>STEP SEVEN:</u> Being In Control	3	969	705
<u>STEP EIGHT:</u> Super Concentration	3	970	711
<u>STEP NINE:</u> Enthusiasm	3	971	716
<u>STEP TEN:</u> Creative Imagination... Discover Yours	3	972	722
<u>STEP ELEVEN:</u> Profiting From Adversity	3	973	728
<u>STEP TWELVE:</u> Time And Money.. .Get What You Want	3	974	733
<u>STEP THIRTEEN:</u> Positive Mental Attitude	3	975	738
<u>STEP FOURTEEN:</u> Accurate/Self-Reliant Tninking	3	976	743
<u>STEP FIFTEEN:</u> Health	3	977	748

<u>Subject</u>	<u>Vol#</u>	<u>Power Point #</u>	<u>Page #</u>
<u>STEP SIXTEEN:</u> Teamwork/Cooperation	3	978	753
<u>STEP SEVENTEEN:</u> Commitment	3	979	757

Marketing Strategy Power Points

Copyright ©MCMXCIX By Dan S. Kennedy

ALL RIGHTS ARE RESERVED. No part of this book may be reproduced or transmitted in any form or by any means, electronic or mechanical, including photocopying, recording or by any informational storage or retrieval system without express written permission from the publisher.

Published by:
Kimble & Kennedy Publishing
9433 FM2244, Suite 110
Austin, TX 78733
Tel: (512)263-2299
Fax:(512)263-9898

DISCLAIMER AND/OR LEGAL NOTICES:

While all attempts have been made to verify information provided in this book, neither the Authors nor the Publisher assumes any responsibility for errors, inaccuracies or omissions. Any slights of people or organizations are unintentional. If advice concerning legal or related matters is needed, the services of a qualified professional should be sought. This book is not intended for use as a source of legal or accounting advice. Also, some suggestions made in this book concerning marketing, product sales, or referral fees, etc., may have inadvertently introduced practices deemed unlawful in certain states and municipalities. You should be aware of the various laws governing business transactions or other business practices in your particular geographic location.

Any references to any persons or businesses, whether living or dead, existing or defunct, is purely coincidental.

PRINTED IN THE UNITED STATES OF AMERICA

Power Of A Well Selected Market

"Don't play blind archery."

I'm going to tell you a secret that virtually no other high-priced copywriter will ever admit: at least half the battle is won via selection, not "creative" i.e. message, copy, offer, etc. Mediocre marketing aimed at a very well selected target will get superior results. Exceptional marketing aimed at a sloppily selected market may, at best, deliver mediocre results. Selection is where it's at.

I challenge businesspeople to create a very, very detailed profile of their current typical customer and their ideally desired client. Your success at attracting or finding the ones you want depends on knowing what you're looking for.



Power Point #2

The Power Of Precision Target Marketing

Much money is lost, wasting your weaponry and ammo, hitting targets that don't matter.

Smart resource allocation can transform a business or sales career almost overnight. After all, you have a finite number of dollars and hours. You must use them wisely.

In marketing, DISCRIMINATE is a good word. You must discriminate. This means excluding the majority of people and delivering your marketing messages to a carefully selected minority; High Probability Prospects.

Let's take a very basic example: assume you sell landscaping services, waterfalls and fish ponds, ornamental plants. You transform ordinary backyards into beautiful gardens. And you want to sell your services in the neighborhood where I live. The "sloppiest" thing you could do would be run around and put an advertising door hanger on every doorknob. Cheap, but still wasteful.

The smart thing would be, first, to separate the homeowners from the renters. Then break out the homeowners by value or income, possibly by subscription to "home" type magazines. Then direct all your resources at these precisely chosen, ideal prospects.

Power Of "A Starving Crowd"

This is Gary Halbert's verbiage, to give credit where credit's due. It is profound. The way Gary explains it in a seminar is: *ifl offer to set you up in the fast food biz, with a hamburger joint, and you can have any one special advantage you want, what ll it be? A clown, special sauce, great burgers, a big ad budget?* He says he'll take "a starving crowd"

The proof of this is true - the "roach coach" business: those food wagons that come around to factory parking lots. They usually sell bad, overpriced food, and they are besieged with swarms of eager customers every place they go. Why? Because they go to where the starving crowd is waiting.

What is a "starving crowd"?

For example, it can be (1) a market in chaos, in trauma, in transition, like, right now, the health care professions (fearful of the negative impact of managed care on their futures). (2) It can be a market where everybody is in pain, like insurance salespeople (hamstrung by oversensitive parent company enforced restrictions on advertising and sales practices, faced with declining commissions). (3) It can be a group of people who are especially, extraordinarily hyper-passionate about their particular interest. Golfers are this type of rabid buyers.

In one way or another, it should be a group of buyers with an aggravation that gives them sleepless nights, ulcers and rage, that you can solve, and/or a burning desire for something you can provide.

Identifying such a market and building the right offer for it is a far, far superior means of doing business than is developing an offer then looking around in bewilderment for who might respond to it.



Power Point #4

The Power Of A "Small" Market

Your target market must be small enough - or somehow "chunked down" - so that the resources you can and will commit can have big impact. There's just no point to spitting into the Pacific Ocean.

The "big fish, small pond" approach is best for anybody operating with limited resources - and who isn't?

When somebody describes their market too broadly, I know they are doomed to failure, if for no other reason than the disparity between their resources and what it will take to have any impact on that big and broad of a market.



Power Point #5

Power Of Niche Marketing

The old adage "when everybody's your customer, nobody's your customer" is absolutely true and profoundly important. Only giant companies have the resources necessary to market a product or service to everybody who can buy it; it is a terrible mistake for small companies and entrepreneurs to market "broad."

When I ask somebody about their market and they say "Omaha", I know they're in trouble. Even "all the high income homeowners in Omaha" - too big. The very best favor most marketers can do for themselves is to narrow, narrow, narrow their focus.

Here are some criteria to consider:

- Size itself
- Ability to reach the market affordably
- Ability to reach the market efficiently
- A known responsive market
- A market with a reason to be responsive NOW
- Affinity with the market

Understanding of the market (Empathy)

The Power Of "Acres Of Diamonds" vs. "Greener Pastures"

Forgive a few minutes of "philosophy" to make a point.

Earl Nightingale made a great recording titled "Greener Pastures" in which he made the point that every pasture seems greener than it is from a distance. When you walk through your own scruffy yard, you see all of its imperfections up close - the brown spots, the missing clods of green, the holes, the weeds, but when you lean on your fence and gaze off into the distance at the neighbor's pasture, it appears to be as seamlessly and magnificently green as the best golf course on a dewy morning. (This 'greener pastures phenomenon' accounts for things like millions of women listening to Kathie Lee Gifford wax poetic every morning about Frank "The Love Machine" and her Utopian marriage, saying to themselves "why can't my husband be more like her Frank? Why can't my marriage be like that?", only to eventually be terribly disillusioned when he turns out to be human.)

Russell Conwell wrote a speech titled "Acres Of Diamonds" which made the point that most people look everywhere for opportunity, happiness, etc. except under their own feet, where they are most likely to find it.

These ideas translate to one of the greatest secrets of making money via marketing of all: virtually every business owner fails to fully mine the gold in his own customer list, every retailer fails to mine the gold in his own neighborhood, every doctor fails to mine the gold in his own office tower, etc while running around everywhere else hunting for the next new customer. I can't count the number of business owners who balk at the cost of doing a monthly mailing to their customers but who spend \$ 1,500.00 a month on a Yellow Pages ad hoping for a few new customers. Jay Abraham (of whom you've undoubtedly heard) made a fortune, and hangs his hat, on simply going into established businesses and exploiting their under-valued, neglected asset; their own customers. You do not need to pay \$25,000.00 to go to one of his seminars to get this strategy. Turn your back on all the "greener pastures" and take a fresh look at the "acres of diamonds" beneath your feet.

Here are some of the best ideas for extracting maximum value and profits from your own customers - some of these are discussed in greater detail elsewhere in this Volume, others in the other Volumes:

1. Offer more products and services - "the mini-conglomerate theory"
2. Make offers to them more often

3. Reward frequent purchasers
4. Reward high volume purchasers
5. Incentivize greater usage
6. Create "VIP" groups, memberships, with privileges
7. Learn more about each customer, and tailor offers to match
8. Make offers to them more often
9. Communicate frequently, with information, education, even fun (not just another pitch)
10. Communicate consistently
11. Analyze your customers and separate into A-B-C groups based on responsiveness develop strategies to upgrade C's to B's, B's to A's
12. Identify and focus on Hyper-Responsives
13. Make offers to them more often
14. Sell continuity programs
15. Sell renewable products or services
16. Become "the resource" in your category for your customers, via strategic alliances and joint ventures
17. Periodically ask/survey your customers to find out what else they want and would buy from you
18. Make offers to them more often

Re. #'s 2,8,13 and 18: kidding aside, most marketers underestimate their customers' capacity to consume, if given offers that make sense.



Power Point #7

The Power Of Mailing Lists

This is not a place to be lazy; you MUST go to SRDS* yourself and "let your fingers do the detective work", and carefully go through all the available databases and commercially available lists, to find possible "matches" with your target prospects.

If you will look, you will find opportunities "buried" in those lists.

*SRDS: Standard Rate & Data Service

*(NOTE: For more information, see the following *Mailing Lists Report*)

First, understand you will be RENTING these lists for one-time use. The list owners will often want to see and approve the material you will be mailing. And the lists will be "seeded" with false names and addresses that deliver your mail to the list owners, so they can police the use of their lists.

Second, you'll probably wind up working with a List Broker, hopefully located in your own city, but not necessarily. A good List Broker can be of great help to you and is paid by the list owners, not by you. You'll find the List Brokers in your own area in your Yellow Pages, under MAILING LISTS and LIST BROKERS or similar categories.

Brokers are, unfortunately, reluctant to work with very small mailers, so you may have to talk with a number of them before finding one you can work with. **

You can also deal with Brokers or List Managers/Owners anywhere in the country, by phone and FAX. You are NOT limited to Brokers who reside in your town.

Third, you will need to educate yourself about available lists, in order to clarify your ideas about what you want BEFORE meeting with or talking with List Brokers. You can start at your nearest major city, main public library, where you'll find a current or one year old copy of a huge directory called "SRDS", for 'Standard Rate And Data Service.' While at the library, you should also read some back issues of trade magazines like Direct Marketing, DM News, Target and Zip. In a couple hours, you can become conversant in the terminology, the language of the list business, so you can ask smart questions and deal with List Brokers.

If you are a real "novice" in this area, I suggest getting a copy of the book: A SMALL BUSINESS GUIDE TO DIRECT MAIL by Lin Gensing, published by Self-Counsel Press, available in bookstores.

CONSIDERATIONS IN CHOOSING AND USING LISTS

Compiled Vs. Respondent

A Compiled List is, for example, New Residents, or Auto License Registrants, or Yellow Pages Advertisers. A plethora of these types of lists, all compiled from public information, is available. We sometimes use Yellow Pages Advertisers lists, for example, in marketing our products and seminars.

Usually, Respondent Lists are more valuable. These types of lists include subscribers, customers, buyers or inquirers. For example, if you have a computer supply store, you might be able to use lists of subscribers to computer-related magazines, people who've bought computers by mail from a catalog company, or people who've responded to Apple's advertising, to get a free video tape about computers.

Choose Prospects That Match Your Customers

Generally speaking, if you can define who you want to reach, by their age, sex, income, magazines they read, credit cards they carry, other products they've bought, etc., you can get lists of people that match that description. (These characteristics are called "Demographics." You may have heard me refer to "Geo-Demographic Selection" during my seminar. That means a geographic area, by city, state, zip code, matched with certain demographic criteria.)

Deliverability

No list will be 100% deliverable. You should ask how often the list is "cleaned" and updated. You may want names of certain regency - magazines often offer "hotline names" of very recent subscribers, for example. Sometimes you can get a deliverability guarantee - ask.

Selections

Each list will have different "options" -you may be able to order only homeowners and exclude renters or vice versa, only men or women, only those of a certain age, etc. The information in SRDS will show you what "selects" are offered with each list.

There is also "merge/purge" possible with many lists. For example, the HOME REMODELING MAGAZINE subscribers from your state could be "merge/purged" against a list of credit cardholders. An interior decorator might want only those subscribers WITH credit cards. A furniture store owner offering his own financing, even for people with credit problems, might want only those subscribers WITHOUT credit cards.

Minimums

Most lists have 3,000 to 5,000 minimum orders. You can whine and cry and try and negotiate a smaller test, but more often than not, you'll have to rent 3,000 to 5,000 names from a given list. Of course, that doesn't mean you have to mail them all. In fact, for local, small business purposes, a test of 500 names usually tells a lot.

Do Not Be Intimidated

DO take a little time "out of the shop" to learn about mailing lists. DO get into

SRDS and open your eyes to all the possibilities and opportunities - I promise you'll be amazed, fascinated and, undoubtedly, stimulated with new ideas for promoting your business. CONTACT both local and out-of-town Brokers, explain your objectives, discuss the characteristics of the people you want to reach, discuss lists you've identified that might work, ask for and consider their suggestions. DO NOT hesitate to ask "dumb questions" -- there really are no dumb questions except the unasked ones. There's no reason to be intimidated by this process.

Why Not Direct All Your Resources At "Grade A" Prospects?

If I can motivate you to make this philosophical and practical shift; to choose to direct your resources at Grade-A prospects, I will have done you a great service!



VOCABULARY OF MAILING LISTS

Cold list	Not previously tested or used; the people on the list will be receiving your mail unsolicited; presumably they do not know you.
Compiled Lists records.	Lists with geographic/demographic commonalities, usually compiled from public records.
Demographics	Socio-economic characteristics i.e. age, sex, income, ownership of property.
House Lists prospects.	Your own internal lists, such as your Customers, or Inquiries, or your own compiled prospects.
Inquiries	People who've responded to advertising, requested information, but have not made a purchase ("converted").
Buyer/Subscriber	Those who've made a purchase.
Expires	Subscribers who have not renewed.
Regency	How recently the buyer/inquiry is. Many lists offer a "hotline" select, of the most recent 90 days' actives.
List Broker	Middleman between the person renting lists and owners/managers of lists. A list broker works much like a real estate broker, serving two functions and two masters: he "lists" (signs up) lists/list owners he can represent, then he "sells" (rents) those lists to mailers.
List Manager	Computer service bureau that maintains lists.
List Cleaning	Removing or correcting names in a database.
Selects	The choices you can make within a list. You can specify, for example, males only or females only, recent (hotline) buyers, buyers by year, renewed subscribers, etc. Some lists offer dozens of selects.
Testing	Most lists have 5,000 minimums, and for many purposes, a good test will be "5,000 names, Nth-name select" meaning every x-number name; if there are 50,000 names on the list (in the "universe"), a 10th name select would give you every 10th name in the list, covering all geography. A local marketer may rent 5,000 names, but then actually test only 500.
Roll-Out	After a test, you rent and use the entire list.
Merge/Purge	Taking several lists and eliminating the duplicates - or producing only the duplicates. This is easiest to arrange with multiple lists under control of the same manager and/or represented by the same broker.
SRDS	Standard Rate & Data Services, 5201 Old Orchard Road, Skokie, Illinois 60077. Available in most large city main libraries.

USEFUL CONTACTS*

1. For compiled lists: **BEST MAILING LISTS 800-NYC-BEST**
 AMERICAN LIST COUNSEL 201/874-4300 or 800/ALC-UST
 2. For all types of lists: **ED BURNETT CONSULTANTS 201/871-1100**
 ALAN DREY CO. 312/346-7453
 3. **TRADE PUBLICATIONS (YOU SHOULD READ) Direct Marketing, Target, ZIP, DM News**
- *Being included on this list does not constitute endorsement by this Report's author or publisher.

RETAIL MARKETING

SPECIAL REPORT

Know Thy Customer

Retailers who build relationships are gaining the best competitive edge

BY MICHAEL HARTNETT

The combined effect of a disastrous recession and increased marketing sophistication is leading more retailers to realize their future lies in identifying their best customers and getting them to buy more. Enter database marketing.

Some retail chains are fine-tuning systems created ten years ago. Others are working to upgrade the capabilities of relatively new systems. Still others are just playing catch-up.

"Database marketing makes the retailers who use it better competitors. Those who aren't using it or who don't start using it won't be around much longer," predicts Frances Smith, operating vice president for retail marketing services for Bloomingdale's 14 stores.

Glimmers of an economic rebound seem to be galvanizing retailers to act. "Non-food retailers are finally looking at targeted marketing and realizing they can do more with their best customers and get off the promotional roller coaster," says Fred Newell, CEO of consultant Sekleman/Newell, in Coronado, Calif. "Within the past 90 days, nearly every major department store chain has sent out requests for proposals."

Smaller retailers also seem to be waking up. Retail Consumer Technology Inc., an East Windsor, Conn.-based consultancy, started up two years ago to build and manage the customer database enabling U.S. Shoe Corp. to send targeted mailings to the patrons at five of its specialty women's chains. These range from catalogs to personal letters from department managers.

RCT now wants to branch out to other retailers who lack the expertise or the inclination to manage their own database in-house. Many of these companies applaud the concept of relationship marketing, says RCT president Thomas Noetner. But fewer are ready to invest in the personnel to use the database RCT builds. Still, RCT is close to signing its next client.

Ms. Smith's experiences at Bloomingdale's confirm the cost efficiencies and sales benefits of database marketing. "In a program with a 250,000-piece mailing, you might have to mail only half that many once you work with the file and determine who is spending, say, \$500 a year in your stores. Your sales results either remain the same

or increase. The money you save can be applied to other programs.

"Instead of a 100,000-piece mailing, we might do ten mailings of 10,000 to micro-targets in the file," she says. These micro-targets could consist of customers with demonstrated preferences for designers, brand names or categories such as dresses, shoes and cosmetics.

"We are probably spending more money than in the past, but we are using it for many more programs. We used to do 35 solo mailing pieces, and now we do more than 200," says Ms. Smith.

"The challenge is to determine what is on the file that tells us who to send to for a store-wide sale versus a program for men's suits," she adds. "And even with a store-wide sale we can be more narrowly targeted. We don't have to send a 36-page catalog to people who have

not purchased in the past 12 months, or people who spend under \$50 a year."

Discount menswear retailer NBO, with 39 stores, now views its customer database as the foundation for all its marketing efforts.

"Our marketing goal is to increase the number of purchases, increase the number of times a customer purchases, and increase the number of customers. With database marketing we are able to do all three," says Claude Johnson, NBO's executive vice president and chief administrative officer. "And with the information we get from tracking and profiling our customers, we are able to build a profile of the NBO customer as well as potential customers in each of our store's market areas."

NBO's first venture into database marketing occurred in the fall of 1989.

"We had a very good feeling that it was

going to work for us, but it worked ten times better than we thought," he adds. "Our first sale event was for eight days, and four days into it we knew we wanted to do it again 30 days later—and the second event was even more successful. The first event made up for the \$50,000 cost of the file building and the programming."

In that first sale event, 242,894 pieces were mailed and \$1.4 million in incremental sales were tracked through coupon redemptions. Most significant, the average transaction size for respondents was \$243.14 compared to a typical \$101.72 for the period. Subsequent mailings have generated even better results as NBO learns how to more precisely fine-tune its messages to market segments.

By breaking its customer files into segments, NBO determined that 30% of its customers generated 68% of sales. However, a big surprise was uncovered upon further scrutiny. A full 11% of purchases are made by only 1.5% of the customers—labeled the "3500 Club" internally. "I want to nurture these guys," Mr. Johnson says.

This fall, NBO will put these customers into an official "VIP" club, offering a flat 10% discount on all purchases and extras such as free alterations. Even more important, NBO plans to notify the "next tier" customers that they too can enjoy these benefits if they spend a specific amount at NBO.

continued on next page

Retail programs that generate the strongest response often provide valuable information to customers with special needs, such as large-size or petite women.

At the Women's Specialty Retail Group, customers who live outside a convenient drive-by radius of its stores appreciate knowing that there's a reason to make the trip, says Greg Lechner, director of marketing. The group includes Casual Corner, August Max, Caren Charles and Petite Sophisticates stores. Each store has a unique database, assembled by matching customer telephone numbers to addresses.

Customers receive tailored mailings based on their actual purchase history. This is also the case for the 4.8 million readers who now make up the Waldenbooks' "Preferred Reader" program.

The 1,200-store chain launched its reader club in 1990 as a way to get the names of its customers for direct marketing efforts. One thing Waldenbooks learned is that people will pay for the benefit of regular discounts. Annual membership fee is now \$10—twice the original sign-up cost.

Margaret Amodio, senior manager for the program, says Waldenbooks now informs readers when new titles arrive that match their book preferences. The card that announces the new book is actually a coupon offering a small discount.

The chain's program of mailing 55 coupons to Preferred Reader customers who purchase \$100 in books, has proven to be a successful customer retention mechanism. The bookseller tracks program participation by scanning the customer's Preferred Reader card and individual book numbers at the time of purchase. The chain's MIS department is then able to generate a monthly list of all customers who

spent \$100.

Waldenbooks plans to test several new programs this year. With a large database at its disposal, Ms. Amodio says a major emphasis is on new systems that will produce more specific information about customers' reading preferences and the profitability of the club incentives.

"We have a control group for every program we run," she explains. "If we get a 40% response from a test group for a Tom Clancy book, we have to check the control group purchases to measure the actual benefit." This is especially true of science fiction and romance novels. "The people who buy these books are such avid readers that they anticipate sequels and would most likely buy them whether we market to them or not."

Most database programs are a recognition of the 80/20 axiom that 20% of a retailer's customers account for 80% of all sales. But some retailers, like Dayton Hudson Department Stores, are putting the emphasis on customers who have stopped shopping in its stores.

"We want to know who our loyal customers are, but we are targeting our inactive customer base with our database programs," says direct marketing supervisor Stacy Fure. "It's the customers who are tickle that we want to capture."

Although these programs are still in the development stage, Ms. Fure says Dayton Hudson would court these customers with the same type of price promotions that are offered to its active customers, and perhaps increase the incentive by offering an additional service, such as free gift wrapping.

Most Dayton Hudson direct mail programs, however, are not price promotions. The department store chain has 63 stores and uses

Over the past two years, the Women's Specialty Retail Group of U.S. Shoe Corp. has established customer databases for five chains. Customers receive mail ranging from store catalogs like these to postcards to personal letters. Every communication ties back to the customer's purchase patterns.



almost 250 different types of mailings, everything from a 140-page catalog to a postcard announcement of new merchandise to a personal letter from the cosmetics buyer. The list is based on the store's credit card, but James Dirlam, vice president of credit card services, says the retailer is looking for a way to blend in third-party cards.

Many retailers with active database programs plug their suppliers into the loop, which often means a closer relationship and more effective use of co-op dollars.

At Dayton Hudson, for example, many of the mailings that deal with specific brands are produced by vendors who simply put the retailer's name on the mail pieces. Similarly, Waldenbooks promotions of specific titles are paid for by the book's publisher.

For maximum efficiency in communications between Waldenbooks and its customers, the bookseller has created a telemarketing program—an 800 number for ordering books and renewing memberships.

Taking this added dimension in database communication one step further, NDO sometimes uses store personnel to telephone its best customers in support of a mailing. As part of its February and March mailings, for example, NDO provided each store with a list of its 400 top customers.

"Response was unbelievable," says Mr. Johnson. "One salesman called customers and said, 'Come see me.' There were a lot of guys who went to the store and asked for that salesman by name."

Reprinted from:
DIRECT / JULY 1992

The Power Of "Farming"

"Farming" is a marketing term from the real estate profession. It basically means "taking a small, carefully selected target market, and nurturing it with frequent, repetitive contacts and exposure, so as to become the dominant presence in your category of business, in as short a time as possible."

This "big strategy" is fully detailed and demonstrated in any year's edition of my *MAGNETIC MARKETING SYSTEM*.



Power Point #9

Power Of Multi-Step Marketing

One-step selling is very difficult. When your economics permit multi-step, it's always better. First of all, by lowering the barrier to response way, way down for the first step, you capture the greatest number of leads possible - and leads have value.

Multi-step allows you to ease the burden of any one step to do too much "heavy lifting."

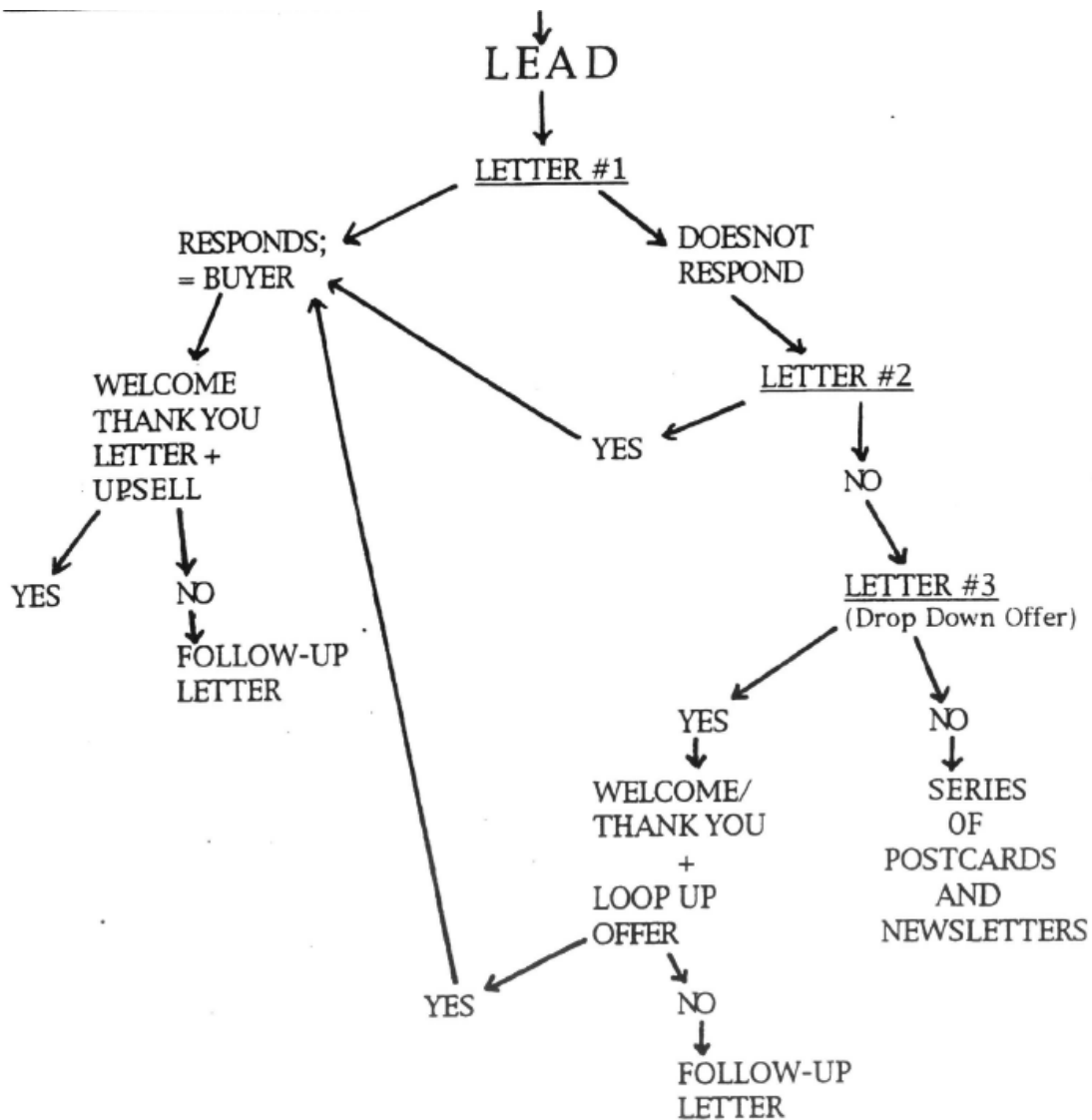
Multi-step allows the prospect to feel he is choosing you vs. being pursued/sold by you.

A chart of a typical multi-step process follows on the next page.

Example Of A Multi-Step Marketing Process

LEAD GENERATION

Newspapers Magazines Radio TV Direct-Mail Other



Power Of The LGM: Lead Generation Magnet

If you are going to do lead generation advertising ie. advertise in hope of having qualified prospects call or otherwise respond, then you need to use a LGM; a "thing" you offer as an incentive for response. Many times, these are informational in nature, such as reports, guides, books, tapes, although they can be other kinds of gifts. It should be obvious that the more desirable the LGM, the better the response.

Generally speaking, a LGM that is "paper-n-ink" linked to the business will work better than one that is not. For example, the insurance company offering a free road atlas as a gift-with-appointment would be better served by offering a free seminar video that teaches "5 secrets the IRS hopes you never discover that can save the typical family at least \$500.00 a year on taxes".



Power Point #11

The Power Of Titles

The publishing industry often does a lousy job with titles, and I often have to "do battle" to get a decent title on my books. So what makes a good title? Pretty much, the same things that make a good headline, including the ability to stand alone and sell successfully out of context. A good title test is the same as a good headline test: if you turn it into a classified ad, with nothing else but a response instruction, will it spark calls. (Egs.: The No B.S., No Holds Barred, Take No Prisoners, Kick Butt And Make Tons Of Money Business Success Book. For more information, call 1-800-NO-BS12.)

Incidentally, the "trick" to a LGM is for its title to be so compelling, your prospects would rush down to the bookstore and pay money to get it if it were not available free of charge.

Power Of "Doing Your Homework"

The more experience you have, I 'm afraid the lazier you get about doing research, due diligence, gathering information - yet, as Aristotle Onassis once observed, success in business has a lot to do with knowing something others do not know and that's often not very difficult to do, because most people are REALLY lazy and go through life "winging it".

Just for example, I had an unsuccessful infomercial sent to me for review; they wanted me to tell them how to fix it. When I started asking rudimentary questions, it was clear that these people had spent nearly \$300,000.00 without doing the least little bit of research — had they read a year's worth of the infomercial industry trades? the Jordan-Whitney report? accessed the JW archives for copies of past shows in their category? Nada, Well, this just isn't very bright.

I made a costly mistake one time, not doing any research - and I' ve not made that particular mistake again.

Some Of My Favorite Sources Of Research

1. SRDS*
2. Trade Associations
3. Trade Journals
4. Magazines
5. Trade Shows
6. Competitors
7. Jordan-Whitney*
8. My peers (I usually know somebody who has knowledge of just about any product or business)
10. Books: library and bookstore
11. Specialized newsletters

For example, let's take "weight loss." The last time I worked on a weight loss promotion, I...

1. Put together a statistical "snapshot" of the weight loss buyer via SRDS
2. Got a year of back issues of the industry publications
3. Got a year of back issues of womens' magazines, like Cosmo, Self, etc.
4. Got a year of back issues of muscle and fitness, health and beauty magazines
5. Pulled samples of successful weight loss infomercials from Jordan-Whitney
6. Got the current top weight loss books from the bookstore
7. Called the client's two top competitors and "played prospect"

8. Called and talked to two copywriters I know with a lot of weight loss experience
9. Found and subscribed to a newsletter called "Marketing To Women"

*If you need these two things explained, you haven't been studying my other books. Ref. Million Dollar Rolodex, *"How To Make Millions With Your Ideas."*



Power Point #13

The Power Of Playing Prospect

Competitive intelligence is very important, and the best way to get it is to get your competitors selling to you.

It's easy to look at "the tip of the iceberg" of a business and think you understand it - but usually there are marketing steps and processes you do not see on the surface. One of the best ways to dig beneath the surface is to answer your competitors' ads, get on their mailing lists, take their salespeoples' telephone calls and listen to their presentations, etc.

I'm often amazed at how little business owners know about what their competitors are doing - and I'm reminded of Tom Monaghan talking about how frustrated his wife was with him, because every time they traveled to a different city, they went out for pizza and ordered pizza in, so Tom could see what other pizza sellers were doing.



Power Point #14

The Power Of Asking Questions

In the 5/93 Issue of THE NO BS MARKETING LETTER, I quoted a DDB/Neeham research study that revealed the differences between what the ad agency executives thought people thought and did vs. what people really thought and did For example:

1. **"I want to look different from others."**

Ad agency Guess: 89% Public: 62%

2. **"There is too much sex on prime time TV."**

Ad agency guess: 50% Public: 78%

3. **"There should be a gun in every house."**

Ad agency guess: 9% Public: 32%

4. **"TV is my primary form of entertainment."**

Ad Agency guess: 28% Public: 53%

One ad exec admitted: **"I have met the customer and he ain't me."**

Often, a client will say things to me like "I would never read all that copy" or "I would never respond to something like that." But you are rarely your customer. It's easy and dangerous to get in the way of what works based on your own biases and preferences, as well as your assumptions about your customer. Such assumptions can prove very costly. If you don't KNOW how your customer will react, then you need to go and learn more about the customer - not guess.



Power Point #15

The Power Of "Know Thy Customer"

I do not believe in "generic" persuasion. In fact, my contention is that truly understanding the targeted prospect/customer is more important than any other element in a marketing success. Yes, a true pro like me can often create offers, pitches, copy, etc. that will get satisfactory results even with a market I have little understanding of- but it's not a very good situation. When I take on a project, I do my best to get in sync with the market. But quite truthfully, there are a handful of markets where I get much better results than with all others, because I truly understand those consumers like I know me.

I am dismayed when a client, when challenged, cannot describe their "ideal customer" in copious detail. Here's a quick seminar exercise: first, take a sheet of paper and write out the most detailed description you can of a TV character, such as Archie Bunker or Al Bundy or Jerry Seinfeld. Where does he live, how does he dress, what interests him,

likes/dislikes, what does he think about money, sex, etc.? Fill both sides of the page. When that's done, try and write out just as detailed a description of your customer. If you find it easier to profile the TV character than your customer, that tells you a lot.

I absolutely guarantee you: the more you know about your customer, the more you sell.



Power Point #16

The Power Of Opportunity Gap Exploitation

In many fields, all marketers share the same flaw; they all do the same thing badly, and all disappoint and frustrate the consumers in exactly the same way - I call that an "opportunity gap." Tom Monaghan identified "delivery" as this opportunity in the pizza industry. In the service industries: lawn care, home repair, etc., this is easy - it's reliability.



Power Point #17

The Power Of Positioning

Entire books have been written about this, including Ries & Trout's POSITIONING: THE BATTLE FOR YOUR MIND, which I suggest you read or re-read at least once a year.

My keys to Positioning are:

- Focus
- Congruency
- Consistence
- Advantage
- Fulfillment

By FOCUS, I mean that your position is clear and easily understandable. "Hertz is # 1" is about as clear as you can get. And surveys of business travelers indicate everybody knows the deal; Hertz is

usually more expensive than anybody else, but they out-service everybody else by an even bigger margin. (Although my experience in recent years says they're slipping.) In contrast, most people are not clear at all about their primary position; they are very unfocused about who and what they are and who their market is.

By CONGRUENCY, I mean that you establish positioning you can carry out through everything you do. If, for example, you wanted to put your rental car lots way off airport, to save fortunes on real estate, then you can't try on Hertz' positioning of maximum convenience and service. Here in town, we have a Cadillac dealer who drops people off at home or work while their cars are in for service, and that's good; it's in keeping with what you'd expect as a Cadillac owner; but they use Buicks to do the dropping off, and that's stupid because it's incongruent. This "little" in congruency undoubtedly costs them repeat sales and second car sales - I can envision somebody saying to himself: "If this Buick is good enough for this Cadillac dealer, it's certainly good enough for our second car, so I'll save \$10,000.00 and get one."

Recently, a friend of mine stayed at Caesar's Palace in Las Vegas, was served morning coffee in a Styrofoam cup instead of the glass cup he had always gotten on previous visits, and he has yet to get over it. I've heard him gripe to at least a dozen people about this. And he's booked into another hotel on his next visit. Not because he has a bias against Styrofoam, but because, for Caesars; in his mind, the "cream" of Las Vegas; it was jarringly incongruent.

By CONSISTENCY, I mean that you are going to stick with your positioning for a long period of time, to build understanding than create confusion)...that you're prepared to hammer home this core message over and over and over and over again. If you look at the K-Mart vs. Wal-Mart war, one of the things you'll notice is that K-Mart has floundered around trying inconsistent strategies, like celebrity fashions, Martha Stewart house wares, vastly different ad campaigns, etc. while Wal-Mart has stayed its course over years; in fact it has one TV ad campaign with smile-faces "dropping prices" it keeps rotating year after year. And Wal-Mart is winning.

By ADVANTAGE, I mean that the positioning gives you some competitive or persuasive advantage with your target market

If you cannot identify an advantage you have vs. competition and an advantage you provide to customers that they do not get from your competition, then I question the validity of your even being in business!

By FULFILLMENT, I mean that you can and will deliver on the promises stated and/or implicit in your positioning. Over-promising and under-delivering is a deadly combination. American Airlines or United dare not deliver a service level equal to Southwest's, but Southwest has the highest level of passenger satisfaction in the entire industry delivering its level of service; the consumer expectations differ

because the positioning is different. Kelleher at Southwest has brilliantly established positioning he can honor; expectations he can meet or exceed all the time. As I'm finishing this, I'm staying in a Ramada Inn in Geveland, which I've settled for purely because of location/convenience, and it is terrible; room service comes without silverware or napkins, maid service is erratic, lamps are missing light bulbs, and so on. If this happened in a Hilton or Marriott, F d be raising hell every two minutes. But this is a Ramada and I expected exactly this kind of "low rent" experience. So, there's the issue of expectations linked to fulfillment. The best policy, of course, is to establish the kind of promises and expectations that are very attractive to your prospects, then exceed them in fulfillment

By the way, I think my clients like Whitehall, Linda Miles, Joe Polish at Piranha Marketing, Michael Kimble, U.S. Mortgage, and, in our JPDK business, Jeff Paul all go to exceptional lengths with customer service and support, and deserve recognition for doing so.



Power Point #18

Power Of Products Or Stories With Inherent USP Power

A product can contain its own Unique Selling Proposition. The "oriental beauty secret of crushed pearls" in pearl cream; shark cartilage's "why sharks don't get cancer"; the Swiss Army Knife; the only mini-van with doors on both sides. A great example: M&M CANDIES — "melts in your mouth, not in your hands" based on the inherent feature of the hard shell. If you are fortunate enough to have a product with built-in USP POWER, then you will definitely want to exploit that to the max. (Most of us aren't so lucky.)

A story can have USP POWER. As an example, consider the article from my *NO B.S. MARKETING LETTER* on the next page.

Dan Kennedy's

NO B.S. MARKETING LETTER

I HAVE JUST FINISHED POUR LONG HOURS catching up on Critiques. And I am once again struck by one of the most common errors or flaws in just about 80% of everything that crosses my desk — WHERE' S THE PROOF? What on earth makes you think anybody's just going to accept whatever you say? I get so weary of seeing ads and sales letters devoid of proof; no testimonials; no references; no quotes from the media; no nothing. Nada. C'mon. This is Marketing 101. Prove every assertion, every -promise, every claim. —

To that end, enclosed you'll find a copy of the article about me, and about PROOF, from the May, 1997 Issue of SUCCESS MAGAZINE. (Yep, I'm in there AGAIN.)

Another "tip": look for the STORY. You need to tell a story. With Victoria Principal Skin Care, it IS "The Principal Secret" -her little-known, hidden away in Beverly Hills skin care "guru" and potion formulator, until now only available to celebrities. Recently, a couple DCs sent in materials for critique - most of which were dull and me-too stic. But I spotted the hint of a

JUNE-JULY 1997

Double Issue

story. Magnified to this:



If you suffer from reoccurring headaches, backache, stomach disorders, and mask them with costly over-the-counter drugs, consider.

**The Amazing Story Of Two
Skeptical, 'Non-Believer'
Chiropractic Patients Who
Were So Turned On
By The Results Of Their
Care,
They Went Back To School
And Became Doctors Of
Chiropractic!**

Now *there's* a USP-Story to tell.

America is an amazing place. Just about the time I think I've *seen* everything, I'm surprised. I got stuff to critique from Ron Gitlan, the President

of Prism Optical. 70% of their sales come from the "bush areas" of Alaska. They even have two opticians who travel throughout Alaska, selling eyewear to the Eskimos, igloo to igloo — that's cold call selling! There's just no excuse for any sane, able-bodied person to go hungry or homeless in this country. Starting with nothing but a bucket and a mop, you can build a million dollar business (ask Doug and Julie Nielsen's mom!). You can go sell something igloo to igloo in Alaska. If you're a reasonably attractive female, you can marry Larry King, divorce Larry King, get alimony and a book deal. Whatever. We live in an amazing place.

Anyway, there are a number of 'items' in this Issue that could really be worth

BUNDLES OF MONEY to you, so put your bifocals on and read carefully, hi-liter pen in hand. I got a letter last week from a Granville Lee, President of the Southern California Automotive Booster Club (whatever that is) that had been written to Peter Lowe, and said, in part: "Dear Peter: Really enjoyed the day in Portland. The best speaker far and away was Dan Kennedy. One

The Power Of Specialization

The issue is the (at least apparently) specialized product vs. the generic product, and, as a rule, specialized products are more saleable, at higher prices, than comparable or even equivalent generic products. For example, a typical Nightingale-Conant, generic, 6-tape cassette album on time management "for everybody" is a \$39 to \$49 item; pretty much the same content in a "time management for salespeople" product could get \$89 to as high as \$99; pretty much the same content in a "time management for real estate sales professionals", \$99 to \$150. Since the manufactured cost is the same across the board, which one would you rather sell? (Hint: choose margins over market size any day of the week.)

This does NOT just apply to "information products" - although it is very applicable to that category.

One of the examples I use in-seminar is "the story of the sun tea jar" an ordinary jar worth a buck or less is transformed with silk-screening into a "sun tea jar" that sells for \$4.99. Another is "Players Club", the travel discount club designed for and targeted at gamblers -which sells for 3x what an ordinary discount travel club does, yet delivers half the benefits.

Do whatever you can to make your product(s) or service(s) specialized rather than generic, and you will not only be more attractive to your target prospects, you'll easily command higher prices/fees.



Power Point #20

The Power Of Truth

"The most powerful element in advertising is the truth."

- William Bernbach

You can argue this. I often jokingly tell clients that the selling task gets infinitely easier when you are willing to suspend the requirement of telling the truth. This explains, for example, why people like Don Lapre and William McCorckle can be such huge successes with TV infomercials (until the gendarmes finally arrive). Or why a Richard Simmons weight loss infomercial outsells a Kathy Smith infomercial. I don't suggest the

strategy of lying or even deliberately misleading by omission. But I'll acknowledge that a whole lot of advertising does it. And it sometimes DOES make (temporary) success easier.

The flip side is that when truth works to your advantage, it is a spectacular, enormous, overwhelming advantage. Consumers have a 6th-sense for "authenticity" and very much desire something "real" (that also fulfills their desires). In cases like the "\$4,000.00 A Day" business I developed with Jeff Paul, the Gold By The Inch client, my work with Whitehall Management and Linda Miles....these are situations where I've had the opportunity of selling 100% true stories and promises that were/are compelling. In your search for marketing leverage, look for the "core of truth" that you can magnify and put forth in minute detail.



Power Point #21

Advertising's Heart And Soul Is NEWS

Too many people advertise without good reason. If you don't have anything exciting to say, don't spend money saying it!



Power Point #22

The Power Of "Interest"

The # 1 ultimate marketing sin is: being boring, and the marketplace will forgive you for just about anything but this.

In one of the classic sales formulas, ATTENTION is the first step; INTEREST is the second. Developing and holding the interest of people requires timeliness, a sense of "newness", reasons to want to know more.

As I was writing this, I noticed that Proctor & Gamble was continuing its strategy of making sure there's a frequent answer to "What's New?" - and Tide now, new TV advertising for "Tide With Bleach" and "Mountain Spring Tide." P&G makes some kind of change to Tide every few months like clockwork, so as to recapture the interest of the consumer.

The American attention span is declining rapidly. The biggest complaint about Internet Web sites is the slow speed at which they open. With clicker in hand, today's TV viewer restlessly surfs thirty channels, clicking out of commercials or boring scenes, going from one unconnected place to another - bored and trying not to be. My favorite industry, horse racing, is in trouble because it is too "slow" for the public's taste, so times between races are shortened, TV monitors are placed on tables in the clubhouse so people can watch TV between races, slot machines are invading the tracks, and so on.

It is the marketer's job to find new and different ways to be interesting to a jaded, disinterested, detached marketplace.

Above all else, remember that interest and self-interest are closely linked. There's a Chinese proverb I use in many of my seminars that makes this point:

"Man more interested in boil on own neck than the drowning of 10,000 in Yangtse."



Power Point #23

The Power Of Pain

Pain sells best.

People spend an enormous amount of time, money and energy avoiding pain.

They avoid confrontation with neighbors, bosses and spouses, to avoid emotional pain. They gulp mountains of drugs to suppress physical pain.

When Thoreau said "most men lead lives of quiet desperation" he said a mouthful. This is where the marketer's greatest opportunity lies: exploiting others' quiet (suppressed) desperation; their private pain. You see, most people do not like their jobs, their relationships, their lives or even themselves. The savvy marketer understands this and is willing to peel back a scab and rub salt in it to motivate someone to action.

It's worth noting, by the way, that very few people can clearly describe what they want - which, incidentally, is why they don't get it - but most people know what they don't want. Rubbing their noses in what they have that they dislike is much more effective than holding a carrot out in front of them. You must make people feel miserable before you

can liberate them. Whether selling a kitchen appliance or an annuity, selling to mom at home or the CEO in the tower, you must create despair to ready the person for your solution. This is the most reliable approach to selling.



Power Point #24

The Power Of Giving Them What They Want

Twenty years or so ago, when I first started flying on business, before political correctness set in, if you flew first class on a major airline, PLAYBOY was one of the magazines offered to you by the stewardesses. But the first airline to stop putting Playboy on board did so not because of gender sensitivity; they explained that they stopped because everybody was stealing that magazine. This should have been their signal to put more copies on each flight - not to eliminate it altogether. It's amazing how many businesses (and people) do certain things to attract their customers (relationship partners), then as soon as they get 'em, they stop doing those things. Find out what they want then don't give it to them.

The trick is to really, really, really understand what your ideal customer wants, give it to him, and then KEEP ON giving it to him.

And when in doubt, ask. About a year ago, I got kind of jazzed up about going "high tech", and offering a variety of tech services, like back issues of newsletters on a web site with search-by-topic capability, a product like this on a CD-ROM, and so forth. Fortunately, I surveyed my customers to try and determine their level of interest, and how many used the Net, how many used CD-ROMS, and so on. The results of the survey were clear: only 1 % of my good customers had any likelihood of buying these products and services. Bad odds. Soon it may be time to take a fresh look at all this. But at the time I could have plowed ahead, motivated by media hype and assumptions, and peed away a considerable amount of money in a hurry.

Here's another tip: develop products or services with what your customers really want—not what they SHOULD want in mind. For years, I adhered to the "give a man a fish, feed him only for a day, but teach a man to fish, feed him for life" idea, and insisted on trying to teach marketing. ...but my income soared when I adjusted my products to feature "tool kits" with ready-to-use tools rather than just instruction.

ReCycle

"I have never made the slightest effort to compose anything original."

- Wolfgang Amadeus Mozart

There may be no good reason to "create" anything in advertising -there's so much good stuff to recycle.

Last year, I ran a referral promotion for my newsletter, where I threatened to shoot a Dalmatian dog if I didn't get referrals - and I used a photo of me holding a gun against a stuffed dog's head. In January, 1973, the cover of the National Lampoon magazine featured a similar image and "If You Don't Buy This Magazine, We'll Kill This Dog."

There's just no telling how many people have used versions of John Capies' famous headline: "They Laughed When I sat Down At The Piano- Until I Started To Play."

There's no reason to ever sit down and stare at a blank page, to develop your next ad or sales letter. Go back 10 to 20 years, and look at what was being done then to advertise your type of product.

Of all the lessons I've learned in marketing, this one stands out above all others: avoid creative invention. Pioneers too often come home shot full of arrows, and there is absolutely no need to be a pioneer in order to become outrageously successful. The surest path to success is the clever, adaptive copycat.

When you go to make your bank deposits, they don't "bonus" you if you got the money by being creative, nor do they penalize you if you didn't. A dollar is a dollar.

Every great marketer relies on "the power of a "swipe file".

If you do the kind of quantity of work that I do and put in 20 years doing it, and you are somewhat "psycho-cybernetic" in the use of your subconscious mind, you do build up a 'swipe file' in your mind from which the material you need sort of "springs". Some people confuse this with some kind of genetic talent. It's not; it is storage. But even with this asset inside my mind, I still rely on extensive swipe files and reference materials.

Power Points #26

The Power Of "What's New?"

"We can invent faster than they can copy." - Ray Kroc

The greatest marketer of "fads", Ken Hakuta, told SUCCESS MAGAZINE "Colgate came out with a toothpaste pump first, and Crest had to follow the leader. But who's to say that the pump is any better than the tube? The important thing is that it's different. In my 'fad marketing strategy', the pump would be only the first of many changes. A year later I might introduce different flavors; after that, toothpaste dispensed from an aerosol can. A year later; different flavors." Ken understands that products and businesses must have a frequently changing answer to the question, "What's new?"



Power Point #27

The Power Of Linkage

People have some things on their minds - including topical things, current events. Smart marketers who can move very quickly, can link their promotions and their advertising to these things, and gain added impact.

Think about movie tie-ins, for example. Companies like fast food chains pay gigantic sums of money to link themselves to hot movies. But many businesses can get similar linkage for free. For example, I very successfully used the catch-phrase from 'Jerry Maguire' in a direct-mail piece: "Show me the money!" Bookstores and music/video stores have obvious opportunities for movie tie-ins, but just about any retailer could ally with one of those retailers on some kind of joint promotion, to gain the opportunity of using the movie, its characters, etc.

How about sports? Any number of kinds of "local" businesses in a number of cities could have run a "Show me you're a Bulls fan and get X free" promotion during the play-offs. Works in Chicago, obviously. But it'd work here in Phoenix, too, because everybody here is from somewhere else. I used a 'Buy this or I'll bite your ear off' headline right after the Tyson-Holyfield fight.

You need to pay close attention to the news, for opportunity, too. Some years ago, USA TODAY ran an article about then-SF QB Joe Montana's use of a chiropractor to keep him playing. In the weeks that followed, I queried audiences of chiropractors - few were even aware of the article, and even fewer had done anything with it. Dumb.

Seasonal linkage provides even broader opportunities. The following page, reprinted from my book, *THE ULTIMATE MARKETING PLAN*, provides a list of some seasonal tie-in opportunities.

SEASONAL PROMOTIONAL TIE-IN OPPORTUNITIES

January/week 1 January/weeks 2 - 3
January/week 4

New Years
Martin Luther King Day
Start promoting Valentine's Day

February/week 1 February/week 1 - 2

Valentine's Day
President's Day
(Lincoln & Washington's Birthdays)

March/weeks 1-3
March/week 2-4
March/week 3 or 4

St. Patrick's Day
Start promoting Easter
Spring officially begins

April/week 1
April/weeks 1 and 3
April/week 4

April Fool's Day
Easter
Italian Liberation Week

May/weeks 1-3
May/week 2
May/week 4

Mother's Day Armed
Forces Day
Memorial Day

June/weeks 1 - 2
June/week 2
June/week 4

Father's Day
Flag Day
Summer officially begins

July/week 1
July/weeks 2-4

Fourth of July
Peak of summer - all summer activities

August/weeks 1 - 4

Back-to-school readiness

September/week 1
September/weeks 1 - 2
September/weeks 4-5
September/week 5

Labor Day
Grandparent's Day
Rosh Hashanah, Yom Kippur
Autum officially begins

October/week 2
October/weeks 3-4

Columbus Day
Halloween

November/weeks 1
November/week 2
November/weeks 1-3
November/weeks 3-4

Election Day
Veteran's Day
Thanksgiving
Inauguration of holiday shopping season

December/all weeks
December/weeks 3-4

Christmas and Hanukkah winter activities
New Year's Eve

The Power Of Customer Expectations

You can win or lose in the marketplace based on the expectations of your customers, so you should determine what those are and manage them carefully.

Southwest Airlines has the highest customer satisfaction ratings of any airlines, yet provides the least frills and most basic level of service; no pre-assigned seats, a boarding process that is indistinguishable from a riot, no food, no first class. How can this be? Because, over the years, and continually, Southwest carefully sells its low price/ no frills positioning and keeps customer expectations to a minimum. On the other hand, if American or United delivered identical service, their customers - including people who may also fly Southwest - would mutiny.

I'm not necessarily suggesting take Southwest's positioning. But I am suggesting staking out a position with regard to what customers should expect from you, that you can and will support with service.

Hertz chose "#1". Nordstroms is legendary for extraordinary customer service, and that works for them in attracting both customers and publicity, but then they are held to a much higher standard by the consumer than most other department stores.

Personally, I take great pains to educate clients from square-one that I am very difficult to reach, rarely immediately accessible, rarely in my office, and typically require days to respond to phone messages or FAXes. If I did not do this, clients would be frustrated and even angry with the difficulty and inconvenience they do experience in getting to me. But because I am very assertive in managing their expectations, clients accept the way in which we must do business without annoyance. This allows me, for example, to have my office phones answered 'live' only 8 hours a week; voice mail merest of the time.

The Power Of 'Marketing By Values'

In a plastic world, we instinctively long for authenticity; in a world of hype, we respond to truth.

Many marketing experts insist that "customer loyalty" is a thing of the past in a fickle, mobile society, but I disagree. I simply think that customer loyalty is rarely earned or deserved. Its extinction is not due to changes in the way consumers respond; it is in the way businesses operate. Admittedly, "loyalty" is one of those values that seems less important to the youngest of generations vs. the oldest. Still, "loyalty" is also an innate human response to being dealt with in a positive way.

Airlines tried to buy loyalty with frequent flyer rewards and complex point systems, but that has failed miserably. Most frequent flyers belong to most, if not all airlines' programs, and over 70% of frequent business travelers surveyed say they choose the airline they fly on based first by schedule and second by price, not based on membership in the reward programs. Over half say they have no sense of loyalty to any one airline over another (myself included). Why was this massive attempt to buy customer loyalty such a dismal failure? - now nothing more than an added expense and a burden for the entire industry. Because you cannot get loyalty with bribes; you must earn it with consistently superior products and services.

When you study most of the great marketing success stories - from Wal-Mart to Southwest Airlines to Federal Express to Disney - you will find that there is a strong and solid foundation there, of basic, classic, traditional American values. These companies are very serious about honoring their stated as well as implied advertising promises, and their leadership is uniquely successful at communicating and achieving this all the way down the line, to the rank and file, frontline people who interact with the customers. For example, I've NEVER encountered a surly, ill-tempered or unpleasant FedEx or Disney employee. This is what I call "marketing by values".



Power Point #30 **The Power Of** **"Something For Nothing"**

I'll bet you some of the richest women in the world go to the cosmetics counter to get the free this or that with their cosmetic purchase. The other day, I saw a commercial for a \$50,000 car - with which you got a free Coach leather "carriage bag". Rich, Harvard grads buy lottery

tickets too. Japanese millionaires choose which Vegas casino they'll lose a ton of money in based on the freebies they get. **No one is immune to the lure of "something for nothing."**

In the 11-95 *NO B.S. MARKETING LETTER*, I reported on a consumer survey re. advertising, where a whopping 73% of the consumers said "freebies" pique their interest in trying a new or different product more so than anything else.

Cosmetics empress Estee Lauder is generally credited with inventing the "Gift-With-Purchase" strategy used so frequently with cosmetic sales today. This is one of the very best marketing strategies for virtually every marketer to use. (See: Power Point #34: Premiums)

Reader's Digest's sweepstakes, Publishers Clearinghouse, etc. live off of the public's hope of getting something for nothing.

When you consider all this, doesn't it make sense to try and appeal to this very basic, controlling emotion?



Power Point #31

Power Of The Irresistible Offer

Weak, wimpy or "ordinary" offers canNOT be expected to produce exceptional results. That's simply unreasonable. Yet most marketers put forward mundane offers and then grumble about the disappointing results from their advertising. It's not the advertising's fault.

The trick is to get to the "I'd be a damned fool if I said 'no' to this" point.



Power Point #32

Apples To Oranges Comparisons

The last thing you want is a straightforward apples-to-apples comparison; you want to create your own unfair advantage.

Egs.:

Cost of a software package vs. x-hours' of an accountant's or lawyer's time

Cost of an audio cassette vs. a seminar, travel to get there, time away from business, etc.

Cost of a monthly nutrition program to a cup of coffee and doughnut each day.

*Ref: *No B.S. SALES Success*, Chapter 11 (Self-Counsel Press)



Power Point #33

Power Of Bulk

Obviously, "bulk" is not always useful; we don't build up the value of, say, a diamond by bulk.

But in a great many cases, bulk certainly does count. The BOSTON MARKET restaurant chain is currently running a promotion: you buy a full family meal and you get a whole, roasted chicken for just a buck. Now, I'm not price conscious, I don't buy these kind of take home meals, I don't like chicken, and I've yet to go into a Boston Market, but I've got to admit that commercial has captured my interest, and is pushing me toward trying the place. I mean, a whole chicken for a dollar? Incredible! How can they do that? and how can you pass up a value like that?

Ron Popeil (Veg-A-Matic, Food Dehydrator) is a consummate master of the "and you get this - and this - and this - and this" method of piling-on selling. It is a tried-and-true approach worthy of imitation.



Power Point #34

Power Of Premiums

Too many marketers deal with the premiums or bonuses almost as an after-thought. This is a huge mistake. I know for fact that **premiums can and do drive sales, and that a change of premium, with no other changes, can dramatically alter the results of a promotion.**

For this reason, just as much careful thought should be given to the premium as to the main offer.

One of the primary functions of a premium is to push someone teetering on the yes-no fence over into immediate buying action. Good premiums can be of practical, information value, but some of the best are not; instead being "vanity items" or "things" that people just want to have. For example, one of Ad Age Magazine's most successful new subscriber promotions offers a coffee mug with a replica of the Ad Age front cover on it, personalized, so it reads: Your Name Proclaimed Advertising Genius. This got me, too. I said to myself: I don't really need to subscribe to Ad Age, much of its coverage has to do with big agency and big corporate stuff, but I might get a good idea here or there - and I want the darned cup. Now, five years later, I'm still renewing.

Years ago, we ran a promotion for a set of "You Can..." audio cassette programs (authored by Joel Wei don) and offered, as the premium, a little baby-food sized can label with the 'Success Comes In Cans, Not In CanNOTS' logo, a cutsey ingredients panel, etc. Not only was this a very successful direct-mail campaign, but the proof of the power of the premium was in the number of requests we got to buy extra can labels or to just buy the labels and not the tapes! People wanted this little can sitting on their desks. It drove purchases.

Incidentally, multiple premiums often out-perform single premiums. And another method of presentation is a choice of i.e. "Choose any 3 of these 5". I personally like this because of its potential for moving the prospect from yes/no to which do I want'? thinking.



Power Point #35

Power Of An ROI Promise

People buy by emotion but must support their actions with some kind of logic. The best is "return on investment." I call it: selling money at a discount.

This case is built on "making" or "saving", or both. For example, if we're selling an information product to dentists intended to add at least one new patient a week to the practice -x- average patient value of \$1,500.00 (low, by the way), we have \$78,000.00 of income the first year versus the investment of \$. How many times a day would you race to the bank and give them \$ if you were guaranteed a return of \$78,000.00 in 12 months?

If we're selling retail theft control to a grocery store chain: even if we only cut theft by 10%, you'll save at least \$6,000.00 per store, per year - yet your investment for this entire system isn't even 10% of those savings! Isn't this a no-brainer?

This Power Point, incidentally, begs the issue of choosing a market where you can make an ROI promise.

The Power Of Quantifying Value

This is a very valuable 'secret', because a great many marketers of information, speakers, consultants, etc. make a common mistake cured with this technique: if you give "unlimited" anything, it has no value, because it can't be valued. So, for example, if I gave the right to send in as much material as a person wanted, as often as they wanted, as a bonus with my packages, that sounds good but it has no value; by quantifying it (and limiting it) with Critique Coupons, each good for one critique and each worth \$ 100.00, I can use them as part of a value build-up when selling, in print or from the platform.

So, the principle is: never give away anything(s) without Quantified Value attached to them.

SAMPLE CRITIQUE COUPON

\$100.00	\$100.00
CRITIQUE CERTIFICATE	
<i>Entitles bearer to submit any single printed piece; brochure; catalog, direct-mail piece; advertisement or similar promotional material by mail for critique by Dan S. Kennedy.</i>	
Send Certificate and Materials To: Dan S. Kennedy Empire Communications Corp. 5818 N. 7th St., #103 Phoenix, AZ 85014	
<small>TERMS & CONDITIONS: Certificate expires 12 months from date of purchase. Allow 2 to 3 weeks for return of submitted materials with Mr. Kennedy's comments and suggestions. Do NOT telephone: consultation given by mail only. Actual finished materials or "rough sketch" and copy for planned material may be submitted. Coupon redeemable only for listed services. Additional consulting may be contracted for, Mr. Kennedy's schedule permitting; fees quoted on request.</small>	
<small>Please be advised that any materials submitted for review by Dan Kennedy, including those submitted with critique coupons, may be published in any of Dan Kennedy authored/edited publications, as examples. Also, submitted materials may not be returned. Do not submit materials you are concerned about keeping confidential.</small>	
<small>(C) 1996 D.S. Kennedy</small>	

Power Of Meaningful Specifics

Most copy is full of vague generalities - words and phrases that actually have no meaning and/or are so "generic" anybody in your business could use them. While a little of this is unavoidable, a lot of it is a giant waste of words - and it dooms advertising.

Here is a sampling:

- Quality
- Excellence
- Superior service
- Commitment to "x"
- Fast response

In contrast, consider meaningful specifics, like "our unique 27-step quality control process"; "same day service guaranteed when necessary or we pay you \$50" the idea here is to:

1. Clearly differentiate from competition
2. Be gutsy and give customers the means of holding you accountable
3. Make bold promises



Power Point #38 Power Of Pictures

A compelling picture can work wonders for an ad, a letter, or a whole campaign.

The book cover picture of me, on the bull, that I've used for three years has had an incredible impact. It has sold books, brought me clients - it has been a topic of conversation with any number of prospective clients, customers, media people, and so on.

There's abundant evidence to indicate that adding the right picture to an ad can significantly improve the ad's performance.

Just for example, our successful Jeff Paul/\$4,000.00 a Day ad was weakening; we added the photo of Jeff sitting at his computer, in his underwear, talking on the phone, and instantly bumped the ad's results back

Photographs (Almost) Always Out-Pull Illustrations

The famous Peterman catalogs are a notable exception to the rule; that is, photos outpull drawings. We believe that photos have more punch because they are "real."



Power Point #40

Photographs That "Tell A Story" (Almost) Always Out-Pull "Head Shots"

An exception to this is the "author head shot" in an ad for a book, or the "sincerity head shot" on a businessperson's sales letter - however, the rule is that photos that convey a story outperform static head shots. A great example of this is the photo of a woman with a strange mask, twisting ajar lid, in the Greentree Press ad for a business opportunity - a curiosity arousing photo. One of my most successful sales letters has a headline about "being ready to move up to the big leagues", and it features a photo of a little kid in a tiny pedal-car next to a grown-up in a flashy convertible.



Power Point #41

Photographs Should (Almost) Always Have Captions

Photo captions are second only to headlines in readership, so omitting a caption is a lost opportunity to deliver a strong, compelling statement, to stimulate readership of the entire ad or sales letter.

The Power Of Proof

Craft your Marketing Messages with the assumption and understanding that the recipients will be stubbornly reluctant to believe a word you say.

The #1 trend is: Skepticism.

Distrust is, understandably, everywhere. People, by and large, distrust the government. Their churches. Their banks. Big business. Etc. Yet most people put out marketing messages that clearly presume they'll be believed. Why?

One of the most important ideas I've ever taught about marketing is "preponderance of proof."



Power Point #43

The Power Of Guarantees

"Golden rule principles are just as necessary in the operation of a business as scissors, twine, inventory."

-J.C. Penney

Nearly 25 years ago, I created the "free eyeglasses replacement guarantee" for a small chain of stores - producing their most successful advertising campaign in their history. The strategy was quickly picked up by Pearl. You should never underestimate the power of a guarantee. Tom Monaghan built his fortune-building USP on one: "...in 30 minutes or less." Lee Iacocca introduced the 7 Year/70,000 Mile Warranty to a shocked auto industry, and successfully persuaded a turned-off public to reconsider and start buying Chrysler products when he said: "If you want to know who builds them better, take a look at who guarantees them longer."

It is my conviction, and advice, that, if you are selling something you cannot strongly and fairly guarantee, you ought to find something better to sell. And, incidentally, our life would be dramatically improved if everybody had to guarantee everything they took money from people for.

It Matters How Guarantees Are Worded

"Satisfaction guaranteed or your money back" is okay as far as it goes, but rather dull and ordinary. You can make a "satisfaction guarantee" sound much more interesting and exciting - and you should. A few guarantees appear on the following pages as good examples. One of my all-time favorites is from the late Frank Robinson's brilliantly assembled Pearl Cream business; Nancy Kwan delivers the line "_____ and if your friends don't actually accuse you of having had a face lift, return the empty jar within 30 days for a full refund."

People perk up and pay close attention to the guarantee, so it's a terrific opportunity to sell, not just state policy.



Power Point #45

Multiple Guarantees Often Work Better Than Single Guarantees

I've been using a "double guarantee" for years:

"The first guarantee is 60 days, unconditional; no strings attached; no my dog ate my homework story required; no questions asked - if you don't think this is the best \$ you've invested in your business in a long, long time, after reviewing, using and even benefiting from everything for 60 days, just send it all back and we'll refund every penny you paid. Second, if you stay with me beyond the two months, I'll ride with you for ten more, conditional; at the end of 12 full months from today, I ask only one thing, there's only one condition; that you send me proof you went into my System, chose and used just one thing, one strategy, one example, and you will look me in the eye with integrity on paper and tell me you didn't put at least \$ 10,000.00 in the bank you know you wouldn't have otherwise, I'll still buy it all back and refund every penny you paid, one full year from today."

(That's copyright protected, by the way, so don't swipe it as is.)

For various clients, I've created similar Double Guarantees, Triple Guarantees, 5-Point Service Pledges, and so on.

CAUTION: I am opposed to "conditional" guarantees.

You just saw/heard me use one, but not as my only/main guarantee; that was "60 days unconditional." I never recommend conditional guarantees, for two main reasons: first, legal; such guarantees will always create permanently unsatisfied customers, a percentage of which will complain to various regulatory agencies, thus, at the very least, creating scrutiny of all aspects of your business that would otherwise never have happened. Two, most conditional guarantees are unfair to the consumer. A business that earns its profits by forcing people to keep products they are not happy with is a sorry thing.



Power Point #46

The Power Of Sales Formulas

Structure is very important in copywriting. People need to be sold in an orderly, organized, momentum-building manner. There are certain "structures" that are very reliable, so why invent from scratch? Here are the five most reliable Sales Formulas that I know, and I strongly suggest using one or a combination of these every time you assemble advertising.

1. PROBLEM-AGITATE-SOLVE
2. ATTENTION-INTEREST-DESIRE-ACTION
3. "I PREDICT"
4. SHOCKING FACTS
5. GUARANTEE FIRST



Power Point #47

The Power Of Long Headlines vs. Short Headlines

There is considerable debate about this. It is an area where master-marketer Ted Nicholas and I differ greatly; he insisting on short headlines; my experience indicating that long, wordy headlines often work best.

My bottom-line is that the idea is more important than 'form' or even any rules. One of the best short headlines I've ever written is:

Stocks Suck.

But, more often than not, I personally succeed with inordinately long headlines. Here are a few examples:

"In Two Breathtakingly Intense Days, I Will Present Breakthrough Income, Wealth, Marketing And Success Strategies And Honest-To-God "Secrets" Exclusively For Professional Speakers Superior To Anything You've Ever Seen, Heard Or Even Imagined, With Their Value To You Assured By The Most Daring Guarantee Ever Offered By Any Seminar"

"Stop Wondering Where Your Next Printing Job Is Coming From"

The truth is stranger than fiction...

"How You Can Make \$4,000.00 A Day, Sitting At Your Kitchen Table, In Your Underwear!"

A COMPLETELY DIFFERENT APPROACH TO "MAIL-ORDER" TOOK ME FROM BROKE TO \$4,000.00 A DAY, WORKING FROM HOME, IN ONLY A FEW MONTHS. AND I'M CONVINCED ANYBODY CAN COPY WHAT I'M DOING, ONCE THEY UNDERSTAND IT.

"An Open Letter From A Once-Flat-Broke Nebraska Housewife Who "Stumbled Across" A Business That Made Her Rich, One That You Can Start Too For As Little As \$15.00"

**"The 20/20 Eyeglass Guarantee:
No Matter How You Break 'Em, We'll Replace 'Em - FREE
- For Up To 5 Years, No If's, And's Or But's."**

The Power Of A Telegraphed Benefit

Above All Else, The Headline Should Telegraph A Benefit.

Yes, I can show you plenty of successful exceptions to this rule. (The "EXPOSED" ad I wrote for Joe Polish is one of many that I have personal experience with. See Power Point #77.) But these are exceptions. By far, the safest, highest-probability-of-success rule is to telegraph benefits in the headline.

When in doubt, lead with your best, strongest, most exciting benefit



Power Point #49

The Power Of Subheads

Most ads, sales letters, brochures have too few subheads.

Most brochures have subheads that violate the rules of good headlines.

Subheads provide important opportunities to re-engage the interest of the reader, to highlight key ideas, and to facilitate Double Readership Path (see Power Point #56).

Subheads should be just as powerful as headlines. They are, in fact, "subordinate" or secondary headlines, so they should be crafted and chosen in the same way as the main headline.

Power Of "The Hidden Benefit"

This is the most valuable "lesson" I've ever learned from Ted Nicholas. If nothing else of value had ever come out of meeting him and studying his work, this alone has been worth hundreds of thousands of dollars to me.

The idea is that every product or service has obvious benefits: carpet cleaning produces clean carpets, a diet pill takes off 10 pounds in 10 days, shopping at a warehouse club saves you money, etc. - but rarely are people motivated to a frenzy by these obvious benefits. Instead, **it is the "hidden" (non-obvious) benefit(s) that gives ordinary products or offers extraordinary appeal.**

Ted, for example, made his first and primary fortune selling a simple book of forms and instructions for forming your own Delaware corporation. The obvious benefits or, let's say the "standard" benefits, include privacy, tax advantages, and asset protection. But his sizzle came from just three words in his book title: "Without A Lawyer." Because most entrepreneurs hate lawyers. The benefit of not paying the lawyer is what made this product succeed.

With this in mind, Inner Circle Member Pamela Yellen did a fantastic job with her ad for our co-authored 'Magnetic Recruiting System', for the life insurance industry (see next page). The obvious/standard/ normal benefits include lower cost of recruiting, better quality candidates, more effective advertising, an opportunity to use direct-mail, and so on. But the "hidden benefit" is expressed in the "golf headline. And this ad pulled like crazy.

Next, consider the ad I wrote for the Nielsens, for their maid service business opportunity. Read and study this ad carefully. This "hidden benefit theme" is woven throughout the copy. See if you can identify what it is.

Are you tired of struggling with recruiting? Unexcited about endlessly pumping everyone you know for names?
Burned-out from chasing after candidates day after day?
FREE report reveals how revolutionary Magnetic Recruiting System:

"Puts Recruiting On Auto-Pilot So You Can Go Play Golf!"

Exciting, new, but already proven system causes qualified, enthusiastic candidates to literally chase you down!

"I ran a small classified ad once in a Sunday paper and a series of inexpensive radio spots over the course of a week, according to the formula I learned from Magnetic Recruiting, and got 11 appointments from it. Every one of those people called me. 10 were excellent quality, not one single person was a no-show and I found three people worth hiring in the hour! Magnetic Recruiting definitely causes a lot of excitement in the agency, gets the whole office involved, creates a lot of activity and attracts good, solid quality candidates."
—George K., PA

"The candidates I see through Magnetic Recruiting are the types of candidates I really want to work with and the ones that stick. The system is consistent, predictable and attracts high quality candidates. It allows me to determine which ones I'm going to pay gold from, as opposed to the hit-and-miss method we've been using in this industry, and how many gold nuggets are going to come out the other end. Magnetic Recruiting is a better way to pan for gold. Once it's set up in your agency, it's automatic." —Victor L. AC, Canada

"Magnetic Recruiting gets me an additional 18 to 22 booked appointments every month with some of the most exceptional candidates I've ever seen—and every one of them called ME! I'm seeing highly successful corporate executives and managers, bankers, attorneys and CPAs, successful sales professionals in other fields and business owners all the time now. Magnetic Recruiting saves me an inordinate amount of time, puts the entire process on auto-pilot and allows me to spend time on the right things. The candidates who come in to talk to me already know they're going to be selling insurance and financial services, and yet they usually try to convince me that they're the right person for the job!" —Tim M., OH

"Magnetic Recruiting maximizes recruiting efficiency by minimizing interviews with poor candidates. Eliminates the excuse of not having recruits to talk to." —Bob K., NC

"Magnetic Recruiting attracts some of the highest caliber candidates from solid sources I've ever seen. I routinely have executives in downsizing companies and others earning \$100-\$200,000 a year coming in to see me. For the first time I have people from cold sources seeking me out trying to convince me they're the one instead of me trying to sell them on the virtues of our career. It saves me a half day of work every week and my secretary handles it all. All I do now is accept candidates' calls and show up for the interview." —Saul C., NY

Would you like to have a predictable flow of interested, high-caliber candidates calling YOU and working hard to convince you to accept them? Dream candidates who already know what your opportunity is all about?

If you'd like to have complete control over your recruiting process, regardless of the economy or any other market condition and put an end to the endless grunt work you've become resigned to, please keep reading.

Getting Candidates to Call YOU Is Easy...If You Know the Best Kept Marketing Secret!

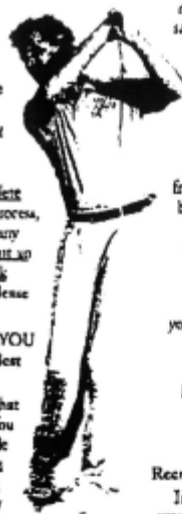
Maybe you too have found that recruiting is getting tougher. You have to talk to a lot more people than ever before. Maybe it's been awhile since recruiting was actually fun. Or, you may be in that happy minority having a great recruiting year. But you're still not where you want to be. Perhaps you're sick of pumping your agents and nominators for names. Chasing after people who aren't interested in hearing your story. Seminars that hardly seem worth the bother.

You see, success at getting plenty of qualified candidates has a lot more to do with understanding the real secrets of direct-response marketing...and little to do with chasing after prospects. Whether this is your first year in management, or you're a thirty year veteran, you will love to never again talk to anyone unless they have CALLED YOU!

Your Competition is Using These Magnetic Recruiting Techniques to Steal Your Best Prospects...With a Story 1/2 as Good as Yours!

The business opportunity, franchise and distributorship industries are currently booming like never before. There are today far more people looking for you than there are you looking for them!

So why is recruiting down? The biggest obstacle you face is marketing inept. Everyone goes to the same



meetings, listens to the same speakers, reads the same publications.

Just like when people inbred, it doesn't take very long before everyone gets stupid.

Breakthroughs come from going "outside the box" and bringing new, proven, translated systems back in. Keep doing what you've always done and you can be sure as shooting you'll never get anything different than what you've already got.

Now There's a New, 100% Measurable Replacement For Old-Fashioned Recruiting Grunt Work!

Imagine how your life would be different if you only talked to candidates who CALLED YOU, and were really interested in your opportunity! Do you think you'd feel more successful if you didn't need to constantly badger everyone for names? This is no pipe dream.

FREE Report Tells All!

You can be the greatest manager in the world—but that won't do you a bit of good if you can't attract enough of the right people. So, if you are ready to discover the astonishing secrets of getting qualified candidates to call you, CALL NCW!

1-800-856-4084
(US and Canada),
24-hours-a-day for
FREE recorded
message and to get
your FREE Report!

Or, write "Recruiting"
on your business card and
fax to 602-431-1524.

© 1996 Preparing to Marketing Institute, Inc.

Earn a ton of money giving away **FREE ADVERTISING** to merchants and giving **MONEY** to worthy non-profit clubs and charitable groups...

How Two Crazy College Kids Made \$55,352.00 Their First Year In The World's Most Unusual Business!

Here's what they did and now what you can do too.

Omaha, Ne. My name is Julie Nielsen. I'm 25 years old. Three years ago, with **NO MONEY, NO REAL BUSINESS EXPERIENCE, and NO CONTACTS**, my brother Doug and I started a unique, stress-free, high profit business from our small two bedroom apartment. Nobody even thought we could get our business off the ground. But, in only three years, we've gone from being two broke peanut butter and jelly eating college kids to successful entrepreneurs owning a fast growing money making business. We've achieved the "American Dream" of starting a business from nothing and building it into a thriving and growing enterprise.

Everyone thought we were **CRAZY** when we told them. "We're had it! We're done hunting for those so called 'GOOD JOBS', We're starting our own company!"

But, nobody thinks we're crazy now! You see, Doug and I now make more money part time than most people my Dad's age earn (in management jobs) working all year long putting up with their boss. In only our second full year, we doubled the size of our business and 1995 is off to a blistering pace.

Ok, by the way, our business is **NOT** some 'multi-level' marketing opportunity, **NOT** a mail order opportunity where you can make \$2,000 per hour. **NOT** some business where we teach you how to teach others how to get rich. We have a **real business**. It actually took work to start it and make it successful. This is not some made up story. Doug and I are real people and are actually brother and sister. And like every brother and sister, we used to fight like cats and dogs. But, now that we're a little older, besides an occasional disagreement (when Doug is wrong), we get along very well.

HOW DID WE GO FROM BEING TWO BROKE COLLEGE GRADS TO BEING SUCCESSFUL ENTREPRENEURS?

Before we started our business, we were like every other college grad searching high and low for those so called "GOOD JOBS." After months of relentlessly hunting and banging our heads against brick walls, we both became frustrated with the job market. Out of sheer desperation, we decided to start our own business. But how? Two kids fresh out of college with **no money** (in fact we were in debt) **no real business experience**, and **no contacts**. Our odds seemed better for winning the lottery than for successfully starting a business. *Determined not to fail...*

We discovered an incredibly unique business that allows us to make a great deal of money by doing two things: Giving free advertising away to merchants and giving money to non-profit clubs and charitable groups.

Our business has grown faster than weeds in a garden. Can you think of a charitable group that doesn't need more money? Can you name a business that wouldn't want free advertising? The answer partly explains the amazing success we've had. There's simply a huge market for what we do. You see in our business, we help non-profit groups raise money for all their special community projects and activities. With the help of our home computer, we created the ultimate WIN-WIN

concept that helps companies increase their business while helping non-profit groups raise money. Who are non-profit groups? They are school clubs such as band and choir, youth sport clubs like soccer or softball, churches, and organizations such as the Optimists, Kiwanis, Jaycees, Rotarians and Lions Clubs. There are literally thousands and thousands of clubs who need money.

After only 4 months, we began to make money and were pretty sure that starting our own business was the right decision. But after making over \$55,000.00 our first year, we knew we were on the right track! Our business literally exploded after the fourth month.

Now our business runs almost completely on autopilot. It virtually runs itself.

The first year was a lot of hard work. We worked a ton of hours developing our business. We had to learn everything the hard way. Only after trying 37 different methods, did we finally discover the secret from which we developed our amazingly simple system. It took about a full year to refine the system and totally set up the program. Both merchants and non-profit clubs love our concepts. Once a club successfully works with us, they want to every year. In other words, once the business is set up it almost runs itself. Unlike most businesses, where you start from scratch at the beginning of each year, our business is set up on a renewal basis. **WORK ONLY HALF THE YEAR AND STILL HAVE A GREAT INCOME!**

Our business is great because it can be set up as a seasonal business. It can either be a full-time or part-time business. Anyway you slice it, there's a lot of free time. I actually took the whole month of January off. In 1994, Doug and I were able to take almost seven weeks of vacation and could almost come and go as we pleased.

SO, HOW DO YOU FIT INTO ALL THIS?

Well, over the past 3 years (and much trial and error), we've nearly perfected this business. In fact, it works so well, it's almost scary. I am convinced that there is huge growth potential for our business in every community in America. People ask us all the time if we are going to expand our business. But, we've hardly even scratched the surface of potential in our own area. Sure, we'd like to make even more money (who wouldn't), but, frankly, we're not willing to work hard enough to expand this all over the country. Instead, we decided to condense our business into a step-by-step formula that anybody of average intelligence can use...and offer it in a book that anyone can afford.

JULIE & DOUG'S PERSONAL GUARANTEE!!!

With our book, **The Secret of Making \$55,000.00 a Year Part-Time Giving Away Free Advertising**, you are protected by our simple, **NO-QUESTIONS ASKED** guarantee: Use our book for TWO FULL MONTHS entirely at our risk. If, during this time, you are not totally convinced you're on to something real and that you too can make \$50,000.00 or more in the next year with this simple and rewarding business...I want you to send it back for a complete refund. No hassles. No questions.



"Young Entrepreneurs explain the secret of their success"

Here are some of the things we will reveal about how we make \$55,352.00 a year giving away **FREE** advertising and giving money to non-profit and charitable groups.

- How we got started by helping just one non-profit club and made over \$2,500.00
- How to create the perfect BIG PROFIT PRODUCTS for marketing with our system, without making a huge investment
- Five of the most unusual, high margin, easy to develop products - all that give **FREE** advertising to merchants.
- Where to find the most money hungry non-profit groups... and how to get them beating down your door (We make good money working with only 5 groups)
- THE ULTIMATE WIN-WIN BUSINESS - everybody loses us because we help merchants increase their business while helping non-profit groups make a ton of money - we show you how!
- The amazing Big Red Renewal System that allows you to put together unique products that will keep making you **CASH** year after year
- How to start right now - without leaving the security of your job - with just a few hours a week. YES, this is a great business to be in. But, you need to have unique high profit margin products and a system in place to be successful. After reading our book you cannot fail...we will explain it all. Remember there is absolutely no risk in trying our system. We are offering two full months to test our book.

TO FINISH THIS ALL UP:

Doug and I **LOVE** what we do! Unlike many people, we don't dread Monday mornings and in fact, we really enjoy going to work. We're making 'good money', but more importantly, we also have the **FREEDOM & TIME** to enjoy it...all this from discovering the **SECRET** which led to our amazing system. No doubt about it, it **really works!** We believe **YOU** can learn and use our system too. **GUARANTEED!** We've described **EVERYTHING** we do in our book, and you can have a copy for just \$19.95.

To order with your Visa, Mastercard, Discover/Novus, or American Express Card **CALL TOLL FREE AT:**

1-800-598-9903 Ext. C18

Or mail your check or money order for \$19.95 plus \$3.00 shipping and handling to:

Julie and Doug Nielsen
9801 Arbor St. #206, Dept. C18
Omaha, Nebraska 68124

© Julie and Doug Nielsen 1995

Power Point #51

The Power Of 'Emotional Factors'

It's the eternal argument: logic vs. emotion. And many people want to insist that in their business, this "emotion stuff" is inappropriate or ineffective. These include people in financial services, high tech businesses, professional practices, industrial equipment. And they are all, always wrong. Emotion-neutered marketing is always wrong.

The primary E-FACTORS of selling anything and everything are:

- Fear
- Guilt
- Pride
- Greed
- Love

FEAR:

In his bit "The 2000 Year Old Man", Mel Brooks said "Everything is based on Fear." He may be right. Certainly, fear of loss drives people in ways no other appeal can. My speaking colleague and friend Cavett Robert - who made a fortune teaching people how to sell burial plots to people still very much alive - said "In order to sell insurance, the prospect must see the hearse backed up to his door, feel the cold breath of the Grim Reaper raising the hairs on the back of his neck, and hear the death rattle in his chest." Go ahead: try selling fire alarms without showing pictures of bum victims, including children. Lots a luck. I recently saw a survey of 1,000 people, men and women, who were married and stayed married over 20 years. Asked - anonymously and confidentially - for the #1 reason they had stayed married, 67% said "Fear of growing old alone." American Express sells traveler's checks by scaring you about being stuck in some foreign locale on vacation and losing your money. Bottom line: if you can whip up insecurity and fear, you can sell.

GUILT:

Because most people actually don't behave very well, just about everybody lugs around some quantity and diversity of guilt. Since humans are, by design, imperfect, yet every religion I know of sets up standards of perfect behavior to sin against, guilt is guaranteed.

If you stacked up all the children's' toys, gifts, jewelry, greeting cards, automobiles, etc. purchased because of guilt, you could climb it to Mars like Jack climbed the beanstalk. Millions of dollars worth of a mundane product like "stainless steel cookware" have been sold nose-to-nose, toes-to-toes by direct salesmen skilled in manipulating husbands' guilt over having their wives do all the kitchen work. (NOT sold because of the health benefits of the product.) I've read a fairly persuasive theory that many well-to-do gamblers go to Vegas to lose money, to assuage guilt over having it in the first place.

PRIDE:

People desperately, hungrily want to "be important". People pick schools they go to or send their kids to, places they go on vacation, neighborhoods they live in, cars they drive, clothes they wear, even the friends they have so they can feel "proud", so they can have "bragging rights". Maybe you've seen these bumper stickers: "Parent of a Straight A Student Inside." Think that's there to motivate or reward the kid? Not on your life.

GREED:

"Greed", the Michael Douglas character in 'Wall Street' said, "is good", and he proceeded to deliver an impassioned defense for this much-maligned human emotion. Maybe it's not good, maybe it's not healthy, but let's make no mistake about it: it exists. Why would a super-rich man like Donald Trump try to win a quick million betting on a fight? Same reason you buy a lottery ticket. The prospect of getting something for nothing. Greed. Plus, in his case, Pride; the opportunity to brag about winning.

"Free" is still the most powerful word in advertising, even though instinctively we all know nothing is truly free. Why? Because GREED overcomes common sense.

LOVE:

It is an interesting contradiction: in real life, people will often do things for or because of loved ones that they would not do solely for themselves, yet it is often difficult to sell on this basis - although entire industries, notably life insurance, are based on this idea. Generally speaking, each human seems to require the acceptance, approval, respect and even affection of a number of people, and a long-term love relationship with one other person. And they will go to extraordinary lengths to facilitate both. Marketers need to be very aware of our tendency to try and "buy" love; such appeals work very well for, say, the diamond jewelry industry. Another aspect of this E-Factor is vanity, for most people link vanity and their ability to get and keep love; on this basis, weight loss, skin care, hair replacement, etc. is sold

Power Point #52

The Power Of Passion

Do YOU believe in your proposition? Do you have a "fire in your belly" about putting it across?

Most of the "great" copywriters, including Ogilvy, Reeves, etc. agree that a pro can and should be able to write copy for any product, but that it is a decided advantage to work at selling that which genuinely interests you. Ogilvy, for example, said he had long been fascinated with Rolls-Royce automobiles before he wrote the now-famous "the loudest noise you'll hear...." ad for Rolls-Royce.

Just the other day, in rehearsing an author for his infomercial, the producers and I noticed that, when challenged by a skeptical interviewer asking "tough" questions, the author came to life and spoke with fiery passion and firm conviction. His authentic passion is an enormous advantage, and although it will be seen on TV in this case, it can be transferred to print.



Power Point #53

The Power Of "Readability"

What good is an ad or sales letter if it can't be read or understood?

"Readability" is a combination of many things: the vocabulary, sentence length, paragraph length; the organization and orderliness of the thoughts presented; how interesting and lively the presentation is; how well matched the promises are with the reader's emotions and interests; and how the piece's "look" helps the reader.

It is a mistake to overestimate the intelligence or sophistication of your reader. Not only do we have a very high level of visible and known illiteracy in this country, we have, on top of that, a hidden, unreported level of functional illiteracy to be concerned with. Many big companies quietly operate internal, remedial reading education programs for their management-level employees. When I worked with a client on an infomercial targeting adult illiterates, I was astounded as I met UPS drivers, restaurant managers, bus drivers, sales clerks, even an ad agency account exec (!) who could not read a newspaper article and tell us what it meant. This particular company's research indicated that as much as 33% of our adult population cannot read above a 5th grade level.

And this does not even take into account the vast numbers of people who can read but don't. These problems cross all demographic boundaries, from the boiler room to the boardroom. To believe that your customers are above all this is hopelessly naive.

Yet, for the most part, we **MUST** use words on paper to do our marketing. So, you have to keep all this in mind as you choose your words.

I believe that the cosmetic appearance of a sales letter is nearly as important as the copy itself- and should be controlled by the copywriter, never by the "graphics" people. I've long ago lost count of the number of times that typesetters, graphic artists, etc. have taken it upon themselves to "fix" what I've provided - and to ignore my layout and appearance instructions - always to the detriment of the project, always without reasons linked to selling.

Incidentally, any criticism or corrective advice re. your ads, sales letters, etc., that is based on anything but selling should always be ignored. You have to use "graphic enhancements" to help the reader along, to keep pulling the reader back in, as his attention wanders....to emphasize your key points. Those are the jobs of the appearance of the letter. (The jobs of "appearance:" are NOT necessarily to look "nice", to look "professional", to win awards.)



Power Points #54

The Power Of One Word vs. Another

Words matter.

One of the things many people wonder about is what I do that can possibly justify fees of \$8,400.00 to, more commonly, \$15,000.00 to \$25,000.00 to write an ad, sales letter campaign, audio tape, TV call to action, etc. The answer is simply that words matter, and I've gotten good at picking and combining words that sell.

I have a little, internal alarm bell that goes off when I hear or see "turn off words", so I edit myself as I write. Still, I often spend hours upon hours agonizing over the choice of a few words in a given piece.

It is absolutely true that how you say it is at least as important as what you are saying. This accounts for the success of people like Ronald Reagan and Bill Clinton vs. people like Bob Dole or Jack Kemp.

Cavett Robert tells the great story of the southern politician, during Prohibition, asked for his position on liquor and moonshine. The politician waxed eloquent: "If by liquor you mean that evil substance that corrupts America's youth, disrupts family life, and pits friend against friend in drunken argument, then friends, I am 100% opposed. But if by liquor, you mean that nectar of Nature, born from the golden grains of our farmlands, that soothes the aches and pains of the elderly, lubricates enjoyable conversation, and brings friends together on the front porch, then, by God, I am for it."

A few "key words"....

TURN-OFFS

Learn
Workbook
Workshop
Earn

TURN-ONS

Discover
Action Guide
Experience
Get



Power Point #55

The Power Of Internal Repetition

Here's what we know about the psychology of teaching, training; of breaking down resistance and gaining acceptance of new ideas in that area: it takes 7 to 21 repetitions in a condensed period of time. Dr. Maxwell Maltz identified the "21 day rule" to replace habits. In professional, person-to-person selling, we know that the majority of new accounts are secured on the 3rd through the 7th sales call. When you consider all this, you obviously get that "repetition" is required to have impact. So, if you want response from one sales letter, it must somehow deliver the same message repeatedly within the one presentation.

I strive for "7."

Let's say we have a claim like "this is the easiest way to _____ ever invented." How can I repeat this 7 times within the same sales letter, without being obvious about it?

1. Straightforward statement, promise
2. Incorporate it in the guarantee
3. Incorporate it in the "Yes" copy at the top of the Order Form
4. Have it said by a testimonial

5. Tell a story that demonstrates how easy it is
6. Build a "bullet point" around it, in a list of bullet points
7. Put it in the P.S.



Power Point #56

Power Of DOUBLE Readership Path

If you take polar opposites of buying behavior, at one end you have the Analytical, who must assemble and evaluate a great deal of detailed information in order to act...at the other end, the Impulsive, who rarely evaluates much information but acts based on one key inspiration. For example, the Analytical who sets out to buy a car shops a number of dealers, gets info from Consumer Reports and the Internet, evaluates potential resale value, checks on insurance costs, and so on. The Impulsive buys a car because it's red. End of story.

When I put together a piece, I try to create an Impulsive's Readership Path made up of headlines, subheads, photo captions, boldfaced or underlined blocks of copy, so he can skim and still get enough information to take action. For the Analytical, you can provide mountains of copy and information, and he'll study it. In addition, here are some thoughts about the way you address both extremes:

ANALYTICAL

Lots of copy
Facts, figures, stats
Logical case
Charts, graphs
More info, the better
Credible testimonials

IMPULSIVE

Telegraph offer
Bottom line
Emotional appeal
Photographs
Enable skimming
Celebrity testimonials

Readability & Readership Path Tools:

- Headlines
- Subheads
- Underlining
- Boldfacing
- Italicizing
- Different Typestyles
- Margin Notes
- Boxed Paragraphs
- Photo captions
- Bullets
- Accent Color
- Yellow Hi-Liter

Power Point #57

The Power Of The Pause

Paul Harvey became the # 1 broadcaster in America largely thanks to his mastery of "the power of the pause". I've appeared on a number of seminar events with Paul Harvey, and this is a guy who can create the you can hear a pin drop" quiet anticipation even with audiences of 10,000 and 20,000, as they wait for him to finish a comment, punctuated by a pause. If you haven't listened to Paul Harvey lately, you ought to find him in your radio market and listen.

What does this have to do with advertising? Great copy utilizes "the power of the pause" too. How you end and start paragraphs, end and start pages....elongate sentences with dot, dot, dots or hyphens....even the brief interruption of a "hard sell" message with a story or humorous line.

One tip: try reading your copy out loud, using the punctuation, dot-dot-dots, boldfacing, etc., as your guide to inflection and pauses. How does it sound? If it doesn't work this way, it doesn't work when "heard" by your prospect either.



Power Point #58

Power of "FREE"

If there is a more powerful word in advertising, I don't know what it is. Most research continues to rank this as the most compelling word.

Given that this is true, it is incumbent on you to build a "free" appeal into your offer(s) if at all possible. There are two basic ways to do this:

(1) An outright FREE offer or (2) FREE bonuses.

Incidentally, even when using (2), you can consider leading your presentation with the promise of "free." Example: "I Want To Give You A FREE Subscription To My Swiss Money Secrets Newsletter, Yours To Keep And Profit From, FREE - Even If You Later Take Me Up On My Full Refund Option For My New Book".

Power Point #59

Power Of Expiration Dates & Early Bird Incentives

It is almost mandatory to use at least one, if not both of these, in every offer.

Your Expire Date(s) should allow a reasonable amount of time for delivery of your mail, readership and response - but not too long. You want that date to add pressure, for immediate response.

Early response incentives ie. discounts, bonuses, or both should be linked to dates inside of the expiration date for the entire offer.

Note: When sending a fairly involved direct-mail package, be sure to put at least one weekend into the time period before the first of the deadlines, as many people seem to hold the material to read over the weekend. (I say this as a result of consistently getting surges of orders over weekends and on Mondays.) Also, know that you'll get a little flurry of orders immediately after an expiration date.



Power Point #60

Power Of The "PS"

Most direct-response copywriters agree on this: that you should never end a sales letter without a PS. Why? (1) Some people jump to the end, so the PS can serve to further their interest in reading everything. (2) The PS can summarize the offer, for that impatient "jumper." (3) The PS can emphasize the most important benefit.

I've found that multiple PS' s almost always outperform a single PS, and find that most pro copywriters also utilize this technique.

To make different PS's stand out, you might try some of these tricks:

- Vary the typestyle
- Vary the point size
- Use all caps (if the PS is very brief)
- Put it in color
- Put it in handwriting
- Put it in a box with a screened color behind it

- In handwriting, run up the side of the letter as if you ran out of space at the bottom of the page

Sometimes you may choose to use the PS to somehow "up the ante" beyond everything offered and described in the main letter, such as introducing (yet) another bonus or strengthening the guarantee.

Just as a point of interest - *how long should a PS be?* - the longest PS that I've ever used in a successful sales letter was 2-1/2 pages long. The shortest: two sentences.



Power Point #61

The Power Of "Primacy" And "Recency"

When you deliver long presentations, in print, in infomercials, or even in personal selling, you have to be concerned with how people process and remember new information.

One of the ways people recall information is "first and last". For example, if you rattle off a series of random numbers, most people hearing them once will be able to remember the first few and the last few numbers but will forget the ones in the middle. This tells you that whatever you say early and whatever you say at the end of your presentation must not only be powerful and persuasive but must, in effect, condense, summarize and deliver your entire pitch.



Power Point #62

The Power Of Installment Payments

Think about the car business: does anybody really concern themselves with the selling price of the car anymore? No, most are only concerned with the monthly payment. That's why that industry has gradually desensitized people to longer terms; from a norm of 24-36 months to a norm of 48-60 months.

America lives by payments and is largely conditioned to think about the payment amount rather than the purchase amount. Just

about anytime you are selling something with a price that is "significant" to your market, you ought to offer installments. Offering and emphasizing payments vs. price can improve response by as much as 50%.

In mainstream consumer marketing, we have discovered an advantage to monthly payments below \$50.00. In business to business, the amount is less important. If selling a fairly high-priced item, you may want to "weight" the financing in your favor, to cover all costs with the first installment and only finance profit: Egs. a \$ 1,000.00 purchase -\$500.00 down, 5 monthly payments of \$ 100.00 each.



Power Point #63

Power Of The Call To Action

I am fond of Zig Ziglar's famous question: are you a professional salesman or a professional visitor? Since we are doing 'selling in print', it applies here too. Simply, too many ads, letters, etc. end with wimpy closes or even no close at all...something pathetic like "I hope to hear from you in the future." Here are the mandatory ingredients of a call to action:

1. Tell them exactly WHAT you want them to do
2. Tell them exactly HOW you want them to do it
3. Tell them exactly WHEN you want them to do it
4. Give them clear incentive to do it as requested in # 1 -#3



Power Point #64

Ask For Action Every Time, In Every Presentation

The key difference between traditional (wasteful) advertising and direct-response advertising is the "call to action".

A Good Call To Action Structure:

1. Summarize the offer
2. Show Value - Price - Discount - Net Cost
3. Include the guarantee

4. Provide payment options
5. Add bonuses

Example:

In Bill Greenthumb's Gardening Magic Kit, you get all three how-to videos, the troubleshooter's card file, Bill's bestselling book, and an 8 ounce can of Bill's special formula plant food. If you purchased these terrific products separately, you could pay as much as \$000.00. This Kit regularly sells for \$00.00 but through this special offer for XYZ MAGA-ZINE Subscribers, you save an extra \$00.00! And remember, your satisfaction is guaranteed. In fact, if your neighbors aren't accusing you of having a magic 'green thumb' in just 21 days, Bill wants you to return your Kit for a full refund! At your option, you can take care of acquiring your Kit with three small monthly installments of \$0.00, charged to the credit card of your choice. And, if you respond no later than the date stamped in red below, you can choose any three of these five exciting bonus gifts - free!

REASONS FOR IMMEDIATE ACTION

1. Limited Number Available. Egs.:

"If your order is received after our allotment is gone, your check will be returned uncashed."

2. Most Will Buy

E.g.: "over 10,000 people have received this offer, and we fully expect most of them to take advantage of this incredible discount, so if our phone lines are all busy when you call, please keep trying. Once the first # callers have been accommodated...."

3. Discount/Bonus Gift(s) Tied To Immediate Response

"Because of x-reason, I must hear from you within the next 14 days. To encourage you to respond so quickly, I've arranged for an unprecedented \$000.00 discount for the first X-# who call. And that's not all. We also have a very limited number of X-gifts, reserved for the first people to respond to this offer."

Power Of Fast Response

If your prospect sets your ad or letter aside to "deal with later", you've probably lost the game. You must do EVERYthing you can think of to create IMMEDIATE response.

Possible Strategies:

1. Deadlines and expiration dates for entire offer
2. Deadlines and expiration dates for parts of the offer and/or specified premiums and bonuses and/or discounts
3. Penalty pricing; prices go up at certain dates (common in seminar and conference marketing)
4. Discount and/or bonus "for the first x-#"
5. "Mystery Bonus" for immediate response
6. Limited supply ("We will return your check uncashed....")
7. Some "fear of loss by delay" inherent to your proposition, such as: "Every day you wait to begin giving your body the missing trace minerals it is crying out for, some deadly disease may begin its cycle of power in your heart, your liver, your colon, even your brain."



Power Point #66

The Power Of "Money Burning A Hole In Their Pocket"

This is one of my favorite "tricks": selling Item-A for X\$, then offering that customer a "bigger" Item-B, for Y\$, but giving full credit for the prior purchase as a discount. This puts money in the customer's pocket that he loses if he doesn't make the second purchase.

For example, we ran our SuccessTrak seminar business for three years based on a \$25.00 deposit to guarantee attendance at the free seminar, then refunding double the deposit against the product purchase.

I nearly doubled my U.S. Gold client's business with a \$99 "Mini-Kit", then full credit for the \$99 when the full kit is purchased.

The Power Of The Customer As Spokesperson

The "EXPOSED" ad I created for Joe Polish (see page 99) uses one of his satisfied clients to tell his story and it's the most successful ad he's run in nearly two years.

Victor Kiam was enormously successful for a time with his commercials for Remington: "I was so impressed with this shaver that I bought the company."

These kinds of ads take great advantage of the FACT that what your customers say about you is much more powerful than what you say about yourself.



Power Point #68

Power Of Celebrity

America loves celebrities, is endlessly fascinated by celebrities, eager to find or create new ones (Tiger Woods), and (oddly) willing to make buying decisions based on the celebrities' influence.

My client, the Guthy-Renker Corporation, was the first to use a celebrity host on a TV infomercial (Fran Tarkenton, "Think & Grow Rich"), and that forever changed that industry. Today, over half of all successful shows are hosted by a celebrity, and many feature more than one celebrity. But the use of celebrities is not restricted to TV; print ads, direct-mail campaigns, catalogs, etc. can all, often, benefit from the addition of a celebrity. (The people running American Family Publishers, for example, are no dummies - and they use Ed McMahon and Dick Clark in every media.)

Celebrities do not even have to be human. As far back as 1990, the Donnelly Marketing Survey ranking of recognized celebrities included the cartoon character Snoopy in the top 35, and, today, Metropolitan Life is one of several companies using Snoopy as a celebrity spokesperson. George and Barbara Bush turned Millie-the-dog into a celebrity of sorts, then a bestselling author. Nor do celebrities have to be alive; there's a current fad in TV advertising to mix dead personalities in with live actors and products, somewhat ala the "Forest Gump" movie - thus we have John Wayne selling beer and Fred Astaire dancing with a vacuum cleaner. (Just wait'll they unleash Elvis.)

Some companies create and then "own" their own celebrities. The best known commercial spokesperson of all time is a fictional character: Betty Crocker. (She was created in 1921, to sign letters, in response to customer inquiries about Gold Medal Flour. In 1950, "she" became the bestselling author of a cookbook.)

Celebrities do not need to be current, "big names" to be effective, either. I often advise clients to seek out what I call 'Love Boat stars' i.e. people who, if 'Love Boat' was still airing, they'd be on it as guests; this includes entertainers in the twilight of their careers or who had a hit, long-running TV series (still in re-runs) but who aren't working much now. Florence Henderson, for example, has proven to be a very successful product spokesperson for 'regular' advertisers and in infomercials, yet she is relatively inexpensive. For some purposes, soap opera actors are excellent "values". Former pro athletes work very well for a number of product/business categories, too.

Remember that there does not have to be a direct link between celebrity-product; it's enough to have some link between celebrity and customer. For example, George Foreman has proven an outstanding pitchman for a backyard grill in direct response and for muffler shops in traditional advertising. (There are even occasional instances of counter-programming celebrities - such as Joe Namath selling panty hose, Dennis Rodman in Victoria Secrets ads - but this is high risk stuff and I don't recommend it.)

For local marketers, a local celebrity will often work just as well as a national one. Local sports stars and coaches, popular radio personalities and TV personalities can all boost the power of local advertising and create competitive differential.

There are "short-term celebrities" useful to some advertisers, too - opportunities the quick and bold can capitalize on. Donna Rice for No Excuses Jeans. If I had some kind of apartment finder business or maybe even a real estate company in LA, I might have used Kato Kaelin in ads (Please Kato, let us find you a safer place to live).

Celebrities do not come without risk. Fortunately for the people marketing the Gary Smalley relationship course on TV, Kathie Lee and Frank Gifford's very public marital turmoil occurred after the infomercial they hosted had stopped airing of its own accord. But there are plenty of instances where an investment in a celebrity has been wiped out overnight by some event in the celebrity's life; I suppose OJ. Simpson is the current, prime example of this.

And a celebrity is no guarantee of success, either. You should never look at having a celebrity involved as a means of achieving success in the marketplace; it should always be a "plus factor". I have seen the addition of a celebrity to an already effective ad or direct-mail campaign I bump the results by as much as 50%.

If the question is "to celebrity or not to celebrity?", I'm generally supportive of making the additional investment, and I frequently help clients choose, find and negotiate to obtain celebrities for all kinds of advertising and promotions.

There are many opportunities to bring "celebrity power" to your business without paying for it. For example, there are articles appearing all the time about celebrities who use chiropractors, eat particular vitamins, love to vacation in a particular city, etc., etc., and people in these businesses can use those articles, facts and statements in retail display, direct-mail, hand-outs, ad copy and so on. Most marketers do a terrible job with this.

You can, of course, turn yourself into a celebrity. Most major markets have at least one "celebrity" car dealer, modeled after Cal Worthington. In Phoenix, Keith DeGreen has used his manufactured celebrity as a radio talk show host to fuel a giant financial planning business.



Power Point #69

The Power Of Long Vs. Short

People are constantly talking to me about doing 8 minute videos, 10 minute audio tapes, 1 page letters - and, boy, is this dumb. Here are the facts: people with nominal to no interest in your subject/proposition bail out very, very early - after seeing, hearing or reading hardly anything at all. But those you interest will watch/listen/read a long time - as long as you don't bore them....so why not deliver the very best, most complete, most persuasive message possible? And surely you have more to say than a page worth.

Long almost always out-pulls short.

Articles Have Higher Readership Than Advertisements, Most Of The Time

This is a fact that suggests strategies, notably advertorials and "simulated articles", and tear sheets. Just about every business has unexploited opportunities to use these devices.

There are some current legal/regulatory issues specifically concerning the mass mailing of tear sheets. However, for most small business' purposes, these are irrelevant.



Power Point #71

The Power Of The "Warning" Ad

In some fields, this strategy is just beginning to be over-used. But in most, it is still rarely used - and highly effective. These ads work best when they are all copy, advertorial style, so that they are not instantly perceived as ordinary advertising. Also, keep in mind that fear is a strong emotion, and the word "warning" turns on the fear.

A bit of info about the WARNING ad appears on the following pages (excerpts from issues of the *NO BS. MARKETING LETTER*)

where that is not the primary decision factor. You whip big competition by doing the things they can't or won't do; make their weaknesses your strengths. To get qualified leads, define precisely who your most desirable customer is, craft a matched message, then find those people via lists - do your homework in SRDS (see my Report: How To Turn Mailing Lists Into Money, included with the Magnetic Marketing Tool Kit, which you urgently need if you do not already have it) - and/or do pure lead generation advertising. Here's a "rough" example. Needs work. Should better ID your perfect prospect. But as a start....

Attention: Owners Of \$150,000.00 To \$250,000.00 Homes In PorpoiseView, HarborView, Rolling Hills or Vista Communities:

WARNING:

BEFORE you buy draperies, blinds or shades for your home from any store, off-the-shelf, or customs from any store or decorator, this industry insider has important consumer information you need, to insure you get the quality you deserve and the perfect look for your home. Personalized service, shop-at-home convenience, professional experience and custom products do not have to be prohibitively expensive, when you know the secrets of buying direct.

For a **FREE SPECIAL REPORT:** "19 Secrets To Decorating With Custom Draperies That Retailers Don't Want You To Know", just call my Free Recorded Message Line anytime, 24 hrs, 7 days a week. Your Report will be sent by mail, free, no cost, no obligation, no salesman will ever call. Get this Report before making any purchasing decisions. Phone: 000/000-0000.

Also, since you note that advertising in The Washington Post has been the most productive thing you've done, you might experiment with an advertorial or advertorial insert.

Next, from Harold McCollum, AirDraulics in Philly - he has "tried everything" to market his business, had some successes, but I have always told myself that business-to-business marketing

is like pulling teeth. A business buyer just will not respond as easily as the retail buyer. Possibly I am wrong and this is something I need to discover. I have already learned some things just from the preliminary reading of the materials in your first mailing....I am more optimistic than I have been in a long time."

Harold, you oughta be optimistic, because you'll soon be doing things your competitors would never dream of doing. You ARE wrong about biz-to-biz. In fact, "business-to-business marketing" is a misnomer; businesses don't buy a thing; only people buy things. Human beings. With emotions: fears, doubts, pains, desires. When you take the same strategies that work to sell a set of pots and pans to Ma and Pa and use them to sell industrial doohickeys to a purchasing agent, you get even better results - because everything else that comes his way is deadly dull, logical and institutional. (Have you seen my letters for an industrial tarp company in the Magnetic Marketing Tool Kit?) I note that you cannot tell me about the trends, etc. affecting your customers and that you do not have a USP. You've got to be mentally, emotionally and experientially in sync with your customers, so you have to know that stuff. And if you've been marketing without a compelling marketing message, including a USP (: why should I, your prospect, choose to do biz with you vs. any and every other option available to me in your category?), no wonder you're having a tough time.

Arthur Lewis from the Bronx exports cell phones and wants to know how to get a competitive edge and how to market via the Internet.

Competitive advantage is gained via (a) product superiority, (b) price superiority, (c) service superiority, (d) added value, and/or (e) marketing superiority. In a commodity

industry like yours likely be (c), (d), (e). To get (c), you have to know what your competitors are doing, understand the unfulfilled needs and wants of the customer, and then figure out what you can and are willing to do to rise above the competition in fulfilling those needs and desires. Egs: Guaranteed same day shipment or we pay you \$100.00... Free Federal Express on orders over X\$. Free private label imprint. Re. (d), to digress, a dentist friend of mine recently bought an inexpensive little piece of equipment and gives every patient an eye massage before they leave. Next, re. the Internet: we have a running look at Internet-related stuff in The Ultimate Information Entrepreneur Up-Date Section of this Letter. But I'm the wrong guy to ask about this stuff. My computer is an electric paperweight. I'm not plugged in, logged on, wired up, I don't surf, and a POX on Bill Gates. One thing you can count on: I'll only opine about things I really know something about and I'll admit what I don't know.

William Brown of Law Works Publishing, Marietta, Georgia wants to know if I'll review his new book 'Winning In Small Claims Court', mentions that he'd spend a windfall, if he got it, on radio advertising, and is looking for marketing ideas.

Bill, you betcha - glad to review your book. Send it in. I think you're right on with radio, by the way. This is the kind of title perfect for promotion during Limbaugh, Liddy, Hamblin and similar programming. And we're going to be taking an in-depth look at direct-response radio in a future Issue. For other solid marketing ideas: go study and "borrow" heavily from Ted Nicholas ("How To Form Your Own Corporation Without A Lawyer"...."What Will You Do When Your Assets Are Seized?"....etc.) Ted sold over

SALES LETTER EXAMPLE OF THE MONTH

Here's your mini-seminar of the month: Carolyn Thomson's sales letter as it was sent to me for critique, my comments, and my "rough draft" makeover. (See Exhibit #2)

ANOTHER LETTER EXAMPLE: IC Member Tony Rubleski sent in the letter he got from a local clothing store, (Exhibit #3) trying to get him back from "the Land of Lost Customers." This strategy often pays off big... quite often, that's gold in those "lost" customers. Unfortunately, this attempt has its problems. While the offer and coupon are good, the copy itself is too vague about the constructive changes that have been made - remember my point about "meaningful specifics" vs. "vague generalities". The non-typewriter-look is a mistake, too.

ADVERTISING EXAMPLE OF THE MONTH

Here's a "terrific financial services lead generation ad."

It uses the "Warning" technique with "flagging" ie. identifying who the offer is designed for up top, in the headline (in this case: annuity holders). It's written like a news article or PSA. And there are wonderful, powerful phrases and word choices like "tax time bomb", "unknown to most".

☆☆☆☆☆

ULTIMATE INFORMATION ENTREPRENEUR UP-DATE

INTERESTING INTERNET STUFF. 1996 rough numbers: 113 million bought 75-billion dollars worth of merchandise from catalogs vs. 9 million computer owners accounting for only 5.4 billion in products purchased via the Net. Still, lots of very optimistic projections persist. One encouraging "number" is the time a person spends at a cataloger's web site once he gets there - for egs., Sharper Image (<http://www.sharperimage.com>) reports the average person's time at their site exceeding 10 minutes....Omaha Steaks (<http://www.omahasteaks.com>): over 11

minutes.....Warn Studio Stores (www.warnerbros.com): 32 minutes! Two most often used examples of retailing success, should you want to check them out: Amazon Books (<http://www.amazon.com>) and Virtual Vineyards (<http://www.virtualvin.com>). (Source: USA Today).

A FEW REMINDERS ABOUT FTC ADVERTISING LAW. (1) Testimonials are not substantiation (of claims). The FTC rarely finds anecdotal evidence ie. success stories and praise letters from customers to be sufficient basis to support a claim. The FTC may consider such evidence in assessing the scope of damage done to consumers by otherwise unsupported claims, but testimonials will never prevent

scrutiny of and, if warranted, action against your claims. In fact, testimonials can present claims that then require other substantiation. (2) If you contradict an unsupported claim with a disclosure or disclaimer, you avoid problems. No. The FTC looks at the net, total impression created by an advertisement. (Source: NIMA International News, Nat'l Infomercial Marketing Assoc.) If you are doing national marketing, in categories likely subject to

WARNING: ANNUITY HOLDERS

YOUR TAX-DEFERRED ANNUITY IS BUILDING UP THE GREATEST TAX TIME BOMB IN AMERICA'S HISTORY?

WASHINGTON, D.C. - Senior Citizens lulled to sleep by the tax deferral of Annuities could have a rude awakening if and when their Annuity turns into an unbelievable tax time bomb, unless they do something about it before it's too late!

Unknown to most financial planners and CPA's is a little-known secret in the IRS Code the government hopes you never hear about! It allows you to legally convert your present tax-deferred income to tax free! "Unbelievable," said one retiree. "This could save us thousands of dollars while providing lifetime tax-free retirement income, all approved by the government!"

Will Congress continue to allow this to happen for long? Probably not. However, once you get YOUR tax-free status locked in, based on past history, your plan will be Grandfathered! Most people can qualify for this tax-free upgrading, but not all. You'll need to get the free information available to see where you stand with your own tax-deferred Annuity!

For a free report "Tax-Deferred or Tax-Free," call the TAX-FREE INFORMATION BUREAU 800-407-5995, 24 hours and ask for Report #10. CD Holders may also be eligible to upgrade to tax-free income! If you prefer, call FINANCIAL GREENHOUSE, 7800 E. Lincoln #2001, Scottsdale, AZ 85250. 602-905-3172.

CUSTOM REPLACEMENT
WINDOWS!
"MADE TO ORDER FOR THE PERFECT FIT"

WINDOWS

- WOOD
- VINYL
- ALUMINUM
- FIBERGLASS

ALL MAJOR BRANDS

- ANDERSEN
- MARVIN
- OWENS CORNING

DOORS

- PATIO
- STORMS

SERVICES

- EXPERTLY INSTALLED
- FREE ESTIMATES
- FINANCING
- REFERENCES

INSTALLED!

SINCE 1958

The Window Place.

VISIT OUR SHOWROOMS
(301) 913-0100

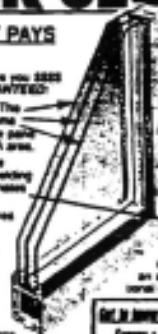
MD # 100 VA #00074

**IF YOU THOUGHT ALL WINDOWS WERE CREATED EQUAL
 LOOK CLOSER!**

A WINDOW THAT PAYS FOR ITSELF

Summer construction will save you \$225 on your energy bills... **GUARANTEED!**

1. 3 panels for the price of 2! The National Association of Home Builders recommends triple pane windows for the MDOG/VA area.
2. Our frames and sashes are joined by a revolutionary welding process that virtually eliminates air flow into your home.
3. Other state-of-the-art features such as interlock, foam filling, argon fill and low-E glass make this the best performing window on the market today — **guaranteed!**



UNMATCHED BEAUTY!

1. Beveled frames.
2. 100% Virgin vinyl will last and never discolor.
3. Shaded, rounded corners give a finished look. **THE BEST LOOKING WINDOW AVAILABLE TODAY!**

60-SECOND CLEANING!

Our 80-in windows clean in 60 seconds as compared with an average 30 minutes for conventional windows.

EASY TO GET!

1. We meet at your convenience.
2. We measure every window for a custom fit.
3. We manufacture for exact openings.
4. We professionally install.
5. We clean up and dispose of old windows.

Get in better and LONGER out of quality windows!

Frames • Replacement Windows • Double Vinyl Siding • Insulation • Screened Porches • Automatic Gate Openers • Sun Rooms • Bunk Beds • Porches • Remodel • Storage Sheds



5 LOCATIONS TO SERVE YOU
1(800) 380-5664

EASY FINANCING! EASY TERMS!

LONG FENCE and Home



to read the copy. Copy's good, too. A benefit in just about every little block of copy. Bold facing and caps used well. The "50 years" indecia for some credibility. Too bad the free estimate offer wasn't more prominent...plus a free info offer. But compare it to the ad right next to it - both the same size - and see which one really SELLS! You can bet your bottom dollar that the YP Rep whined and moaned about all the tiny print in this ad.

#2: WARNING: DO NOT BORROW MONEY.....

A classic "warning" ad. It WILL be read by every person hitting this page. And it is well-written. It delivers a simple, easy to understand "differential argument" i.e. them vs. us, and why we are better. A winner.

WARNING: DO NOT BORROW MONEY FROM ANY PAWNBROKER UNTIL YOU READ THIS.

To protect yourself you should know that **NOT** all pawnbrokers in this area are the same.

Some businesses calling themselves pawnbrokers are not real pawnbrokers at all. They avoid licensing and state regulation by being "Buy/Sell" shops. They actually buy your merchandise from you and give you an option to buy it back after 30 days. This can cost you 20% or 30% or even more, **just for one month.** This is the equivalent of **two hundred and forty percent interest or more per year.**

Also, many of these "imitation" pawnbrokers only allow you thirty days to buy back your merchandise at inflated prices, or else you lose it ... without warning.

How can you protect yourself against this kind of operation? Insist in borrowing only from a

licensed, state-regulated pawnbroker. Do not accept or sign any contract which specifies "30 days" or "Buy/Sell."

In this area, the fairest loans are made by NATIONAL PAWNBROKERS, in Arlington. They are a "real" pawnbroker. Their loans are confidential, their interest rates are as low as 5%, and loans need not be repaid for four months. If you wish, you can renew your loan as often as you like, by paying only the interest. And NATIONAL PAWNBROKERS always sends you a courteous reminder letter when your loan is coming due.

If you have some collateral merchandise, you can safely borrow any amount of money from NATIONAL PAWNBROKERS

3100 Lee Highway
 Arlington VA
 Telephone (703) 522-1777

Power Of Envelope "Teaser Copy"

If you're going to do it, in my opinion, it must be (1) as strong as a double dose of onions - and (2) very well matched with the recipients' interests. For example, let's say we're going to try and sell a book or newsletter about travel, and we can get a list of people who have sent away for information on cruises; here would be some appropriate teaser copy:

Inside...

- **Cruise Ship Rapes & Robberies:** The uncensored facts even the news media won't touch!
- **5 Ways To Cut Your Cruise Cost** - Without compromising
- **Secret Sources of Half-Price cruises** (But you can't tell your travel agent about this!)
- **Food Poisoning At Sea:** 6 Warnings You Won't Get From The Cruise Companies
- **Which cruises do Hollywood stars take?**
As you can see, I've written provocative, curiosity arousing bullet points AND they are exactly matched to the list.

FROM THE FILE IN MY DESK....

During year-end organization, remember to read through your idea file—you may come up with some easy sales-boosters. The author shares his best picks.

By Murray Raphael

When Leo Burnett ran across an idea, a sentence, a story that he found interesting, he would cut it out and put it in a file in his desk. When looking for an idea to use for an upcoming campaign, he would open the file and start reading until he became inspired.

We've always felt that was a good idea.

The File In My Desk bulges at the end of every year, so we break down the stories, anecdotes and ideas into sub-files.

In going through this year's end-of-the-year accumulation, we found some you might want to add to the File In Your Desk.

A few words can change the appeal of a product. Growing up we thought having a "Second Mortgage" on your home meant you were on the road to bankruptcy. Today, having a "Home Equity" loan means you're able to buy something you've always wanted. Same product. Different name.

Janice Sykes, a branch manager of National Westminster bank in Atlantic City, New Jersey, carries this idea one step further. "We don't talk initially about interest rates and monthly payments. We focus on the benefits to the customer. We ask, 'Do you want a 'Debt Cruncher' loan? Or a 'Home Enhancer' loan...'"

The most aggravating and disliked message in America. "Have a good

day." —*Professional Consultants magazine.*

• Testimonials. "I carried up to 700 photos of clients and users. They were mounted on large sheets so I could show them quickly. I had my prospects look at the photos and sign an order for a high-priced machine without ever having seen

Federal Express did something as stupid as Zap Mail and blew a billion bucks when they were only a \$2 billion company?" —*Tom Peters.*

• The importance of Point of Sale marketing: POS Definition: having signs or displays to advertise a product in your business. "Our experience is when advertising is combined with in-store support, sales increase from 25 percent to 250 percent." —*Jack Brown, chairman J. Brown/LMC group.*

• Saying #1. "When a person with money meets a person with experience, the person with the experience winds up with the money and the person with the money winds up with the experience." —*Harvey Mackay.*

• Use delivery people as salespeople. When working for a furniture store we told the owner to have his delivery people compliment the customer on their purchase. "The sofa looks very nice in that room. I'm sure you're going to enjoy it." This is much better than "Sign this. It means it got here."

• Does anybody read those hotel response cards? Charles Kroegel does. He's the general manager of the Inn at Lambertville Station, New Jersey. One customer wrote she was annoyed that the wallpaper in her room was old and peeling off the wall. Charles repapered the room, sent her a swatch of the new wallpaper, a gift certificate towards her next stay and told her that if she brought the wallpaper swatch with her when she returned, he'd toss in a free bottle of chamomile.

Seven out of 10 open the envelope if there's an outside handwritten message.

it or having it demonstrated." —*Ira Hayes, top salesman for NCR and motivational speaker.*

• Every campaign is not successful. What's the alternative? Do nothing? Listen to this quote from Mickey Mantle: "If you add up my career strikeouts and walks, I played the equivalent of seven seasons without hitting the ball."

"And how many of you remember that

GET A LIFE

TARGET PROVEN DIRECT MAIL SPENDERS BY OCCUPATIONAL LIFESTYLE

Focus on nurses, teachers & business professionals who rely on mail order for more than just their work related needs. Consumer offers and charitable appeals also get their interest and response.

LEARNING94 MAGAZINE

The leading publication for educators in grades K-8.
SELECT 180,000 Subscribers • 140,000 Home Address • 102,000 Female

OFFICE SYSTEMS 94 MAGAZINE

The only office products publication for small and medium size companies.
SELECT 100,000 Subscribers
Job Function • Industry • Sales Volume • Employee Size

NURSE RESPONDENT DATABASE

The largest available list of nurse respondents. Merged unduplicated subscribers to Nursing94 Magazine plus book and other nursing related product buyers.
SELECT 1,100,000 Respondents • 881,000 Home Address • 33,000 Canadian • Nurse Type • Age

NURSING94 MAGAZINE

The premier publication for nursing professionals.
SELECT 500,000 Subscribers • 490,000 Home Address • 28,000 Canadian • Nurse Type • Age

NURSE BOOK BUYERS

The largest file of nursing book purchasers. One-shot and continually books on patient care and treatment procedures.
SELECT 200,000 (last 12 mos.) • 190,000 Home Address • 7,000 Canadian • Nurse Type • Age
Contact your buyer or Joe Arnes, Springfield, IL Manager, The Life Management Division of Springfield Corporation, 1111 Liberman Drive, Springfield, PA 19477
Phone (215) 626-7732
Fax (215) 646-5610

• Send a deposit for your dinner. Whenever we do this, the reaction is astonishment. Many hotels ask for a night's deposit in advance (even with your credit card guarantee).

Why not send a deposit for the meal in the expensive restaurant in the city where you want to dine on your upcoming schedule? We send them \$25. They are amazed.

When we arrive the extra service, care and attention is remarkable. And you're going to pay for the meal anyhow...

• Telephone Marketing: When you call the telephone company for an installation why do they say, "We'll be there between 9 a.m. and 2 p.m." If I have to wait 'till they show up, can I charge them for time waiting?

• On returning phone calls. Eight out of 10 people do not call you back. I send them Woody Allen's quote: "94 percent of success is simply showing up."

• Copy non-competitive business ideas. When Southwest Airlines wanted to speed up their aircraft turnout time, they did not watch what other airlines were doing. They went to the Indianapolis 500 to see how crews fuel and service race cars. This gave Southwest new ideas about equipment fitting, materials management, teamwork and speed that enabled the airline to cut a turnaround time in half!

• One more: Granite Rock wanted to improve the way it loaded gravel into trucks in its yards. The drivers had to leave the trucks and fill out papers. The company watched automatic teller machines in banks and now drivers put a card in a machine, don't leave the truck and speed up loading time.

• On giving a speech. Consider the advice of the successful speaker who lisped and stuttered when he spoke. During one of his early speeches he was so frightened he fainted. He said his success in speaking was due to five characteristics: Begin strongly. Stick to one theme. Use simple language. Paint word pictures. End with emotion. His name: Winston Churchill.

• AFTO. The salesman's acronym means "Ask For The Order." So I love the letter I received from the Miami Beach hotel asking me to stay there on my next vacation. It told me Sam Katz "one of the best known and respected hotel operators in the U.S." was the new manager. The letter gave his background, accomplishments and asked me to welcome their "most able and new manager, Sam Katz." The letter was signed by (you guessed it)...Sam Katz.

This reminds of Billy Rose's question: "Do you ever wonder why so many short

ugly guys marry such tall beautiful girls?" His answer: "Because they asked."

• Saying #2: "Never get married in the morning. You never know who you might meet the previous night." — Paul Horning.

• Reason To Use Direct Mail In Your Business #1: In 1990, U.S. consumers spent 142 hours a year going through malls, according to the Organization of Shopping Centers. Last year, they spent 40 hours. Stop waiting for them to come. Start sending them reasons in the mail to come.

• Reason To Use Direct Mail In Your Business #2: USA Today did a survey on American's shopping habits. Result: 43 percent of Americans will no longer shop at night. Reason: fear. Does this mean you better stop waiting for them to come at night and give them a reason to buy through the mail?

• Most recent retail horror story. Writingspeaker Peter Glenn tells of walking to the cosmetic section of a department store. The clerk looked up astonished and quickly said, "I hope you don't want to buy anything." "Why?" asked Peter. "Well," she said, "I just finished my nails and they need 10 minutes to dry."

• How important are low prices? Are you worried about the factory outlet stores appearing on the horizon? Here's a quote from a recent Wall Street Journal poll: "75 percent of customers purchase from a business that has excellent service but higher prices" at least some, if not all of the time.

• What makes someone open the envelope? Eight out of 10 people open envelopes that look like bills, or if the outside teaser headline says there's a free sample inside. Seven out of 10 open the envelope if there's an outside handwritten message.—Survey, Journal of Direct Marketing.

• Last Saying: "I was in love with a beautiful blond once. She drove me to drink. 'Tis the one thing I'm in debt to her for." — W.C. Fields. ■



Murray Raphael developed Gordon's Alley, a multimillion-dollar pedestrian mall in Atlantic City. One of the major reasons for his success: direct mail. He has been telling the

retail direct mail story as a columnist in Direct Marketing for more than 30 years, and travels throughout the world giving direct mail seminars and serves as a consultant to major corporations throughout the world. He can be reached at Raphael Marketing, Inc., 12 S. Virginia Ave., Atlantic City, NJ 08401—609/348-5648.

The Power Of Drama

Dashiell Hammet, the famous mystery writer, once gave other writers this advice:

"When in doubt, have someone come crashing through the door with a gun."

His advice reflects the power of drama.

You need to remember two things: it's hard to get anybody's attention, and two, it's hard to *keep* their attention.

In TV-land, the most recent innovation forced on the networks has been to cut opening graphics, titles, music, etc. from their shows and jump right into the show, from one show to the next, without commercial breaks -otherwise they lose the viewer. This is just one illustration of how it is increasingly difficult to hold onto anybody's attention.

Real drama is one way to get it. When O J. 's Bronco "chase" came on TV, America stopped in its tracks and watched - and kept watching.

When Mike Tyson bit Evander Holyfield's ear off, America talked about it for days. These are equals of having someone crash through the door with a gun blazing.

How can you create this kind of drama in your copy?

A few quick examples....

A letter for a business opportunity:

After Bill Harrison went into the boss' office and closed the door, the secretaries gathered outside and listened as the boss said: 'I 'm sorry, Bill, but we're eliminating your entire department - and your job.'

After 22 years there, what would he do? How was he going to be able to tell Barbara? Would they lose their house?

A letter for a weight loss product:

My ex-husband brought that young bimbo to our favorite restaurant again last Friday night but he couldn't keep his eyes off me. He was so obvious about it, she lost her temper, threw a glass of wine in his face, and stormed out, and he had to chase after her like a puppy!

A letter for life insurance:

The meeting stopped in mid conversation... everybody froze... as Harry suddenly clutched his chest and keeled over his desk. Minutes later, he was dead.



Power Point # 74
The Power Of Enemies

Starting with his book 'How To Form Your Own Corporation Without a Lawyer for Under \$75', my friend Ted Nicholas made a fortune positioning himself and a series of products AGAINST lawyers. While lawyers are, admittedly, easy targets, the principle here is to sell against an enemy.

The militia movement could not recruit members without an enemy. George Bush (a foreign policy president) couldn't get elected without an enemy, perceived as threatening by the American public. Ironically, Ronald Reagan's and George Bush's success at defanging the Soviet Union destined President Bush to a one-term presidency. For the past handful of years, savvy people in financial services have gotten a big, positive "bump" to all their advertising and direct mail in which they attacked Bill and Hillary. For marketers of books, newsletters and investments to conservatives, Hillary's the best sales tool to come along in many years.

Rage, anger, resentment - all very powerful emotions that can be activated and agitated by a smart marketer.

*(Ref: Read the book "*The True Believer*" by Eric Hoffer.)



Power Point #75
The Power Of "The Ultimate Sales Letter" Formula

Admittedly, my book, *THE ULTIMATE SALES LETTER*, is a bit dated; it was written and first published in 1990 - and is still available in bookstores. Anyway, dated or not, it is still a step-by-step process (virtually identical to the one I use) for writing an effective sales letter. You will be well-served by keeping it close and going through it again each time you sit down to write an important sales letter. A good way to use it, is to check your work after you've finished, and see if you've missed any bases.

This simple approach has produced sales letters that have combined, sold hundreds of millions of dollars worth of goods and services, made millions of dollars for a number of clients and made rich.

The Power Of Follow-Up

When someone raises their hand and identifies himself as having interest in your business, it is just plain dumb to make only one attempt at selling to that person - or equally dumb to let that lead "chill" before following up.

Recently, I saw a lead generation ad in our local newspaper for a door company. The ad was modeled after our methods, well written, and offered a Free Report. We need doors replaced at home, so I called and got the Report. The Report is outstanding. I was looking forward to doing business with this guy. Now I'm not so sure. First of all, I waited two weeks before calling to see what he'd mail me next, in follow-up. Now, almost four weeks later and nothing. So he invested X-dollars to get me to call, about \$2.00 to send me the first package, and then has done nothing else to try and turn his investment into business. Dumb. Also, I called once; the woman answering the phone told me he wasn't available but did nothing to arrange a call-back or phone appointment. See, having the first move right is useless if all your moves aren't right.

Because virtually nobody does a decent job with follow-up, when you do, your competitive edge is huge and automatic.



Power Point #77

The Power Of "Bare Knuckles Fighting"

What do you do when you MUST take on a direct competitor or competitors who have copied your advertising, and are confusing the marketplace?

Here's the "Rolex ad" I developed for Joe Polish, for this exact situation. (Next page). It's a good example of how you might directly take on competitors. Following it is one of the most successful ads I've ever created for Joe (the EXPOSED ad), and it was "set up" by the competitors' knock-off advertising, marketplace confusion, and controversy.

Whenever possible, I think you want to avoid this kind of head-butting. But sometimes it becomes unavoidable. In these circumstances, it's best to take off the gloves and throw your very strongest punches.

**"I'm confused. Who can I trust to
give me REAL, proven, highly effective, innovative
advertising, marketing, sales and profit improvement systems,
to dramatically and quickly increase my income?"**



This is a phony Rolex™ watch.
A counterfeit. A fake. A pretender.
To the uneducated eye,
to the casual glance,
it looks identical to the real Rolex™.
But it isn't even close.

Exhibit #3

Now this is the real Joe Polish. There are a whole lot of johnny-come-lately copycats and Joe Polish wanna-be's popping up in the carpet cleaning industry, holding themselves out as "the same." But not only was Joe here first, only Joe Polish has actually used the strategies he teaches to skyrocket his income in the carpet cleaning business* AND has over 1,000 happy users of his Systems throughout the U.S., Canada, England and Australia AND has the enthusiastic endorsements of leading trade magazine editors and publishers and industry vendors AND...well, the list goes on and on and on...plus his incredible guarantees.

*(Some of these low rent copycats even teach one type of marketing to others but, in their own businesses, rely on the old cheapest price, bait & switch advertising Joe detests and crusades against!)



**Just \$69.95 buys a Seminar-on-Video that, itself, has as much as doubled some
carpet cleaners' incomes. Or a FREE Report. Your choice.**

Now here's how to find out more.

so you can make the right decision about who can help you "reinvent" your carpet cleaning business for maximum profit and make acquiring lots of new, good customers easy:

Option #1: For the lowest investment ever, you can satisfy your curiosity and grab a whole pile of Joe's best ideas: for just \$69.95, you'll get a 1 1/4-hour Video Tape of Joe, "live," in Seminar, showing the carpet cleaners in attendance exactly how to transform their businesses virtually overnight. Because "the proof is in the pudding," this Video is the ultimate answer to any and all questions...you will see for yourself why Joe should be your marketing and success "coach." You'll also get an audio cassette of candid comments from Joe's clients and students. Just \$69.95. To order with VISA, MasterCard, American Express, or Discover, call toll-free at 1-800-775-2643 OR write your name, business name, address, phone, credit card number, expiration date, "\$69 offer" on a piece of paper, sign it, and FAX it to (602) 858-0004.

Option #2: For just a FREE copy of Joe's Special Report: "What 99% Of All Carpet Cleaners Don't Know And Will Never Find Out About Marketing Secrets Of A \$100,000.00+ Yearly Income." Call our special FREE RECORDED MESSAGE, anytime 24 hours a day, seven days a week: 1-800-587-1951.

Warning: Don't buy a Rolex from a guy in an alley.
And don't buy watered down, copycat marketing and
success information and coaching from a low rent knock-off artist either.

© 1996, Pintha Marketing Inc.

EXPOSED.

Small Town Carpet Cleaner Speaks Out And Reveals The Raw Truth About That Marketing Guy, Joe Polish, Who Advertises In This Magazine All The Time.

This guy, Joe Polish, promises all sorts of things to us carpet cleaners. Advertising ideas that really pay off. Ways to sell quality instead of price. How to never have a "no show" again. And so on. Every time I read one of his ads I thought, "Who could be dumb enough to fall for this guy's rap?" Now I'm going to tell you the raw truth about this guy and his "marketing secrets."

My name is Jim Wolverton and I live in a small city in Oregon. After knocking around carpet cleaning for ten years, working for other people, doing embarrassing bait-n-switch stuff, doing cut throat lowest-price jobs, I had a wealth of experience, no money saved, and a determination to go out on my own. On August 15, 1995, with a little money borrowed from my Momma, I bought an old van with a worn-out truck mount and a computer.

That month, after seeing it for months and laughing it off, I broke down and answered Joe Polish's ad. I figured now that I had to make it in this business or starve, it might be a good time to be a bit more open-minded about different ideas. So I got his Free Report, and to my surprise, it made so much sense that I turned around and bought his Marketing System. But I had every intention of going through it all and returning it for a refund. After all, after ten years in this business, what the heck could this loudmouth teach me? I knew every way there was to scrounge for or scare up a job.

What I found in Joe's materials actually scared me - most of it was so different from what I'd ever seen, heard, been taught or believed. As I studied Joe's information, I saw a whole different way to develop a high income business rather than just chase a job here, a job there. I saw integrity, service, smart targeted marketing, and freedom from cheapest-price, roll around in the mud, bait-n-switch ugliness. I even looked in the mirror and saw Jim Wolverton differently. So, skeptical and hopeful at the same time, I grubbed together about \$500.00 for a "marketing budget", to try out some of Joe's "secrets."

I tried six different Joe Polish strategies, and for me, one far surpassed the other five. In fact, this one strategy worked so well for me - well, 1996 was my best full year in business and here's exactly how I did:

I started out in a city of 105,000 people, competing with 76 other carpet cleaners, and where I didn't have a single contact. I did no door knocking, no cold



Jim Wolverton, Like New Cleaning

telemarketing, and I never advertised "cheapest price."

And I grossed \$193,080.00. Oh, and by the way, that was all residential - no big, fat restoration job or apartment building contract or anything like that. \$193,080.00 of residential carpet cleaning at excellent profit margins, with happy customers.

How you ask, could such a thing happen? The answers, simply, are learning how real direct response marketing works, from the "master", Joe Polish.

My business is booming. One Joe Polish strategy alone delivers four to seven new customers every week...over \$1,000.00 a week...and it costs just a few bucks. Thanks to Joe's inspiration and encouragement, I've become such a good marketing "mind", Joe's even had me speak at his Boot Camps - but that's another story. What is important is that Jim Wolverton can get as many new customers as he wants, gets plenty of referrals, is unaffected by competition, and actually enjoys this business. I'll make more money in my typical 3-day work week than most carpet cleaners make from a full month of struggle and suffering. So, here's the raw truth about this Joe Polish guy: he's a bona fide marketing and money-making genius who can do anything from tweaking to transforming your business, so you not only make a lot more money but you make it easier and more enjoyably than you can imagine. And, in my opinion, you're a fool to ignore him.

You've seen his ads in this magazine month after month. If you haven't responded, I don't know why. Maybe you think you're too smart and know it all, like I did - but if you're so damned smart, why aren't you rich and happy? Maybe you are doing really well already - but you could do better (some of Joe's most ardent students have 1/2 million dollar a year + businesses). Maybe you just don't want to be "sold" something that'll be a waste of your hard-earned money. About that you can relax. Joe guarantees his stuff.

I've got 193,080 reasons why you ought to investigate what Joe has to offer. What reason do you have NOT to look at this?

And here's how easy it is: Joe has prepared a straight-talk, detailed Report - "What 99% Of All Carpet Cleaners Don't Know And Will Never Find Out About Marketing Secrets Of A \$100,000.00+ Yearly Income" which you can have absolutely FREE of any cost or obligation. Get it, read it and decide for yourself whether or not you ought to try Joe's strategies in your business. It's that simple. To get your FREE REPORT pick up the phone and call 1-800-891-7151 - you'll hear a brief, free recorded message and be able to leave your name and address, so your Report can be mailed to you. Or write "Report" on your business card or letterhead and pop it in the FAX machine. Joe's FAX number is 1-602-858-0004. Either way, you'll get his eye-opening Report rushed to you, free.

By the way, I wasn't paid even a penny or given anything to write this up about Joe. I'm the real deal. I did this just as a way of saying thanks to Joe for everything he's done for me. And I'm not the only guy who feels this way. With your Report, you'll get a book of letters and comments from the carpet cleaners Joe's helped all over the world. Many, like me, are now working less but making more money, with less hassle than ever before. More business than we can handle flows in every day. We never worry about where the next job is coming from. All I can say is: don't envy me. Join me.

Jim Wolverton
Like New Cleaning Co.
Dallas, OR

P.S. Please don't get my number and call me. The last thing I need is a zillion phone calls asking about Joe. I've said what I have to say right here. What else could you possibly need to know?

© 1997 Private Marketing

The Power Of Being "Criticism Immune"

Effective marketing is almost always criticized - by your associates, peers, spouse, friends and mother. However, the blunt truth is that none of their opinions count. The only opinions that count are those expressed by people who might give you money. In other words, it's the customer's response that matters.

Here's a classic story, courtesy of Gary Halbert; a big company (which shall go unnamed here) hires Halbert to create a full-page direct-response ad to launch their company. He does; it works fabulously well; and is running continuously in USA TODAY and many major city daily newspapers - when he is called to a corporate meeting, introduced to the firm's new Madison Avenue ad agency, and asked to preserve the ad's effectiveness but "tone it down" and make it more "appropriate" for a big, successful company. The owners of this company succumbed to pressure from country club buddies, inept Mad Ave. types, wall streeters, etc. to take an ad that was making them millions of dollars a month and neuter it. I see this kind of stupidity in big companies constantly, and it's one of the reasons I've stayed away from the really big corporate clients as much as possible.



Power Point #79

Power Of An Inner Circle Group

A significant percentage of people are "belongers"—they value membership and association, so the smart marketer finds a way to offer that benefit to that segment of their clientele.

The "inner circle" or "membership" is also an effective way to package goods or services together and roll a combination of services that would otherwise be difficult to sell separately. You also automatically set up future renewable income.

Finally, it is away to bond (bind) customers to you for prescribed periods of time and communicate with them in a more effective way.

The Power Of "Hyper-Responsives"

If you want financial security in a business, you will make it a priority to cultivate "hyper-responsives" within your customer base.

What is a hyper-responsive? Where do they come from? How to cultivate them...

The "Hyper-Responsive" is that customer who totally believes in you, your company, your products and will buy virtually every new product or service you offer or recommend. They come out of your regular customer base, typically in the 5% to 10% range, as a result of delivering on your promises, exceeding their expectations, and frequent and consistent, nurturing communication.



Power Point #81

The Power Of 'Anonymous' Advertising

Quite recently, in April, 1997, in my *NOBS. MARKETING LETTER*, I reported on a restaurateur's brilliant use of an anonymous ad to collect a whopping 24,000 leads - and I challenged my IC Members to use the idea. ..I even offered \$200 cash to the first one to do it. The offer remains open - and everything is reprinted here, next page.

NO B.S. MARKETING LETTER

IN THIS ISSUE: \$250.00 OF CASH, waiting for you to grab, if you want it.....a letter from a guy who called me STUPID....an example of a simple sales letter that pulls \$10 in sales for every \$1 spent....and AS YOU CAN SEE, I'VE ATTACHED A DISCOUNT COUPON WORTH UP TO \$100.00 TO THIS ISSUE. This is to call your attention to the new, 1997 Edition of my Catalog that is enclosed.

When I was recently in the Washington DC area, all the cherry blossoms were out. Here in Phoenix, we've already hit the 90 degree mark. Rodman's gone to his pastel wardrobe. Spring has sprung, but, for some reason, I'm in a grumpy mood. Maybe it was that darned comet. Something in the atmosphere. Maybe it's the result of catching up on a veritable mountain of critiques. Anyway, this issue features a bunch of my "pet peeves", annoyances and aggravations. Cheaper than therapy. So I've saved some dough just by writing this issue. Let's see if you can make some money by reading it...DSK

OKAY BUCKOS, HERE'S HOW TO BUILD A BUSINESS WITH GUTSY MARKETING. When it comes

APRIL 1997



down to the true bottom line, the difference between the superstars and the also-rans in business is little more (or less) than "balls." (Not physical; mental.) Consider Ed Novak, the entrepreneur behind The Broker Restaurant in Denver. Since beginning with \$900 in capital 25 years ago, Ed has repeatedly flummoxed his competitors with strategies like free shrimp cocktails for all customers.....a selection of 20 different wines at just 25 cents above cost..... promotion of a \$7.00 prime rib dinner to get lunch customers back to the restaurant in the evening.....and his biggest ploy: he ran a full-page, anonymous ad in the local newspaper, featuring a questionnaire for people to fill out and send in - indicating their local res-

taurant preferences, what they liked and disliked about the named restaurants, and offering a \$20 certificate from one of the restaurants to everybody who sent in the questionnaire. He received 24,000 responses!!! That translates to \$480,000.00 in coupons - prompting competitors to predict Novak's impending bankruptcy - but Ed contends the capture of names and addresses of people interested enough in dining out to complete and mail back such a survey is well worth the investment, and that, as always, he'll come out ahead. (This is a strategy almost any kind of local business could steal and use.) Novak knows the value of names: his restaurant's Birthday Club list exceeds 70,000 people. (Imagine that - 70,000 divided by 12 months; an average of 5,800 customers receiving free dinner coupons each month for their birthdays.) I don't know this guy personally, but I'd like to. Here is somebody with more vision, imagination, confidence and common sense than any 100 other restauranteurs added together. Here is somebody who is smart about buying customers with their lifetime value and referral value in mind, rather than being foolishly restricted just by

the value of their first purchase or any one purchase.

I'll Pay You \$200 To Try This Idea.

(*Right here, I've handed you an advertising gambit that could flood, no, drown you in new customers - are you sharp enough to catch it? To translate it? To use it? If you are, then this one goodie alone could repay every dollar you've ever spent with me and ever will spend with me many times over. Oh, and the first IC Member who does "get it", uses it, and sends in both the ad and the success report, will get a check from me for \$200.00 - not that you'll need more money!)

ANOTHER PET PEEVE OF MINE: horribly unrealistic expectations for external advertising and marketing. Most local businesses like restaurants, stores, service providers, doctors, etc. should be thrilled with any and all advertising/marketing that performs at true break-even or better.....because each new customer acquired through such a method is a new "Gateway" to repeat business and referrals you wouldn't have otherwise. How many Gateways would you like to acquire and own if you can get as many as you choose for free? That's what advertising, what gutsy promotion is all about, and that's what Ed Novak clearly grasps.

ANOTHER PET PEEVE: people who follow only PARTS of my advice, then grumble

Power Of Name Capture

**"A business without a mailing
list isn't a business."
- Dan Kennedy**

Consider a "normal" ad for any business, let's say something as simple as a restaurant. Maybe from its Yellow Pages ad, coupon mailers, etc. Thirty people a month one a day calls in to ask a question — when are you open? Do you take reservations? Etc. If these 30 people had their names and addresses captured, there are 30 "hot prospects" a month, 360 a year, who can get sent a "thank you for calling" letter and offer, then put on a list to get periodic mailings.

EVERY business should be super-sensitive to capturing names.

I will talk more about this in detail in the second Power Points Volume (Series I, Vol. II), but for now note that any and every business needs a name capture strategy not just for purchasers but for inquirers as well.

Media Power Points

The Power Of Yellow Pages Advertising

Lots of merchants grumble about the high cost of Yellow Pages advertising, but those who insist it costs them *anything* are simply dunderheads. For 70% to 80% of all business, you have to work at NOT making a profit from YP advertising. (Unfortunately, my business is not one of these. Attempts to use the YP to drum up local business, speaking or consulting, have proven dismally ineffective. But for most businesses, the YP works.)

The reasons many YP ads do not pay off for their advertisers are very simple and common. They can be summed up as not having a direct-response ad at all. These most common errors feature (in priority order):

1. No headline (Business name or location doesn't count)
2. No reason(s) to choose you vs. other advertisers
3. No offer(s)
4. Look-alike appearance with other advertisers



Power Point #84

The Power Of Coupons

Retailers and service business operators alike must understand the power of coupons. Consumers clip 'em, save 'em and use 'em. Coupon usage in America is huge, so you might as well participate.

Incidentally, when providing a coupon, it is usually best to put a big, thick coupon border around the coupon (or around the entire ad), so that there is no confusion. My own experience over the years bears this out as the best strategy ie. thick beats thin, the dotted coupon border beats out other borders - including fancy-schmantzy certificate borders.

Some clever ways to use coupons include:

"We'll Redeem Any Competitor's Coupons"

Way back when, in the Amway business, my parents and I often ran this promotion, to expand customers' usage; to get regular, retail customers who were repeatedly buying and using only a few items to try additional ones and redeem "store brand" coupons for the like products - and it always created lots of sales and lasting usage expansion.

The idea is simple: if you are a retailer or operate a service business: accept your competitors' coupons. This puts all *their* advertising to work for you. And, if you can afford it, DOUBLE the value of competitors' coupons that you redeem!



Power Point #86

"Multi-Week Or Month Coupon Books"

This technique is most useful for expanding usage and/or increasing frequency of patronage. The booklet has x-number of coupons in it, each dated by the week or two-week cycle, each offering a discount or gift-with-purchase tied to different products and services you sell.

Let's say you own a Baskin-Robbins: your coupons might look something like this:

June 1 – 5	Two Smoothies For The Price Of One
June 6-11	Free Cone With a Milkshake
June 12-17	50% Off On any Take-Home Quart With Purchase Of Any Other Item
June 18-23	FREE Movie Ticket To The First 50 Purchasers With This Coupon
June 24-29	Specials For The 4th of July:

Even if you are a national direct marketer, rather than a retailer or service operator, you can still utilize coupons. Here are a few ways:

To Boost Order Size

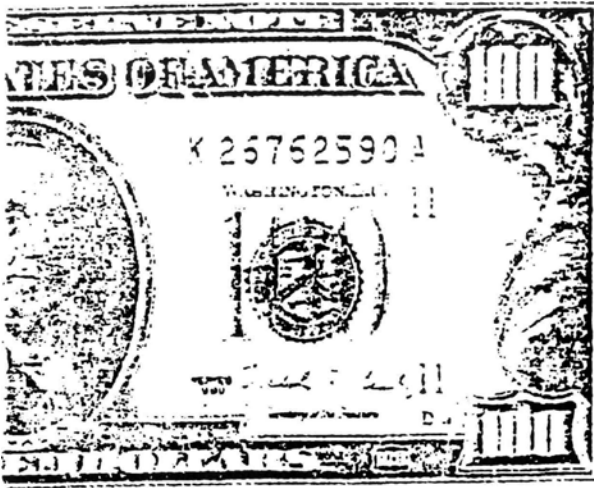
In many businesses, some of the key elements that determine customer value and a business' profitability include "frequency of purchase" and "size of average order." A coupon like mine (see sample, next page) is designed to push up the average order size.

You can do this with progressive discounting, as I've done, or with gifts-with-purchase; either progressively better gifts or gift choices with larger orders or stacking of gifts; one with x\$, that one plus another with y\$, those two plus another with z\$.

This can also be used in the circulation business, to up a buyer from one length of subscription to a longer length.

SAMPLE COUPON

Front



PROGRESSIVE COURTESY DISCOUNTS CERTIFICATE WORTH UP TO ONE HUNDRED DOLLARS

CHOOSE YOUR DISCOUNT!

Order from the enclosed catalog by the date stamped in red below and choose your discount, based on total order amount:

Order Amount	Discount
\$100.00	\$10.00 (10%)
\$200.00	\$25.00 (12.5%)
\$300.00	\$50.00 (16.5%)
\$400.00	\$75.00 (18.7%)
\$500.00	\$100.00 (20%)

Discounts Expire: _____

Courtesy coupon. NO cash value. May NOT be used for Kennedy Inner Circle Memberships or No B.S. Marketing Letter subscriptions or renewals. May NOT be combined with other coupons or certificates. Subject to other restrictions Expires on date stamped in red.

Back

THIS COUPON MAY BE REDEEMED:

BY PHONE: Ordering via 1-800-223-7180. 10-4 EST, M-F, or 602/269-3111 only Tues. and Thurs. 12:30-4:00 PM, Arizona Time. Advise that you have the Coupon and provide its Expire Date (stamped in red, other side) as its Authorization Code.

BY FAX: Either FAX the Front Side of this Coupon itself with your Order, OR, just jot the Coupon's Expire Date down on the Order Form and deduct the appropriate amount from your order. FAX to 602/269-3113, anytime 24 hrs. a day, 7 days a week.

PY MAIL: Please return the Coupon with your order.

IF YOU HAVE MISPLACED YOUR CATALOG/ORDER FORM OR NEED MORE INFORMATION PLEASE CALL OR FAX THE ABOVE NUMBERS.

Power Point #88

Notes

The Power Of "The Free Recorded Message"

The offer of a "free recorded message" will often out-perform simply giving a number to call; many people prefer the anonymity and security of hearing the message rather than the potential confrontation of dealing with a 'live' salesperson.

In some cases, advertising a recorded message allows you to reduce the size and cost of your ad, by delivering less information in the ad, more via the message.

The uses of these messages also allows you to "robot" your lead capture.

Ref: Reccommended Vendor
ATG Technologies (formerly Concord Communications)
2024 North Point Blvd.
Tallahassee, FL 32308
1-800-775-7790 Customer Service
1-800-775-7755 Talking Brochure
1-800-800-6126 Fax



Power Point #89

The Power Of The Inbound Call

An irate banker demanded that the "salesman" get "that toy" out of his office immediately. His salesman was Alexander Graham Bell.

The toy was the telephone.

In most stores and offices, the inbound call is an interruption to work, not "opportunity calling"—which explains why so much advertising is unfairly and incorrectly blamed for failing. When an ad, sales letter, etc. produces a phone call, that person is calling to be "sold." If he's not handled perfectly, the money spent up until that point, to get him to call, is wasted.

Expecting a receptionist or retail counter-person, with no telemarketing training, no incentives, and a number of competing and conflicting responsibilities to do a good job selling to inbound callers is idiotic.

The Power Of The Telephone Upsell

Every call represents an opportunity to upsell.

In the TV-infomercial business, with ever-increasing media costs, the immediate telephone upsell has evolved from extra profit center to absolute necessity. Done right, 15% to 20% of all calls can yield one or more upsells, and that is often the profit that keeps an infomercial on the air. There is a profoundly important lesson here for everybody.

Again, to be painfully honest, this is an Achilles Heel in my own business, and I'd wager it costs me thousands of dollars of net profit each and every month.

If you call and order from just about any successful, sophisticated mail-order/catalog company, like Petermans, Sharper Image, etc., after your order is taken, the order-taker will talk you through one or more upsells. If you want to hear what these sound like, call up and buy things from such companies.



Power Point #91

The Power Of The Outbound Call

Personally, I'm no fan of outbound telemarketing; I prefer to use methods that (appear to) "attract" rather than those that "pursue". But there certainly are times and situations where outbound telemarketing is appropriate; some where it is necessary.

Generally speaking, telephone follow-up to a multi-step direct-mail campaign will always pay off.

On a large scale, there are companies that will take your customer or prospect lists, develop a script, assign telemarketers, use computerized predictive dialing, and do everything for you. If you generate large numbers of leads (5,000 to x-thousand a month), you should definitely look into this.

On a small scale, outbound telemarketing can be a boom to the small business, especially a struggling business. Local calls are free. I once watched friends sit around like stumps while their restaurant went broke, and I never understood why they didn't leap into action to save the business - and telemarketing could have helped. Just for example, here's how a small restaurant owner might telemarket personally:

"Hello, I'm Arnie Bezikarus, the owner of the Bezikarus Greek Cafe near your home, at 7th and Waters, in the Oak Tree Shopping Center. I'm calling to offer you a free dinner. Do you have just a minute for my call?"

If he'll make 20 connects a day, 5 days a week, he'll invite 400 new customers into his restaurant each month. Assume just a 10% conversion: 40, and assume 25% become "regulars" . . .at year's end, he's added 120 new, regular customers. If the average ticket for two is \$25, and each regular comes in just 10 times a year, that'll put \$30,000.00 of new business on the books with zero advertising cost.

Outbound is also a way to "quasi-test" new products or offers, either by calling a selection of your own customers or prospects.



Power Point #92

The Power Of Co-Op Mailings

For many retail and service businesses, Val-Pak and Money Mailer are "basic" advertising media, and they should be. Their virtues are low cost* and high readership; reliable research indicates 80% get opened and browsed through - probably because everybody knows they'll be a couple coupons in there they'll want.

This media can work for "unusual" businesses, too, and probably should be tested by a much wider variety of businesses. Just for example, several years ago, I did a couple days of consulting with the hypno-therapist with the largest stop smoking/lose weight seminar road show in the country - and, unlike all of his competitors who used newspaper and radio advertising - he sold out his seminars using Money Mailer inserts. I believe this is an overlooked advertising opportunity for many businesses.

The nationwide, business-to-business equivalent: card decks. The simple truth about card decks is: quantity, not quality. The companies that consistently make card deck advertising work have sophisticated, multi-step, aggressive follow-up systems usually including outbound telemarketing OR a very high transaction/customer value.

Of course, local merchants/professionals can and should do their own shared cost, co-op mailings. A chiropractor, dentist, optometrist and podiatrist are logical co-op candidates. All the stores in a shopping center. A carpet cleaner, a gardener, and a plumber. Area merchants can have much greater impact by working cooperatively rather than individually. And when threatened by new "giant" competition, like when Wal-Mart comes to town, the small merchants often either prosper together or hang separately. (Re. this: read or re-read and circulate the Chapter on "Mastermind" in Napoleon Hill's book, *"Think And Grow Rich"*)

Ted Nicholas'

Direct Marketing Success Letter

Marketing Ideas and Strategies that Build Sales

813-596-4966

PO Box 877

Indian Rocks Beach, FL 34635

813-596-6900 fax

"How To Make Card Decks Pay"

April 28, 1995

Dear Friend and Subscriber,

6:55 a.m.

For years I've successfully sold millions of dollars worth of products and services via card decks. Yet, most marketers who try card decks cannot make them pay out.

The reasons why so few make money are a well kept secret. I'll reveal the real secrets of how to succeed with card discuss in this issue of Direct Marketing Success Letter.

Do people really look through a big, thick batch of cards in a deck and actually respond? I'm often asked that question. The answer is an emphatic

YES!

Many busy people enjoy quickly reviewing many exciting products offered in card decks. It's a quick way to "shop" through a variety of products. But, as with any other method of delivering sales information to a prospect, you must do it to succeed.

In case you don't know what a card deck is, let's define terms. A card deck offer is a product description on an individual card about the size of a postcard placed within a deck along with 50-100 other cards. These cards are wrapped in cellophane or plastic to keep them together in a deck.

There are many choices to select from when considering where to place your card deck offer. In fact, there are over 500 card decks published in the U.S. at the present time. A good source of contact information about card decks is a Standard Rate and Data Directory found in a good library.

Card decks are potentially a very profitable medium you. They could be your best media investment. Why? They are a relatively low-cost way to reach large numbers of prospective customers. It's not unusual to reach 100,000 plus people at a rate of \$10 to \$20 per thousand. Or, just \$1,000 - \$2,000 to reach a big audience! Thus, you can target and send your offer to a larger number of carefully selected prospects FOR less money, than nearly all other direct marketing methods.

But why are most marketers who test card decks spectacularly unsuccessful? What are the pitfalls you should avoid?

(please turn to next page)

Let's look at the reasons as I see them.

Avoid these common mistakes

1. Placing Balling copy on in at on a of card.

Most marketers use only one side of the card for selling copy. The entire reverse side of the card is commonly used just for the address to whom the response is sent. The effect is to reduce the potential size of sales copy by 50%! Remember the old adage. The more you tell, the more you sell. This is especially applicable in a card deck wherein you have a limited area you can fill with copy.

2. Using weak or untested copy.

Typically/ those testing a card deck prepare new copy employing a less than top flight copywriter. A card deck is not the ideal place to test new copy. Q£ an unproven copywriter. Because card decks are so inexpensive, unsuccessful marketers often employ young, unseasoned copywriters without sufficient experience with their *feet to the fire."

Since you have less space than an ad or sales letter to devote to copy, you really need top flight copywriting talent.

3. Using an untested offer.

It's far better strategy to test and prove the sales appeal of an offer when using long copy, such as in a sales letter or full page space ad.

4. Card deck is a want to the wrong mailing list.

As with all other forms of direct selling, you must mail your card to the right audience. A sufficient number of appropriate prospects must be the majority of people who make up the card deck mailing list to make the offer cost effective.

Because card deck advertising is relatively cheap, marketers make far more mistakes in selecting the card decks mailed to unresponsive lists for their product or service.

5. Graphic do not enhance the sales power of your message.

Once again, a card deck is not the ideal place to test graphics, which are a very important element of a successful offer. Typefaces, headline layout, photos, etc., are better tested in a space ad or sales letter.

(please go to next page)

6. Two-step (lead generation) and one-step sales generation ads are not tested against each other

Some card decks work better on a two-step basis and others on one-step. And vice versa. Results vary from offer to offer and must be tested.

Here are the little known techniques which reveal exactly how I've made card decks pay for 23 years. Employ these tips and watch your sales explode!

How to Make a Card Pack Of far Succeed

A. Run sales copy on» both sides of the card deck.

It's much more important to provide a longer sales message filled with benefits on both sides of the card than to devote one entire side of potential sales with a reply mechanism.

If your offer and copy are compelling, your prospects will respond using their own envelope. Or they will call the toll free telephone number you list. But only if they have been sufficiently sold.

The secret is to have twice as much selling copy than the strategy used by other marketers who fail.

B. Use tested copy.

Test out the card deck copy in a long copy medium, such as a sales letter or space ad.

Here is the key point. If the offer does not work when you are not limited for selling space, it surely will not work in a card deck. When you do have a successful offer, use the same headline. Boil it down to its strongest benefits for use in your card deck. And only put profitable products and offers in card decks.

If you are creating a new offer for the card deck, write the copy yourself. Or hire the best copywriter you can possibly afford.

When preparing a card deck offer, do not waste time and money with copywriters who do not have a successful track record in print media. Reason? Whenever you employ relatively short copy, as in a card deck, you need an "Olympic Champion* copywriter. A copywriting effort by a novice will almost surely fail.

If you are testing a promising new copywriter's work, use a long copy medium. The best medium is a sales letter where length is not even an issue. Plus, you can test a small segment of a mailing and keep costs down. If a copywriter cannot prepare a successful sales letter, there is no way he/she can create a card deck that works.

(please turn to next page)

C. Use a tested offer.

Price your product in accordance with what has worked best in other media. If a bonus . and guarantee are included in your tested long copy offer, incorporate it exactly in your card deck offer-

D. Mail your card deck offer to the right prospects.

Use the sama or similar mailing lists, that are proven to give you a profitable response to space ads or sales letters. Conversely, if it is not profitable to mail sales letters to certain mail lists, a limited copy card deck surely won't work.

E. Use tested graphics

Use the same graphic elements previously used in a successful space ad or sales letter. For example, repeat the same headline typeface. As to body copy, it's safe to use Times Roman, which has best stood the test of time. Use two or three columns in body copy for ease of reading. I've tested "ragged" right and justified right hand columns. Results were the same, so use whichever you prefer or fits copy best.

F. Test lead generating card dec3c offer against one which asks for the sale.

It is, of course, easier to get a prospect to "raise, their hand" in responding to an offer which simply sells the idea of providing more information upon request. In such a case, your response is to mail a long copy sales letter which sells the benefits of your offer and asks for the sale. A card deck can be the ideal vehicle for lead generation due to its limited copy characteristics.

Again, the ideal copy approach is to include a proven headline. Then your body copy asks the prospect to respond for more information.

Against the two-step approach, test a one-action offer which immediately goes for the sale.

Experienced direct marketers have been puzzled for years why I have so many successful one-step offers running in card decks. The underlying reasons which I've never written about before are revealed in this issue of DMSL. Now you can experience the same success by employing the strategies that work.

I've also included actual examples of successful "one-step*" and "two-step*" card deck offers, which demonstrate the techniques I've just discussed.

(please go to next page)

This card has been successfully running
for many years in a variety of card decks
which are mailed to executives and entrepreneurs

Beat New Tax Law with Your Own "S" Corporation

New handbook shows how you can beat tax reform...
gain limited liability... without double taxation

Limit your liability and avoid double taxation. These important advantages and many others are now available to you when you form an "S" Corporation. Individual tax rates are lower than corporate tax rates for the first time in decades. That's why the "S" Corporation strategy is the most significant tax loophole under the new tax law.

Let's look at the facts. There is no income tax whatsoever at the corporate level — you pay at the new lower personal rate. You would have all the benefits of a corporation. You can operate even as a one person business if you like.

That's why there has been a recent surge of "S" Corporations. If this strategy appeals to you, a new publication makes it clear and simple. *The "S" Corporation Handbook*, by Ted Nicholas (author of the best seller, *How to Form Your Own Corporation Without a Lawyer for Under \$50*).

Front

EP 1048

The handbook covers how to:

- Completely avoid corporate tax.
- Discover when an "S" Corporation becomes your best personal tax shelter. Losses are taken on your personal return — yet you retain all corporate advantages including limited liability, easy transfer of ownership, and continuity.
- Own investments including real estate and securities in an S Corporation when 100% of your income can be from rents, dividends, and other passive sources without losing status.
- Put children through college with IRS help.
- Personally sell property tax free to your new S Corporation.
- Tax deduct your kids' allowances.
- Hand your children a \$120,000 graduation present.
- Give your spouse a tax deferred \$144,000.
- Have up to 35 stockholders and still retain S status.
- Have proper timing on making the S Election.
- Insert buy-sell agreements so that you can easily get back stock of any shareholder who dies, is divorced, or wishes to sell.
- Build wealth without more work.
- Avoid accumulated earnings tax.
- Structure your holdings for maximum advantage.

For ease of ordering, call toll-free 1-800-533-2665.
Or complete the order card and mail at once.

FILL OUT THIS CARD COMPLETELY AND MAIL IT ALONG WITH ANY OTHERS OF INTEREST IN THE ENCLOSED POSTAGE PAID ENVELOPE.

- ☐ Please send me one copy of *The S Corporation Handbook* by Ted Nicholas at \$69.95, plus \$5.00 shipping and handling. If for any reason I am dissatisfied, I can return it within 30 days of receipt for a prompt and courteous refund.
- ☐ Also, send me a copy of *How To Form Your Own Corporation Without a Lawyer for Under \$50* for \$19.95.
- ☐ Enclosed is my check. Charge my:
- ☐ Discover Card ☐ Carte Blanche

Card No. _____ Exp. Date _____
Signature _____
Name _____ Company Name _____
Address _____
City _____ State _____ Zip _____

Daytime Phone (In case we have a question about your order)



Make checks payable and mail to:
Entrepreneur Publishing, Inc.
733 Madison Street, Dept. ED-602
Wilmington, DE 19801

12884

Entrepreneur Publishing, Inc. © MCHM 820076

Back

This unique selling proposition (U.S.P.) continues
to pull sales in space ads, sales letters, and card decks
mailed to small business owners

What Will You Do When Your Personal Assets Are Seized to Satisfy a Judgement Against Your Corporation?

Every single one of the many tax benefits you receive from owning a corporation could be wiped out overnight. How? The IRS could visit and claim you have not kept proper corporate records.

And banks, insurance companies and various government agencies require notarized authorizations to grant loans, enter into leases and even sell assets.

In a small, one person business, it seems silly to keep records. Isn't it just a waste of time?

NO! Recordkeeping is part of the price you pay to receive all the advantages of incorporation.

You could hire a lawyer to keep your records — just like the big corporations do. And to have

one form prepared, you'll pay \$100 or more, even though your lawyer's secretary may complete the standard forms.

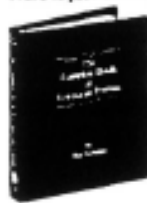
There is now a way for you to solve your corporate recordkeeping problems. Without a lawyer. Without the high fees. And without spending a lot of your valuable time. It's THE COMPLETE BOOK OF CORPORATE FORMS by Ted Nicholas, author of the bestselling book, HOW TO FORM YOUR OWN CORPORATION WITHOUT A LAWYER FOR UNDER \$50.

SEE OTHER SIDE
FOR MORE DETAILS

Front

Virtually every form your corporation will ever need is prepared for you, and there are simple easy to follow instructions for each document. Each form can be completed in minutes. And you have permission to reproduce any form in the book.

Here is just a sampling of what you'll receive:



- Minutes of Stockholders' and Director's meetings.
- Minutes of Special Meetings.
- Forms authorizing your expenses and salary. And much more.

Even if you are behind in keeping accurate corporate records, this book will help you catch up. Just complete a few blanks to document your companies' activities. It's legal and it works. And best of all, if you use just one of the forms in the next year, you will more than justify your modest investment in it.

K-1043

© Enterprise Publishing, Inc. MCH130006

Please rush me _____ copy(s) of THE COMPLETE BOOK OF CORPORATE FORMS by Ted Nicholas at \$69.95 plus \$4.50 for shipping and handling. I understand my purchase is covered under the Enterprise 30-Day Money Back Guarantee if not satisfied.

- ☐ Check enclosed.
☐ Visa ☐ MasterCard ☐ American Express

Account No. Exp. Date Invoice

Name

Company

Address

City State Zip

Day-time phone (in case we have a question about your order)

Mail to: Enterprise Publishing, Inc., Dept. EO-633C
725 North Market Street, Wilmington, DE 19801

This offering is endorsed by the Entrepreneurs of America. EOA members are entitled to a 20% courtesy discount on Enterprise books and other benefits. For complete membership information, call the EOA toll-free 1-800-553-3932.

Back

This card deck offer produces both direct sales and leads. Those who inquire are sent a letter, brochure and within two weeks receive a follow-up telephone call

Instant Incorporation WHILE-YOU-WAIT™

Often, it's urgent to form a corporation immediately. Reasons include closing a deal, tax savings or to limit personal liability. Now, all you need do is pick up the phone and have your credit card ready. No lawyer necessary. You can be incorporated — including name reservation — while you hold the line! Patented system makes it easy for you. Your cost? Only \$35.00 (plus filing fees, usually \$71.00).

See other side for more details...

Front

Your incorporation will be handled individually, with care. Our nationally known corporate service organization has been established for over 15 years. We've set up over 70,000 corporations and incorporate in any state, specializing in the well-known Delaware corporation.

©The Company Corporation 1988



Call toll-free now:

1-800-228-2677

Or write:

EAP-10/88-OMI



The Company Corporation
725 North Market Street, Dept. EO-42Y
Wilmington, DE 19801

This offering is endorsed by the Entrepreneurs of America. For complete membership information, call the EOA toll-free: 1-800-553-3932.

T-1817

Back

Put the secrets of successful card decks to work for you and watch your sales grow from this little understood, yet extremely powerful, medium.

Sincerely,
Tea Nicholas

P.S. Next month—How to Prepare a Successful Brochure.

Ted Nicholas 1995 Seminar Update

- Two-day intensive seminars, small groups with individual attention by Ted Nicholas, on "77 Million Dollar Sales Secrets." Attendees will receive critique of current sales letters, ads and brochures and Ted Nicholas' personal assistance in turning them into winners!

New York	Friday and Saturday, May 5 and 6
Los Angeles	Friday and Saturday, May 12 and 13
Dallas	Friday and Saturday, May 19 and 20

Special offer for DMSL subscribers. Call Dick for details at 1-800-730-7777

- June 2, 3 and 4 —The Ted Nicholas SMALL BUSINESS SUCCESS SEMINAR, "How to Turn Your Business Into a Wealth-Building Money Machine." Double your sales in one year or less. A once-in-a-lifetime opportunity to hear the 11 best small business speakers in the U.S. Special marketing sessions with Ted Nicholas (the last seminar appearance in the U.S. for 1995). Location: Tampa Convention Center, Tampa, Florida.
- June 19-21, Winnipeg, Canada. TCCM '95—Direct Marketing and Telephone Sales Conference. 12 World Class speakers. Ted Nicholas to conduct full day workshop June 19 on "How to Quickly Double Sales With Million Dollar Ads." Ted will also present a workshop, "Preparing the Ideal Sales Letter," on June 22.

Ted Nicholas' *The Direct Marketing Success Letter* is published at least ten times annually at a Special Charter Rate of \$177 per year by Nicholas Direct, Inc., PO Box 877, Indian Rocks Beach, FL 34635, © Copyright 1995 Nicholas Direct, Inc. All rights reserved. Reproductions or copying *The Direct Marketing Success Letter* is not permitted without written consent of the publisher, except for review purposes where source credit is given.

Power Point #93

The Power Of The Envelope

Notes

What's inside your envelope is irrelevant if the envelope never gets opened. And often, envelopes go to the trash still sealed. When putting together a direct-mail campaign, it is very important to give careful thought to the envelope design most likely to be opened by the most number of prospects.

One choice, often most appropriate to contacting new prospects, is the "sneak up envelope" devoid of business identity and designed to look like personal mail...typically only a person's name and street address or only an address in the return corner, a live stamp, and individually addressed by typewriter, hand-addressing or ink jet.

Another choice involves "teaser copy" - copy on the outside of the envelope selling the recipient on opening it and reading what's inside. One of my rules is - if you are, in any way, going to reveal your envelope as being business mail, then you might as well use teaser copy; and if you're going to use teaser copy, you might as well use a lot of it.

Other choices involve deceptive (but not illegal) designs, like imitations of Federal Express/Priority Delivery...very official looking envelopes, such as brown Kraft, with seals and directive panels window envelopes with checks showing through the windows.

No one approach is ALWAYS better than the other. Each serves a purpose in different situations and applications. The most important idea here is NOT to let your envelope design by an "oh-by-the-way"; it is as important as any other decision in the entire direct-mail package.



Power Point #94

Power Of A Sales Letter

Keep in mind that I work with virtually all media, from sophisticated and expensive TV infomercials to dirt-cheap postcards and Money Mailer coupons. My clients get the benefit of that broad-based experience, and the fact that I've developed "moveable techniques" that work virtually regardless of the means of delivering the marketing message. But, of every media I'm familiar with, I believe that the "simple" sales letter is the most reliable and powerful method of selling anything- and I've yet to see the 'thing' that can't be sold with a sales letter. With that in mind, you should always try to include sales letter(s) in your marketing mix.

By the way, a lot of marketers get "penny wise, pound foolish" here skip the envelope and go with a tri-fold self-mailer, use postcards, etc. Those tools have their place, but nothing beats a true letter, that is written like a letter, looks like a letter and is delivered like a letter. Conversely, do not confuse other devices, like flyers, with letters. I frequently get flyers sent to me for critique tagged as Letter# 1, Letter#2, etc., when the pieces are not letters at all.

SOME SMART WAYS TO USE SALES LETTERS:

- To get prospects to call you (direct response)
- To directly sell services
- To prospects for telephone follow up (pre-approach)
- To directly sell products (mail-order)
- To create sequences of letters for prospecting or selling
- To introduce new products to existent customers
- To approach agents and publishers
- To create direct-response advertising
- To create effective brochures
- In civic activity - to promote a cause
- To introduce new services to existent clients
- To create seasonal promotions
- In charitable work - to raise funds
- In politics - to elect a candidate
- In consulting work, with clients
- To generate publicity
- To ask for referrals
- To sell subscriptions or memberships



Power Point #95

Power Of A Direct-Mail "Package"

A sales letter is powerful, but usually you're best served by a complete direct-mail "package" meaning a letter with enclosures, in an envelope. The enclosures can make all the difference in the world, because they can do multiple tasks for you - even different tasks with different recipients; some people may read them before they read the letter, others may read them afterwards. Enclosures add interest.

Frequently used, effective enclosures include:

1. Brochure
2. Newspaper Tear Sheet or Article Reprint(s)
3. Pages or booklet of testimonials
4. "Buck Slip" presenting bonus gifts "lift Note"
5. Response/Order Form
6. ⁴"Read This Only If Still Undecided" Note
7. Photograph or page of photos with captions
8. Coupon(s)
9. Discount Check (simulated check)

A word of warning: if you are doing pure A-pile mail, a bunch of enclosures can ruin the effect. A strategy for this situation is to put the enclosures inside a smaller, second envelope, labeled "Please Open & Read Only AFTER You've Read My Letter."



Power Point #96

The Power Of The Postcard

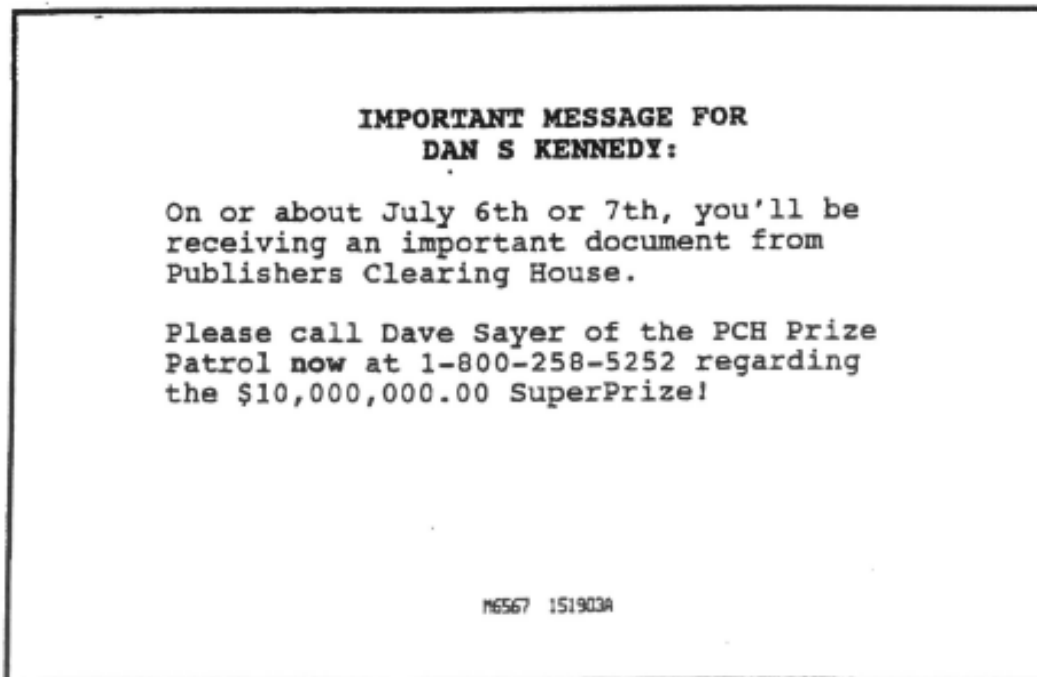
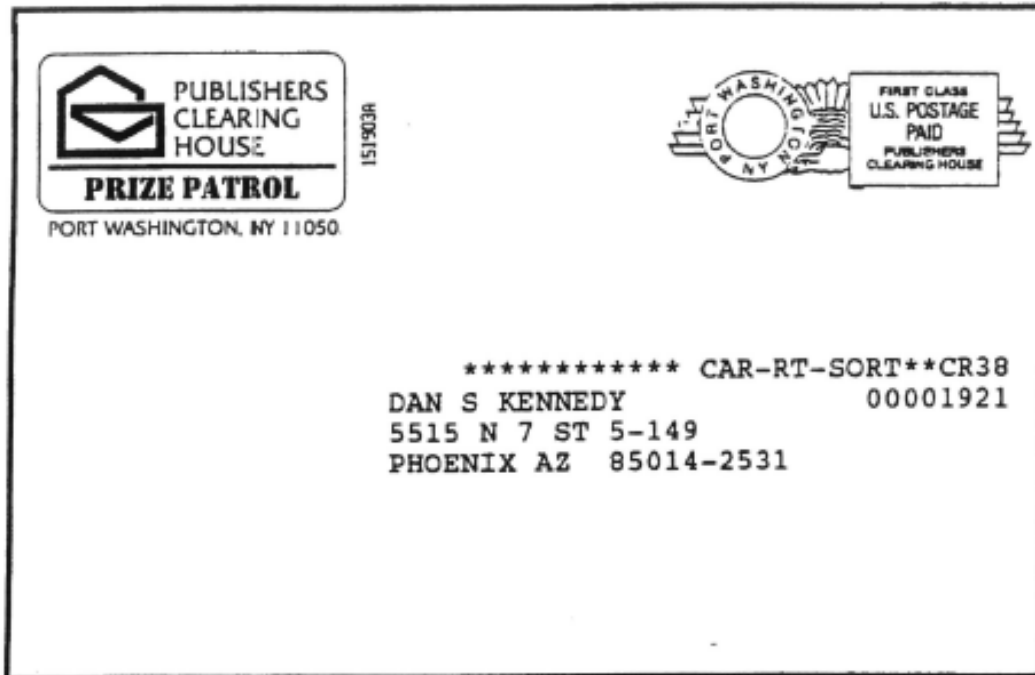
The lowly, "dirt cheap" postcard makes a lot of money for a lot of people. While I personally, rarely use postcards, a great many of my clients and IC Members do use them profitably and successfully. The postcard's greatest strength and greatest weakness is instant readership.

One very good use of postcards is as some of the steps in a multi-step mailing campaign to the same prospects. I've seen very effective postcards sent in advance of an elaborate literature package, announcing its impending arrival. I've also seen postcards used as later steps. A postcard can present a testimonial or case history, announce a sale, deliver a "final notice."

The oversize ("giant") postcard stands out in a stack of mail, provides quite a bit of space for copy, and is less costly than a letter in an envelope.

Many marketers have good luck with postcards bearing very brief, simple, curiosity arousing copy driving the recipient to a 'free. recorded message' (see Power Point #88).

SAMPLE POSTCARD



Power Point #97

The Power Of 'Grabbers'

Notes

A "grabber" is something attached to a sales letter, designed to "grab attention." It might be a dollar bill, a 'million dollar bill', foreign currency, pennies, a bag of dirt, a packet of aspirin or antacids, a baseball trading card, a gold chain, a - well, you name it. I am a big believer in using these things and am constantly searching for new sources of inexpensive "grabbers". I have brought vendors for everything from foreign currency to packets of Tylenol to the attention of my Inner Circle Members and encouraged them to use these "grabbers."



Power Point #98

The Power Of A "Tear Sheet Mailing"

In its purest form, a 'tear sheet mailing' is a piece written like a newspaper article about you/your business, laid out like an article in a newspaper, printed on newspaper-type paper, and often the back is printed with an actual newspaper page or stock quotes. Many marketers have mailed tens of millions of these in plain envelopes, with little Post-It notes on them reading "Thought you should see this", in simulated handwriting. These things have been enormously successful for a number of purposes. They have also brought the FTC down on a couple users. The good news is: there are ways to use this tool with little or no risk of running afoul of a regulatory agency.

First, avoid printing copyrighted material on the back of the sheet, unless you obtain written permission and/or are reprinting an actual newspaper article about you (rather than one you've "faked"). Second, if you have serious concerns about the legalities and plan widespread public use, put an "Advertisement" or 'advertorial" slug on it. Third, don't send them out alone, with the Post-It Notes designed to make the recipient believe he received it from a friend; these kinds of tear sheets are very effective enclosures with sales letters. Even when sent with sales letters, they tend to command much higher readership - and be granted greater credibility than the accompanying sales letter. They also make good trade or consumer show hand-outs or co-op mailing enclosures.

These things provide a great combination of high readership and very, very low cost.

The Power Of The Order Form

The Order form "closes the sale" - it is at least as important as salesman's close, in person-to-person selling.

Keys:

1. Easy to use
2. Organized, orderly design
3. Include a summary statement
4. Consider including the guarantee
5. Include all payment options
6. Include all response options
7. Consider adding impulse Aipsell items
8. Offer priority shipping (if you can fulfill)

A few samples follow.

Better-Than-Risk-Free Guarantee Assures \$15,000 Additional Income

BETTER-THAN-RISK-FREE GUARANTEE: "Okay, Terry, I'll take you up on your offer. Send me *The Gold Rush System*. If it's not for me, I understand that I may return it anytime - no questions asked - within 6 months for a prompt and cheerful refund of my entire purchase price. I may also keep, *as a free gift*, your \$89 book Preferred Buyers even if I return the System."

EARNINGS GUARANTEE: "I understand that If I don't earn at least an ADDITIONAL \$10,000 (\$15,000 with Deluxe System) over the next 12 months using *The Gold Rush System*, I can still send it back for a prompt and cheerful refund of every penny I paid."

Send To: _____ Day Phone: _____
_____ Eve Phone: _____
Address: _____ Fax Phone: _____
City: _____ State: _____ Zip: _____

We ship the same day if your order is received by noon Eastern Time. We ship the next business day for orders received after noon. We ship Airborne, 2-3 day delivery. We recommend shipping to your office, because it's easier for Airborne to make delivery. The address listed above is my (check one) ☐ Home ☐ Office ☐ Next day-air is available for an additional \$20. Check only if desired.

FOREIGN ORDERS: Call First

If your order is received or postmarked by: _____, you will automatically receive the \$402.95 of free bonus gifts for acting now.



Basic Gold Rush Course ☐ Bill my credit card in 4 equal installments of only \$149.25
☐ One payment \$597 (free Airborne shipping & handling)

Deluxe Gold Rush Course ☐ Bill my credit card in 4 equal installments of only \$169.25
☐ One payment \$677 (free Airborne shipping and handling)

All prices are in US Funds (Additional shipping & handling for foreign orders)

Michigan Residents: Governor John Engler says we **MUST** charge you 6% sales tax and send the money to him.

Credit Card Installments: If you would like to pay in 4 equal installments, your credit card will be charged for the first installment plus shipping & handling of \$19.95 (plus 6% sales tax - Mich only) the day we ship your order. The second installment will be charged 30 days later. The third installment 60 days later - and the fourth 90 days later.

C.O.D. or Check Payment Plans: If you would like to pay in 4 equal installments by check or money order, please call 1-800-274-0806 to make special arrangements. C.O.D. is available with full payment due upon receipt plus \$29.95 shipping & handling. Call us at 1-800-274-0806 for details and to make arrangements for either of these plans.

☐ Check or money order enclosed payable to U.S. Home for the full amount (free S&H).

☐ Visa ☐ MasterCard ☐ Discover ☐ American Express

Name on Card: _____ (Please print)

Account number: _____ Expiration Date: _____

Your signature: _____ Date: _____

Fax this form to: (616) 957-4691

Or mail it to REMG, 2739 Breton Road SE, Grand Rapids, MI 49546

Form 11-B

ORDER FORM

Date: _____

Name: _____

Ship-To Address: _____

City, State, Zip/Postal Code: _____

PAYMENT BY: ☐ American Express ☐ Visa ☐ MasterCard
 ☐ Check/Money Order (Payable to Empire Communications Corp.)

SPECIAL PAYMENT OPTION: My order is over \$250.00. Charge my credit card in
 ☐ 2 ☐ 3 monthly installments.

Credit Card # : _____

Signature: _____

Qty.	Pg. #	Item #	Title	Price Each	Total Price

Mail To:
Empire Communications Corp.
5818 N. 7th St., #103
Phoenix, AZ 85014
Or

FAX 602/269-3113, Anytime

**Free Shipping*
With The
American Express
Card**

Sub-Total	
Shipping*	
2 nd Day UPS	
Next Day UPS	
Total	

(See page 13 for shipping costs.)

CUSTOMER SERVICE & ORDERING INFORMATION

HOW TO PLACE AN ORDER FROM THIS CATALOG

OPTION #1:

CALL TOLL-FREE 1-800-223-7180

Hours Of Operation: Mon.-Fri.. 10:00AM-4:00 PM, E.S.T. Time U.S. Calls Only*

Please understand that we use an outside agency to handle your orders via this toll-free number. You are not reaching our Office (although your order will, either the same day or the morning after you place it). Do NOT call this number for Customer Service or other business purposes; only to place an Order with a major credit card. (Sorry, No C.O.D.'s.) *Note to our Canadian and Overseas Customers: the 800# is operable only within the United States. If you are calling from Canada or from overseas, you will need to call 602/269-3111.

OPTION #2:

FAX IN YOUR ORDER TO 602/269-3113

Anytime, 24 Hrs. A Day, 7 Days A week

Use the Order Form or a copy of the Order Form. Be sure to include your Telephone Number, in case we have questions about your order.

OPTION #3:

CALL OUR OFFICES DURING SELECTED HOURS WHEN STAFF IS AVAILABLE

602/269-3111

ARIZONA TIME: JANUARY-MAY: Tues. 12:00 PM - 4:00 PM, and Thurs. 8:30 AM -12:30 PM...**JUNE-DECEMBER:** Tues. and Thurs. 12:00 PM - 4 00 PM. You can call to place orders, ask questions, take care of customer service matters, and you will speak with one of Mr. Kennedy's key staff members.

OPTION#4:

MAIL IN YOUR ORDER

Empire Communications Corporation

5818 N. 7th Str. #103, Phoenix, Az. 85014

ABOUT MERCHANDISE AVAILABILITY

Most products are in stock and available for immediate shipment, or published/assembled "on-demand" to fill orders every Tuesday, Wednesday, Thursday and Friday. Items we do not publish ourselves, that **are** drop-shipped or that may require 2 to 3 weeks for delivery are specifically identified in this Catalog.

ABOUT YOUR GUARANTEES OF SATISFACTION

If, for any reason, you are not happy with ANY product advertised in this Catalog, you may return it anytime within 60 days of purchase for a full refund - no hassle! Also, we guarantee all products against defects of material or workmanship. In spite of stringent quality controls, roughly 1 % of all audio cassettes are defective; we replace defectives at no charge. Some advertised products have additional guarantees or guarantee restrictions, noted in each product's description.

ABOUT THE PUBLISHERS REPRESENTED IN THIS CATALOG

Empire Communications Corporation develops, publishes and distributes books, manuals, home study courses, audio and video courses and other materials authored by Dan S. Kennedy and other leading experts on entrepreneurship, marketing and personal development. Empire has been supplying such information to satisfied customers throughout the U.S., Canada, and many other countries for over 10 years.

Kennedy Inner Circle, Inc. publishes THE NO BS MARKETING LETTER and provides Membership Services to Dan Kennedy's Inner Circle Members and VIP Clients.

ABOUT ENCLOSURES SENT WITH THE CATALOG, FROM OTHER ADVERTISERS

From time to time, we accept paid advertising inserts from other companies we believe will be of interest to many of our customers, and mail these separate inserts with our catalogs or enclose them in our packages. Doing so does NOT constitute our endorsement of these offers. We accept no liability whatsoever for your satisfaction with these other advertisers.

PAYMENT OPTIONS

We accept VISA, MasterCard, American Express, Company or Personal Checks, or Money Orders. We do not ship C.O.D. We PREFER American Express, and offer you FREE SHIPPING* as an incentive to use your American Express or American Express OPTIMA Card. (Continental U.S. Only)

SHIPPING & HANDLING COSTS

(Cover shipping and handling for guaranteed delivery.)

Up to \$20.00	\$5.45	\$40.01 - \$50.00	\$11.95	\$100.01-\$150	\$16.95
\$20.01 - \$30.00	\$6.95	\$50.01 - \$75.00	\$13.95	Over \$150	\$17.95
\$30.01-\$40.00	\$9.95	\$75.01-\$100	\$15.95		

•Regular Shipping Is Free, Continental US Only. (Does not include 2nd Day or Next Day Service)

UPS-2nd Day-Add \$19.00 UPS - Next Day" - Add \$24.00

Canadian and other International shipments: actual freight costs must be added to the above, above used as handling charge. If paying by Money Order double the above costs. If paying by Credit Card, we will compute and add actual charges. Please indicate preference for surface or air delivery least expensive option will be utilized unless specific preference indicated.

"Next & 2nd Day Shipments will be Next or 2nd Day from day the order is processed, which may be one to two full work-days after it is received.

The Power Of Telephone Numbers

I've never been a big fan of "vanity numbers" - my argument against them is that every advertiser using them has to put the numbers under the letters. But big businesses have been built around 'perfect' vanity numbers, like 1-800-FLOWERS and 1-800-DENTIST. (The founder of 1-800-DENTIST is an Inner Circle Member.)

There's an interesting twist on the use of special phone numbers that small business can sometimes capitalize on –

NO B.S. MARKETING LETTER

I GOT A GREAT IDEA OR WHAT? I suggest officially moving April Fools' Day from the 1st to the 15th. And moving Election Day from November to April 15. It just seems 100% appropriate for the paying of taxes and the electing of the fools we send to Washington ought to happen on the same day, and that day oughta be April Pools Day. Anyway....DSX

(DONT MISS THIS BIG NEWS: A VERY SPECIAL OFFER ONLY FORINNERCIRCLE MEMBERS - SEE PAGE 8.)

MARKETING LESSONS OF THE MONTH: ANY ONE OF WHICH COULD BE WORTH \$1,000.00, \$10,000.00, \$100,000.00 TO YOU!

CLEVER USE OF TELEPHONES. For many years, I've taught local, small business owners to snatch up the phone numbers of like businesses that go out of business. Imagine a dry cleaner who gets the phone numbers of, say, three other nearby dry cleaners as they close their doors. None of them had enough customers to survive. But combined, they probably have enough customers to double Dry Cleaner #1's business. And to capture them all he has to do is answer every phone line: "Drycleaners _____. No, they

are no longer at that location, ma'am. We've taken over all

April



their customers, we're just about 1/2 mile away, and I can offer you our Welcome Special this week: 50% off on your first batch of cleaning. May I get your name and address for our discount coupon mailing list?" Anyway, IC Member Bob Martel sent me a fascinating story of "phone smarts" I want to follow up on when I have the chance -but here's what Bob told me. You've undoubtedly seen all of Troy-Built's direct response ads, for their garden tillers. A Troy-Built DEALER here in Phoenix got an 800# listing them as Troy Built Sales. Now when customers all over the country call 800-number information and ask for Troy-Built, they get this number, they call the dealer, Randy Grover, and he out-sells his own manufacturer with comparable prices, no sales tax, nationwide shipping, better financing than offered by the factory, and better customer service. Interesting, huh?

ANOTHER THING I TALK A LOT ABOUT IS NEGLECTING VS. CAPITALIZING ON YOUR OWN CUSTOMER BASE. Exhibit #1 in this Issue is a Referral Stimulation that IC Member Mike Nickel of Adams Business Forms, Topeka, Kansas wrote and sent to his customers last year. It is modeled after examples in my Magnetic Marketing System. His results: "The mailing cost me about \$500.00, including the free movie tickets and free dinners. I received about 50 referrals and converted those into 5 new accounts. My commissions were about \$5,000.00." So, a 10-to-1 immediate return on investment PLUS five accounts Mike will continue to profit from. Such a simple thing. Why don't more people do this?

IN DIRECT RESPONSE COPYWRITING, IT'S ALWAYS EXCITING THAT EVEN ONE LITTLE CHANGE CAN SOMETIMES MAKE A BIG DIFFERENCE. -That's what makes tweaking so much fun. And what makes it possible for me to make me AND my clients

Power Point #101

The Power Of Radio Advertising

The boom in talk radio in recent years has also given a big boost to direct-response radio advertising, and both local and national companies are finding ways to make radio pay off. Even "radio infomercials" are rapidly moving from oddity to norm. The proliferation of earphones and cell phones have dramatically improved the amount of immediate response you can engineer with radio advertising. With all that in mind, you may want to test this interesting media.

Radio is one of the few places where repetition does seem to boost response, so you do need to run the same spot a number of times over a period of time to accurately assess the results.

Companies like Snapple, Breathe Right, etc. have literally built businesses on the backs of top, nationally syndicated radio personalities like Limbaugh and Stern, and savvy local advertisers buying spots in the shows of local radio personalities airing immediately before and immediately after these national shows have often gotten big pay-offs.

Local service marketers and professionals often use paid programming on radio to build their businesses and practices. In my city, Keith DeGreen has become one of the most successful financial planners and investment advisors in Arizona and probably earns over \$500,000.00 a year all thanks to his popular (but purchased) weekly radio show dispensing investment advice.



Power Point #102

Power Of Promotional Books

I'm not sure if there is a more powerful marketing tool than your own book.

Books carry with them credibility, a certain amount of celebrity, much higher readership than sales letters or brochures. Nutritional companies, newsletter publishers, and all sorts of businesses have discovered the power of this tool. Certainly, for speakers, seminar leaders, consultants, and marketers of information products, it is indispensable.

A promotional book is usually made to look like a "real" book in every way, down to the most minute detail, but in content is really a "set up" of its author as the expert to do business with. Sometimes it is relatively subtle; sometimes the book is little more than a long sales letter inbetween the covers of the book.

Power Of Promotional Audio Cassettes

The network marketing industry has led the pack in creatively and effectively using audio cassettes as marketing tools - and I've been fortunate to have written a number of recruiting and product tapes for top companies, with combined circulation exceeding several million copies. But the use of this tool isn't limited to this business. My clients have used audio tapes to (help) sell industrial equipment, insurance, investments, franchises, travel, seminars, professional services, chiropractic care, and the list goes on and on.

Here are the main virtues of the audio cassette as a marketing tool:

1. Perceived value
2. No skimming: you control the presentation
3. Interest heightened with voice inflection, multiple voices, music, etc.
4. Will often be listened to more than once by interested prospects
5. Pass-along viewer
6. Length: you can deliver a much longer presentation than would be read in letter form.

Another terrific use of the audio tape is to present testimonials in their own voices and words.



Power Point #104

The Power Of The Promotional Video

I don't think you can overestimate the power of video, if used appropriately and done well, because it mimics, almost replicates the power of television.

By appropriate, I mean that there's a reason to do it, such as a product that can be demonstrated, places to go, or dynamic people in conversation, interaction with an audience.

And the best suggestion I can give you for "done well" is to pick and mimic a successful infomercial format. We in the infomercial industry are far, far, far more advanced than the folks who produce "industrials" or the traditional ad agency types in producing video presentations that hold viewers' attention and stimulates direct response.

The Power Of Newsletters

The newsletter is, I think, the most useful tool in maintaining relationships with customers and keeping them interested in you, your business, your products and services. Since "publications" get better readership than "sales materials"; articles get more readership than ads, it simply makes sense to put your messages into the format of a publication, and into the context of articles.

Sadly, many marketers are terribly lazy about this and can never get their act together, to put out a good, interesting newsletter every month.

Content Tips

- Information/education directly linked to your products and services
- Information/education linked to the customer-type (egs. homeowner; CEO; parent)
- Customer recognition and appreciation
- Promotion of new/selected products, services
- Stimulate referrals



Power Point #106

The Power Of The Endorsed Mailing

What works better than an endorsed mailing? Nothing.

The endorsed mailing works locally or globally, for virtually any type of business or sales career or professional practice. The concept is simple: your "champion" either sends a letter on his letterhead, from him, to prospects who know and respect him, but do not (yet) know you...or a "champion's" endorsement letter is sent as a cover letter with your sales letter and literature. Ideally, the mailing is done using the endorser's identity on the outside of the envelope in place of your identity.

When it is done as I've just described, the endorsed mailing is the

only kind of mailing that 100% get opened and 100% get read.

Notes

So the reasons these type of mailings are so powerful: (1) the enhanced readership, (2) the credibility you gain via transfer from the endorser. Each factor is important.

Of course, one variable is the quality of the relationship the endorser has with the list. For example, in mail order, selling my information products, I've sold my products via endorsed mailings. In instances with T.J. and Eileen Rohleder and Gary Halbert, I got extraordinary results. With Tony Robbins, poor results. The only reasonable conclusion: Tony doesn't have nearly the bond with his customers most people (including me) would assume he does.

How big of a difference can the right endorsement or endorsed mailing make? It can take response rates from single digit to double digit. In my type of business, endorsed mailings can often provide as much as 20-to-1 on invested dollars.

Reference: My 'Al The Plumber' Story, used in most speeches



Power Point #107

The Power Of Trade Shows Or Consumer Shows

Here is one of the most abused and misused marketing tools in the world: the vast majority of exhibitors go into a show without a strategic plan, with poor advance marketing, and then do a terrible job of follow-up on the acquired leads. Every time I go to a show, I'm amazed and dismayed watching the reps standing around in the booths looking brain-dead, wasting time and money. Done right, however, you often cannot beat the efficiency and economy of a show.

If exhibiting, I think there are basic keys:

1. A total, detailed plan: what do you want to accomplish? Who do you want to talk to? Etc.
2. Comprehensive, aggressive pre-show marketing both to all attendees and, separately, to a carefully chosen "target group" of prospects you definitely want to have visit your booth
3. A strategy for collecting, qualifying and rating leads
4. A strategy for making immediate sales

5. "Boothmanship" training
6. A plan for follow-up on leads beginning IMMEDIATELY after the show

Reference: I suggest contacting IC Member Steve Miller/The Adventure Of Trade Shows (Phone: 206/874-9665 FAX: 206/874-9666) for books, tapes, consulting, etc. before exhibiting at a show.



Power Point #108

The Power Of Buying Right

Buying space at the right price is just as important as presenting the right message. Maybe even more important.

The greatest product, offer and ad copy in the world will not overcome bad economics, and one way to achieve bad economics is overpaying for media (or, for that matter, for printing).

Many years ago, I made the same dumb mistake many did and do; I "knocked off" what I could see of a business without realizing there were things I couldn't see. At the time, the opportunity-type magazines were chock full of \$10, \$12 and \$15 get-rich book ads, all modeled after the famous Joe Karbo ad*, and these ads were running month after month. I answered a number of them, and most of these advertisers were not doing much selling of additional products to these book buyers. I concluded that (a) they were making money from the book sales and (b) that I could create a better ad than theirs. I was right in some cases about (a); I was right in all cases about (b), but I still walked away a bit bloodied and bruised. Why? Because I paid the rates the magazines asked, less only frequency and agency discounts - and I had no idea that these other advertisers were buying the same space I was for 15% to 30% less than the "discounted" rate I was paying. (I also didn't realize the extent to which they relied on their mailing list rental revenue for their real profits.)

I quickly learned the game, and can assure you: you **MUST** buy right. And, unlike traditional/brand/image advertisers, we direct-response advertisers (should) know what we can pay per lead/order and, thus, what we can pay for space. If a particular publication will not sell you space for the amount you can afford to pay, then, no matter how badly you want to be in that publication, you must pass.

Here are some additional Power Points about buying space right:

Notes

Use "Professional Discount Buyers" When You Can

Pros in this field can often do much better than you can. For example, Novus Marketing not only has pre-negotiated deep discounts and first dibs on remnant opportunities with a number of pubs (incl USA TODAY) for their direct response advertisers, they even pre-buy blocks of space at deep discounts. However, Novus tends to be picky about new clients, and they are looking for "big players".

Another good source of remnants and discounts is Peter Giordano and if you'd like referral to Peter, let me know.



Power Point #110

Educate The Seller

Many publications' salespeople are not used to dealing with direct response advertisers, so you must educate them on the differences between you and image advertisers, where else you advertise and the fact that those publications put you in a special direct-response category eligible for deep discounts, etc. When trying a new publication for the first time, you must lean on them for their very best test rate - make it clear they get just a one-time test; you will NOT advertise repeatedly, hoping the results get better. And make sure they understand that all the "stuff" they rely on in selling to their non-DR advertisers, like editorial content, bonus trade show distribution, etc., is of zero interest or importance to you.

In other words, you must sell your position to the media representative clearly, thoroughly and authoritatively, so that he understands you, believes you, and can, in turn, explain it to his boss if need be.

Negotiate Hard

The media rep will try to force you into frequency commitments in order to grant discounts, but this is totally inappropriate before testing; and you must test profitably without the frequency discounts; and those should then be available in addition to the special, low direct-response rate. Give them an opportunity to discount to you while "saving face", by talking about buying remnants, having an ad ready to place with little notice, and so on. (One client of mine has been sold a "remnant" 40 months in a row in one national magazine!)

Do not let yourself be pressured into a bad buy under any circumstances.



Power Point #112

Leave Money On The Table If You Must Walk Away

Never get mad, never burn the bridge. End your unsuccessful negotiation with something like: "I'm sorry we can't do business and that I will have to use all of my ad budget in other publications. If you have a last minute cancellation or remnant..." Leave the door open. If not before, as they see your ad appearing repetitively in other magazines, they'll come back to you.



Power Point #113

Try Dealing With Small Publications With Checks Sent With Ads

Small town weekly newspapers, small regional or state trade association magazines, and other "minor league" publications can sometimes have a rate dictated to them. After you've collected "rate cards" or rate information from the publications you want to advertise in, discount to the amount you want (30% to 50% off), then send the ad, a check, and

a letter explaining your unique needs as a direct-response advertiser and inviting them to hold the ad and check for up to x-# of days, as a "standby" to fill a remnant or last minute cancellation, or to return the check and refuse the insertion. This "gimmick" works a surprising number of times.



Power Point #114

NEVER Tell The Publication The Truth About How Well You Are Doing

If you need to brag, don't do it to the people who sell you discounted media, Whining, not bragging, is most profitable. When asked how well you are doing, say "Well, barely good enough to keep testing, trying to refine how we handle the leads."



Power Point #115

Refuse To Modify Your Ads To Satisfy The Publication's Preferences

When you have a highly effective, aggressive, copy intensive, "ugly" ad, some publications will ask you to modify its content or look. My experience in knuckling under to these demands has been universally unsuccessful. I can't tell you *never* to give in to these demands in order to get into a publication you really want to be in, but I can assure you that more often than not, the modified ad will not pay off.

Sales Power Points

Power Of Preparation

In my book, *NO B.S SALES SUCCESS*, one of the first strategies I talk about is "The Positive Power Of Negative Preparation." This applies to selling in print just as it does to selling in person. The idea is simple: take the time to list every possible reason why the prospect might distrust your assertions or say no to your proposition, prepare to answer them, and, in most cases, integrate the objections and answers into your presentation.

Many salespeople and copywriters alike fear the "negative". They insist it is better not to raise doubts and questions that might otherwise never occur to the prospect. I believe this is naive. I think people are pretty good at conjuring up everything that could go wrong, every skeptical question, every reason to wait. Besides, when you raise those issues, you come across as more truthful and frank than if you hide them and hope they're missed.



Power Point #117

Power Of Listening

It's been my experience that people will tell you the most amazing things, if you'll just prod them a little, then shut up and listen. Everything from trade secrets to intimate, personal secrets come tumbling out - often in a torrent, as somebody hasn't been really listened to in a long time.

Listening isn't all that easy; that's why so few people do it well. It's more fun to talk. But the person who asks the most questions is in control of the sales interview, the person who asks the most questions socially is, afterwards, considered a great conversationalist, and, certainly, the person who listens walks away with the most information. I once thought I would write a book about all this, titled 'How To Read Anyone's Mind', but I wound up condensing it into one chapter of *NO B.S SALES SUCCESS* (although it'd still make a good book because it is that important).

Power Point #118

Power Of Permission

Notes

Most salespeople who do personal prospecting are either taught or learn through experience the power of a question structured to get permission to sell. My clients, Steven and Jennifer Gnautt at U.S. Mortgage, and their thousands of representatives, have done billions of dollars in business thanks to this question:

"If I could show you a guaranteed way to save \$50,000.00 to \$75,000.00 in interest on your home mortgage, without refinancing, for a total cost of just \$395, would you be interested?"

Well, what kind of dope wouldn't be?

This question is built on a very simple formula just about anybody can use:

"If I could show you how to_____, would you be interested in knowing more about it?"

If you must make your living prospecting, you have to own one of these permission questions. But this strategy doesn't just apply to in-person prospecting - there's no reason it can't be applied to print, too...from envelope teaser copy to headlines, pre-heads and subheads. We often build it into the opening monologues of infomercials.



Power Point #119

The Power Of Clarity & Being Clearly Understood

Lexus and Infiniti were introduced to the marketplace at about the same time and, as Lexus overwhelmingly outsold Infiniti, the Infiniti dealers begged the company and its ad agency to "show me the car!" in the TV commercials. Instead, the company stuck with Zen-like, obscure, elegant commercials that never even showed the car. A bold experiment. A bad idea.

Confused consumers tend to do one thing and one thing only -nothing. And few customers have the extremely high level of interest, patience and intelligence to work at translating your message.

The safest path to success in advertising is to be very, very clear about your message: what you sell, why they ought to buy it, and what you want them to do next.

Power Of Simplicity

The late Fred Herman, one of the "early" sales trainers, coined "KISS" for Keep It Simple, Salesman, and the advice is just as good now as it was in 1950. Too often, we complicate the sales process unnecessarily, for our customers and ourselves.

When putting together a sales "pitch", I try to get a "straight line list" built; what points must be made and proved, in what order, to arrive at the close then I'm careful about wandering off in the weeds, away from that straight line.



Power Point #121

Power Of A Practiced Presentation

Many "modern" sales trainers and experts are very critical of "canned" i.e. memorized presentations. I don't quite understand this. Personally, I have a "Million Dollar Sales Presentation" (that sells over a million dollars of my products each year from the platform) and I want to deliver it perfectly every time—word for word, inflection for inflection. So I have it memorized AND I practice. To me, it seems it would be stupid not to.

In person to person selling, which I do only a little of anymore; mostly on the phone or in meetings with clients; I have perfectly honed, memorized and practiced "vignettes" of material that can be linked together or used cafeteria style as needed. I have a "pat" way to describe how my fees work. I can't imagine ad-libbing all that.

So, I am an advocate of the polished, practiced presentation. I believe it gives you confidence, reduces stress and worry, frees you to listen to responses, and, of course, insures that you say what you have to say in the most persuasive and convincing way possible.

Conversely, I really wonder about the person who's constantly changing his presentation. Does this mean he hasn't yet gotten it right?

Power Point #122

The Power Of A Complete Presentation

There are two times when most marketers are tempted to "shortcut" their sales story: one, when format sensitive - like "nobody'll read a 22-page letter", or, two, when they are selling to people who they have sold to before, and believe already know parts of the story. In both instances, and, in fact, in all instances, it is a mistake to "shortcut" your sales story. It happens to be a mistake I make most often in my own business, because I'm selling to many customers who've been with me for 5 to 15 years. It's easy to get lazy about delivering a complete sales pitch in that environment. But it is a mistake.

The smartest strategy is to deliver the very best, most complete sales presentation possible - every time.



Power Point #123

The Power Of Objections

Anybody in selling who doesn't love objections is stupid - objections are the stepping stones to the sale.

In personal selling, the prospect's objections are necessary, so he can feel he has bought, not been "railroaded" or "smooth-talked". He has to ask questions, sometimes phrased as objections instead of questions. But these are the keys to the sale. Some common objections and how to address them are on the next page.

In print, we have to ask and answer the objections for the prospect. Which brings us to...



Power Point #124

Power Of The Q & A Sheet

One application of "answering objections" that is very effective in a direct-mail package is a separate piece or booklet of "Questions And Answers". This often has higher readership than other enclosures and provides an opportunity to simulate the give-and-take of personal selling, so that the prospect feels represented. (See examples that follow.)

COMMON OBJECTIONS AND WHAT TO DO

Notes

- **Price Objection:** Explain quality, superiority, service (justify price). Break down into units amount so the \$360 price only comes to \$1 a day. Price is relative - competitor may be cheaper but what about quality and service. Point out any differences in the products.
- **I Can't Afford It Objection:** Point out terms and use the "selling money at a discount" technique.
- **Unknown Objection:** Use testimonials, discuss your association with company, validate it's management, products, service, etc.
- **Product Is Too New Objection:** Show test results, testimonials, newness means progress, your company has not spent a lot on advertising but has chosen to put their money into research, development and improvement.
- **Product Criticism Objection:** Use facts to overcome criticism, don't get defensive. Express faith in the company.
- **Rumor Objection:** I heard, such 'n such. If it's unfounded, explain why. If someone had an actual problem, explain what was done to correct it. If it's a complaint from someone they know, offer to talk to them and see what you can do about fixing the problem.
- **Personal Tie Objection:** I've done business with them so long, they're family, etc. Discuss product or service superiority. Go for a portion of the business; don't try to get it all, then give them a good reason to switch completely.
- **Satisfied And Loyalty Objection:** Point out savings, benefits, superiority, first duty is to themselves. Allow a test situation to help them break those ties.
- **I Have To Talk It Over Objection:** Usually this pertains to a spouse. Point out other decisions they make by themselves. If it doesn't work arrange a meeting as soon as possible. Preferably call them then and get approval or meeting set-up.
- **What We Have Is Still OK Objection:** Focus on new features which makes other product or service obsolete. Demonstrate increased production, efficiency, savings, reduced maintenance costs, etc.

QUESTIONS & ANSWERS

Q: I see that one of the ways to operate my GOLD BY THE INCH business Is to secure a location In a mall or shopping center, In front of a store. How do I do this?

A: Many GOLD BY THE INCH Distributors use "store locations." Generally, the Distributor finds a store he would like to locate in or in front of. then meets personally with the store owner to propose the arrangement. Because it takes only a few feet of space to set up the entire GOLD BY THE INCH business, most stores can make room for you.

In many malls, the GOLD BY THE INCH area is set up right at the front of the store, sort of sticking out into the man. Having GOLD BY THE INCH there draws shoppers over to the store and helps create "traffic" for the store — so that's one reason why the store owner agrees to the GOLD BY THE INCH operation.

Also, most Distributors pay the store owner a "commission" on the sales made there. That commission ranges from 20% to 30%, and it's up to you to decide on that and negotiate that with the store owner.

fve also known of arrangements where the GOLD BY THE INCH Distributor just rents space from the store owner for a flat fee. GOLD BY THE INCH businesses seem to do best if located in gift, card, drug, clothing, novelty, or any store that has a high volume of traffic Obviously, the busier the shopping center, the better.

Some of our Distributors have located their GOLD BY THE INCH businesses in the same stores for certain weekends or seasons year after year after year.

They tell me they do quite a bit of "repeat business" with customers who become accustomed to finding them there. They come back to buy more GOLD BY THE INCH for themselves and as gifts, and also bring their friends.

Q: is a store location better than a swap meet location?

A: Not necessarily. Many, many GOLD BY THE INCH Distributors prefer to work swap meets. For one thing, it's easier - there's no store owner to negotiate with or spilt profits with. Today, many swap meets are big, organized operations and being there is almost like having a store in a shopping center, except that you can work only on weekends and pay only a few dollars for rent

Many of our Distributors like to travel with their GOLD BY THE INCH businesses, too. I know Distributors who go South in the winter and North in the summer, who visit their kids or grandkids in different cities or who travel on vacation, but everywhere they go, they seek out a swap meet, set their GOLD BY THE INCH business up on the weekend, and keep earning an excellent income.

Q: Are there other ways to market GOLD BY THE INCH?

A: Absolutely, although I do want to point out that most of the business Is done through the two ways we just talked about: store and swap meet locations.

I also know of Distributors who work county fairs, state fairs, horse shows, dog shows, church flea markets, and other special events where lots of people gather. Some people have GOLD BY THE INCH home parties, sort of like Tupperware parties. Of course, just about everybody makes sales to their friends, relatives and neighbors.

I know of some Distributors who take the home party idea to the office or workplace, and during the lunch hour, break time or after work, have a GOLD BY THE INCH "party" for co-workers. And I hear about new ways and places to sell GOLD BY THE INCH all the time.

Q: Can I have more than one location? Q: Can I have other people work for me?

A: Yes and yes! Many GOLD BY THE INCH Distributors operate two, even three locations at the same time, particularly during the holiday gift season (Christmas) or immediately before Valentine's Day, Mother's and Father's Day and graduation. Most do it by staffing with family members - (he husband works one location, the wife another, maybe the kids still another).

Some Distributors do hire others to man locations for them, too. I know of Distributors paying their help an hourly wage or commission (from 5% on up) or a combination of wage and commissions depending on the sales. An additional GOLD BY THE INCH location is a great way to give your kids an opportunity to earn money for college or for spending.

My son Murray, who is attending the University of Michigan, has his own GOLD BY THE INCH business. He works swap meets weekends and earns money for his college costs and upkeep of his Jeep. He also makes spending money doing it, and has fun to boot.

Q: I've never done anything like this before and I'm a little worried. Comment?

A: I know it's hard for some people to believe, but this is a very simple business. First of all, actually making the jewelry on the spot is very easy. In just a few minutes, after you watch the video, you can crack open your STARTER KIT and make jewelry; perfectly, quickly, easily. Second, selling GOLD BY THE INCH is fun and easy, even if you've never sold anything before in your life.

And, on the video, we show you exactly how to sell, what to say, what customers ask and how to answer them. But this is such a hot concept, GOLD BY THE INCH often sells itself. Of course, if you happen to have selling experience, you'll take to this like a duck to water. But anybody can quickly team and do well in this business.

Q: Should I be concerned about how many other GOLD BY THE INCH Distributor there might be in my area?

A: Not really. Right here in Phoenix, our home town, there are dozens of Distributors, but there are literally hundreds of good locations going untouched. Some Distributors come here to vacation and visit from other parts of the country and they never have any trouble immediately getting good locations to do the GOLD BY THE INCH business.

All across America, we have only about 5,000 Distributors, and many of those aren't even "part-time"¹ but, by their choice, just "spare time." We could use 50,000 more, and still nobody would be bumping into each other.

Q: In the catalog, I came across some "technical terms" that I'm not sure I understand, like: gold-layered, Jump rings and quality tags. Can you quickly tell me what these terms mean?

A: Gold-Layered: A semi-precious jeweler's metal is layered with nickel for hardness and to make it shine. It is pre-layered with 14KT gold to lock out all impurities. Another layer of 15-18KT gold is adhered for consistent color on all chains. Finally the complete chain is organically coated for durability. In other words, this complicated process is what we call gold-layered.

Jump rings: a small oval ring that connects the chain to the clasp. Item #2002, #2004 and #2006 on page 4 of the catalog.

Quality tags: a small tag that fits on the end of the chain that is associated with fine jewelry.

Q: Once I make my Initial purchase, say the \$699.00 STARTER KIT, do I have to meet any quotas or purchase a certain amount each month or year In order to stay a Distributor?

A: No. We welcome everybody • people who do a tot of business, who work it full-time, who have multiple locations. Part-time people, who use GOLD BY THE INCH to earn extra income. Even spare-time people, who work GOLD BY THE INCH only a few weekends a year, maybe to get some spending money for the holidays or for the annual family vacation.

Q: I'm frankly not In very good financial shape right now. How can I get the money to get started?

A: First, don't be embarrassed. Many of our most successful Distributors started with us when they were in the same position.

If you have the money to get started in your savings account, if you have the cash value of an insurance policy you can borrow against, or if the money is otherwise available, you just go for it - get the \$699.00 STARTER KIT.

Spend an hour or so watching the video and making sure you can make the jewelry, then get out to a location. A swap meet is a good place to start. In one weekend, you can recover most all your investment! Sure, every Distributor gets different results, and some people learn faster than others.

But in one or two weekends, you should recover your cost and be making profits!

We accept VISA and MasterCard, too, so you can buy your STARTER KIT and recover the cost even before your credit card bill arrives. If you prefer to pay t off over time, a \$699 purchase on your VISA or MasterCard will only add a few dollars to your monthly payment. Some Distributors have gotten started by borrowing the money from family members or friends.

I know one Distributor who borrowed just \$100.00 each from five different friends and relatives and used \$200.00 of his own money, got the STARTER KIT, and brought in enough money his first two weekends to pay everybody back with profits leftover. Another young man I know got a friend to put up the money to get started for half the profits. That "lender put up \$700.00 and got back \$1500.00, and yes, that sure is a lot of "interest" - but the young man has continued only GOLD BY THE INCH, earning thousands and thousands of dollars. I guess what I'm saying to you is that you can and win find a way to get started if you have a sincere desire to do ft. And am very pleased that were able to start people out in this business for just \$699.00.

Q: What If I still have a question or two?

A: The only "dumb question" is the one that goes unasked. I don't let an unanswered question stand in your way. Pick up your phone and call us. Wei be glad to neb you in any way that we can. And I'm looking forward to getting a letter from you very soon, telling me your, success story I

By the way, we have a lot of experienced swap meet merchandisers and direct salespeople who get Involved with GOLD BY THE INCH. They understand everything in the catalog and in our information instantly, and, of course, they do super well right out of the gate.

However, we also have a tot of people start with us who have never been 'm business for themselves. If you fit that description, again, please don't hesitate to can with your questions.

**U.S. GOLD CHAIN MFG. CO.
11460 N. CAVE CREEK ROAD
PHOENIX, AZ 85020
(602) 971-1243**

Power Point #125

The Power Of The Close

Notes

There are four basic closes needed in professional selling:

- Assumptive
- Alternative
- Puppy Dog
- Risk Reversal, Why Not?

In my opinion, too much emphasis in selling and sales training is put on "the close" and not enough on everything leading up to it, beginning with proper selection of the prospect. The idea that a good salesman' I'll somehow put the "whammy close" on anybody who's breathing and sits through a presentation is nonsense. With the exception of a handful of businesses, this kind of selling died with the dinosaurs (although it's still being taught).

In non-face-to-face selling (print, broadcast) this reliance on a "super close" doesn't work at all.

The objective is for the close to be seamless, natural, automatic and stressless for salesperson and buyer alike. So, first, you want to do such a good job with the presentation that continuing on to a purchase is the only logical thing to do. I believe in being assumptive; using assumptive language - not "if but "when", and talking to the customer as if they were a customer..... saying things like:

"As a member of...."

"You'll enjoy working with the coaches..."

"Now, when you flip on the computer, you'll..."

Finally, using the "yes-or-yes" or alternative close, where a two-option question is asked, with either answer acceptable to you. I'm not convinced that a salesperson needs to master any other closing questions but yes-or-yes questions.

Would you prefer red or blue?

Big or small? To use VISA or Master Card?

Delivery on Tuesday or Thursday?

...that sort of thing.

In print, we sometimes mimic this with an offer of a "basic" or a "deluxe" version of whatever is being sold - essentially small or big? In some cases, a three choice close works even better than a two choice close. Egs.: "Would you prefer delivery Tuesday or Thursday, or would you rather pick it up at the store?" (But I am always resistant to

offering more than three choices, for risk of confusion and inaction.)

Notes

In some businesses, the so-called "puppy dog close" is used very successfully; this is how television sets were first sold - placing the product in the home or office on free trial for x-days; you pay only if you choose to keep it. I've seen this done with water filtration systems, vacuum cleaners, computer software, and a number of other products. The Nightingale-Conant Corporation uses this in mail-order with its good customers - sending them a new cassette album on 30 day free trial, invoiced or credit card charged only after the customer keeps it past the 30th day. Many "low end" marketers of how-to materials used (and some still use) the "I won't cash your check for 30 days" version of this gambit with great success.



Power Point #126

Power Of Takeaway Selling

We are perverse; we want most what we cannot have, and are often least appreciative of or interested in that which is easily accessible. You see this working in many different ways. In my businesses of speaking and consulting it is axiomatic that you must live at least 300 miles away to be considered an expert...speakers who move to a city hoping to capture its convention business are usually disappointed, because nobody wants to hire "the local guy". There is the old Groucho Marx line, "I refuse to belong to any club that would have me as a member."

And mine: nobody lines up to seek advice from the wise man at the bottom of the mountain.

I have significantly increased demand for my services, my fees, my income, and recognition of my expertise in the past five years, since getting *very* serious about "takeaway selling."

It is my belief that "takeaway selling" should be built into most sales pitches.

Reference: *No B.S. Sales Success* Book, Chapter 20.

Power Point #127

The Power Of Cross-Selling

Cross-selling is a neglected, golden opportunity.

Time after time, when I get clients to dig into this with customers, the clients are dumbfounded to discover how little the customers know about all the products and services they offer.

Working with a printing company, for example, I unearthed twenty large clients, each bringing one type of printing to this client but taking other types of printing elsewherefor example, a customer having this printer do its catalogs and brochures but having all its envelopes printed elsewhere. When queried, the customer said, "I didn't realize you wanted that kind of work."

Smart marketers periodically analyze each of their customers to determine which products/services they buy vs. those they do not buy, then deliberately promote the unused products/services to the non-users.



Power Point #128

The Power Of "Boothmanship"

You can't just jump into a show booth, use the same selling techniques you use elsewhere and hope to succeed. This is a different selling environment, and it calls for different skills and strategies. See myths and truths on next page.

Myth:

The more people you reach at the show the better.

Truth:

Too many people in the booth means you're not separating the seriously interested from the browsers - and you're losing sales opportunities.

Myth:

If a customer maintains good eye contact with you, it means he's interested.

Truth:

Extended eye contact shows disinterest and lack of attentiveness

Myth:

The serious customer will wait patiently for the rep.

Truth

Even people who are very serious about buying become impatient within one minute and walk away within three.

Myth:

People come to a show just to wander around and see what's new.

Truth:

Surveys show that over 75% come with specific needs and interests, ready to buy.



SMART QUESTIONS ABOUT YOU, THE SALESMAN

- 1 . Do I have a polished, practiced, effective presentation?
2. Is my presentation built on a proven sales formula?
3. Do I use demonstrations and visuals to emphasize my key points?
4. Do I translate features into benefits?
5. Do I raise and eliminate most objections?
6. Do I have specific strategies for eliminating price resistance built into my presentation?
7. Do I utilize "preponderance of proof"?
8. Do I utilize "take-away selling"?
9. Does closing feel relaxed and automatic?
10. Is my entire presentation a true "system" ie. teach able and duplicatable?

BONUS REPORT:

**How To Obtain
Maximum Referrals**

DEFINITION:

Those customers and clients that do business with you as a result of the satisfaction of previous customers/clients. They can be first, second, third generation - referrals may come from someone who told someone, who told someone...etc.

PURPOSE:

To increase your business without the cost of marketing and advertising.

DYNAMICS:

Begin by recognizing that there is no better new customer than a referral from a happy customer. I don't care what business you're in, this is true. The referred customer has less skepticism and is less price-resistant, more receptive, and more easily sold and satisfied.

Most businesses take referrals for granted. Whatever number of referrals they get, they gratefully accept, but they have no proactive plan for stimulating the maximum number of referrals.

How many referrals can you get?

Joe Girard, repeatedly recognized by the Guinness Book of World Records, has a "*Rule of 52*", based on his discovery that the average number of attendees at both weddings and funerals is 52. In marketing to consumers, this contention is that each customer has the potential of referring 52 other customers. Even if we cut his number in half, ask yourself: is your business averaging 25 referrals per customer? Probably not - most average anywhere from less than 1 to 3. There is room for improvement.

In business-to-business marketing, the numbers are different. I did some admittedly clumsy but I think instructive research: I took executives and business owners in a dozen different industries and had them go through their trade association directories and count the number of people whom they knew (and who knew them) on a first-name basis. The average was 37- thus each business customer has the ability to refer 37 others to a vendor.

(*Joe Girard is the author of the book, *How To Sell Anything To Anybody*, available in most bookstores.)

The EAR Formula

Listen, my friends, and I'll tell you how to fuel your word-of-mouth advertising to new, unprecedented levels!

E stands for EARN: we have to earn our referrals.

Walt Disney put it this way: "*Do what you do so well that people can't resist telling others about you.*" In my speaking career, I've been very fortunate in two ways. Since beginning in 1978, I've averaged over 70 compensated engagements each and every year until recently, when I've started deliberately cutting back, and over half of all those engagements have come from referrals - in other words, this

marketing expert has done very little to market himself as a speaker! I haven't had to. Instead, I've focused on doing what I do so well that my clients are inspired to tell others about me. Also, I've gotten an incredible amount of consulting work as a direct result of these same speaking performances. For example, very recently, speaking for just 45 minutes at a conference of just 36 business owners immediately yielded six new clients and over \$ 100,000 in new consulting business.

Ultimate Marketing Secret Weapon #1

Excellence

If there is one "secret" to maximum referrals, it is that satisfied customers do not refer abundantly. Enthused, inspired, awed customers refer in great abundance. If you are just good enough, that's not good enough. If customers get only what they expect and deserve, that's not good enough.

A stands for ASK. I am amazed at the wimpiness of most business people, salespeople, and professionals when it comes to the simple act of asking for referrals. I believe there is a Biblical instruction about this.

Here are the four best ways to ask for referrals:

1. Display and convey your expectations

In doctors' offices, we encourage the use of some kind of *"display board "* listing the names of the patients who have referred that month. This list says to everyone who sees it: *"Our patients refer - we expect you to refer also "*. It works. And it can be copied by an endless variety of retail businesses.

2. Conduct referral promotions

Give your customers cards, coupons, or certificates good for gifts or discounts that they can endorse, like a check, and give to their friends and colleagues. Then give away prizes to those who generate the most referrals within a certain period.

A clothing store that used this technique got over one hundred new customers in 90 days in exchange for the expense of one getaway weekend, six new suits as second prizes, and the cost of printing up the certificates.

3. Conduct referral events

An insurance agent I know throws himself a birthday party each year and invites all his clients and all the friends they care to bring to the party. It's usually held in a huge tent, with live entertainment, a buffet, drinks, wandering magicians, belly dancers, and all sorts of other goings-on. Hundreds of clients bring hundreds of other people each year - and the birthday boy gets to meet and make friends with hundreds of prospects.

4. Simply ask

The most successful insurance professionals I know emulate Paul J. Meyer, founder of Success Motivation Institute* and author of the tape, *"Prospect Your Way To Millions "*, in handing their clients

ten of their business cards and asking for brief notes of introduction to ten referrals.

If you sell face-to-face, person-to-person to your customers or clients, you can and should use this technique.

R stands for RECOGNIZE and REWARD

A favorite story: a guy rows his little boat out to the middle of the lake for a relaxing day of fishing. Up over the side of the boat comes a huge green snake, with a half-swallowed frog sticking out of its mouth. Feeling for the frog, the guy whacks the snake with the oar; the snake spits out the frog; the frog's life is saved - and that makes the guy feel good. But the guy also knows he has just deprived the snake of a meal - and that makes him feel bad. Having no food for him, he gives the snake a swig out of his bottle of bourbon, and the snake swims away happy. Two minutes later the snake swims back with two frogs in its mouth.

When we recognize and reward a certain behavior, we inspire more of the same. It's true in parenting, in managing, and in *"managing customers"*. When you get a referral from a customer or client, the smartest thing you can do is to make a big, big deal out of it. Call with thanks or send a personal thank you note or gift.

Not long ago, I got a nice referral from a client. I immediately called the Omaha Steaks company and had them Federal Express a box of steaks to the guy. He called and told me that I was the first person in thirty years to actually thank him for a referral. He's since sent me a small fortune in referral business.

Ultimate Marketing Secret Weapon #2 ***A "Champion"***

The best car salesman I know is Bill Glazner. He has never yet asked me for a referral, but he is so darned good at what he does that I have sent him several dozen customers. And he has thanked me for every one of them.

In me, he has created *"a champion"* — a person who champions his cause, who tells everybody about him.

A handful of cultivated, appreciated champions can make you rich.

Are you giving your customers *"the WOW experience"*?

When the customer leaves your office, he has to be saying to himself - *"Wow! I 'm not sure what I expected, but that was sure a lot better than anything I've ever experienced before!"* - or *"Wow! Every time I come here, I'm impressed all over again. I just feel better, more "up" when I leave."* Those are the kind of feelings that produce abundant referrals. Those are the kind of feelings people express after being at a Disney park.

In many businesses, it is not enough to deliver great products or services, for example, in the health care industry. If those days ever existed, they are gone now - unless you're the only doctor for 500 miles, like that kid in *Northern Exposure*. You have to *"showcase"* inequality of the product you deliver with creative excellence in every other, even the minutest aspect, of your business. The customers have to be

"blown away". Their "socks knocked off."

I'll give you a quickie gimmick that can be part of all this- *"the concern call"*. He'll be *"blown away"* that a follow-up call was made, for example in the car repair business to evaluate the courtesy and timeliness of the services provided. The assembly of hundreds of *"little things"* for *"big impact"* is what internal marketing is all about. These type of calls can be used in just about any business there is.

1R+1R = RX, that's my formula for abundant referrals.

Being the only male guest in the Loews Anatole Hotel in Dallas, during Mary Kay convention week, is the experience of a lifetime. How do they get through the metal detectors at the airport with all those aware pins, badges, gold braids, and stuff on, anyway? That *"business system"* and the entire direct sales industry is fueled not by money, but by recognition for *"the troops"*.

Most people are starved for positive recognition. Given a way to get it, they'll do the most amazing things. So, *"1 part Recognition"* needs to be part of your Client Motivation Formula.

We've been conditioned to expect a reward for good behavior. If we get it, we generally duplicate that same behavior. If we don't, we try another behavior. As kids, as adults. So a big secret to getting the second referral from each client is to generously and pleasantly reward them for the first one! *"1 part Reward"*.

The two combined equal multiplied referrals.

Talk referrals, you chicken, you!

I'm here to tell you that you must get over your fears and hang-ups about simply talking to clients and customers about referrals.

Here's the thing - a word from the owner is powerful.

Consider the customer who only sees the office at its busiest times. He may feel if one more customer gets added to the schedule, someone will explode. Or there'll be less attention given to him.

The customer has to be put at ease. For example, saying *"John, I know you see us only at our busiest times but we also have times that are not so busy; when you could throw a bowling ball in the front door, down the hall and out the back and not wound anybody. When I pick up the phone to make sure there's a dial tone."*

"In fact, John, we reserve special times each week just to service clients referred to us by our friends, like you. So if there's a relative or friend of yours we might help, don't hesitate to send them in."

That'll take about a minute to do. It's not offensive. It's never perceived as *"begging"*. It'll pay big dividends. This same technique can be applied in other businesses also with just a little adjustment. The key is **SAY SOMETHING - ASK**. Don't just leave it up to the client or customer.

The quickest way I know to spark a surge of referrals is an effectively promoted, well run Customer Appreciation Day - it will produce a flood of referrals - clients bringing relatives, friends, coworkers and neighbors *"in tow"*.

Assertive, effective follow-up on the new people introduced to your business or practice via the

Customer Appreciation Day promotion(s) will yield many new customers/clients. (I recommend a three-step letter with literature enclosures sequence.)

Since I have worked with so many chiropractors, a lot of my examples come from that profession, but I want to emphasize these techniques are not limited to any individual profession. Here's some actual stats on a Patient Appreciation Day. A single doctor practice, at about \$250,000 a year gross revenue, had 58 patients and 31 "guests " come to his most recent Patient Appreciation Day. Eight of the "guests " were scheduled, on the spot, to return for full exams, 6 did, and 5 became continuing patients. There were also 6 subsequent referrals from "guests" who did not become patients themselves, but sent a relative or friend. And 2 of the 58 patients were reactivations. I would call that a very successful day. Why wouldn't you use this promotional method?

Doubling Your Business Or Practice

Can you tell me - without guessing, without a lot of digging around - how many referrals per active client/customer you averaged during the last 12 months? (That's one of the most important statistics of all, yet most people have no grip on it at all.)

The quickest way to double your business or practice is simply to get each client/customer to give you another one.

To do that you start with two words: Priority and Accountability.

Bringing up your overall referrals average (Stat # 1) and deriving the maximum possible referrals from each client/customer (Stat #2) have to become you and your staff's highest priority. The focus.

You have to hold yourself accountable - what did I do today? - who did I converse with today? = how many clients/customers did I talk with today about referrals? You have to hold your staff accountable. And you even have to hold your clients/customers accountable - they are supposed to refer.

Taking whatever referrals come and being happy with that is lazy and negligent.

Measurement automatically improves performance. Just about any experienced athlete will tell you that. Without measurement and accountability, there will be a gradual decline in performance. With measurement and accountability, there will be nothing less than stability and, usually, improvement in performance.

Off and on over the years, I've run "*Inner Circle Groups* " and member-doctors had to send in weekly or bi-weekly statistics and reports. I've lost count of the number of times I've seen significant improvement in practices solely because of that imposed awareness and reporting of stats and activities. And most practice management folks will grudgingly admit that the doctor having to report to them is as beneficial for the doctor as any advice they give him.

Successful businesses are managed, even micro-managed by statistics. If that sounds boring or tedious to you, it shouldn't. This is the only scientific approach to achieving goals and success. Let's take an example: assume you've determined that you average one referral for every ten times the doctor actually converses with patients about referrals. And you want ten referrals between the 1st and 15th of the month. How many patients does the doctor need to talk to between the 25th of the previous month and the 10th

of the current month? 100. Divided by 15 days: 7 a day, 4 each morning, 3 each afternoon, about 1 per work hour. Now if each hour you monitor yourself and check off that you have conversed with a patient about referring or note that you haven't, so you do it twice in the next hour, you will achieve your "big" goal.

If you apply that kind of measurement to every important aspect of your performance and your staffs performance, you'll be amazed at the results.

Of course, some people consciously or at least subconsciously avoid this kind of accountability, out of fear of failure - or because they weren't really committed to the goals involved in the first place. But giving "lip service " to goals without implementing the actions and disciplines needed to achieve them is dishonest.

Most businesses could easily increase by 50% to 100% purely and exclusively through installing this kind of measurement - not a dollar's more advertising. No big marketing breakthroughs. Just automatic performance improvement through measurement.

Some years back, there was an NFL expansion team that set a record for consecutive lost games. They were terrible. And convinced that they couldn't win. Telling them otherwise was useless. Finally a smart coach came in and took each player, one by one, and said, "*Forget winning or losing the game. **Instead, let's agree on just one isolated, measurable thing you can improve on from one game to the next.***" For one guy, it was the number of blocks; for another, number of blocked passes; for the running back, yards per carry; for the receiving, yards gained after a catch, etc. Each player micro-managed one quantifiable, measurable "thing ". You can guess the outcome. They won that week's game, and the next game.

Even if you're a "team of one", you can use this idea to coach yourself successfully.

More Benefits

One great result of expectation-exceeding customer service is positive word-of-mouth advertising. It is better to gain a customer as a result of referral from another, established satisfied customer than through commercial advertising, for reasons including the following:

- Lower marketing cost. Obviously, it costs less to get a referral than to get a customer through advertising. In many cases, it's free or virtually free.
- Less price resistance. Customers referred by satisfied customers come with a certain level of pre-established trust. They are predisposed to buy. And they'll be less resistant to price than new customers attracted by advertising.
- More referrals. The customer obtained as a referral is much more likely to, in turn, refer than is the advertising-generated customer. Many businesses have endless chains of referrals: Mary refers Bob who refers Susan...and so on.

The Little Things

Jerry Wilson's book, *Word-Of-Mouth Advertising*, provides a detailed, step-by-step plan of action for stimulating referrals. Wilson coined the term, "*The Talk Factor* ", to represent the impact of word-of-mouth advertising, and he says that talk (about a product, service or business) is not an uncontrollable

intangible but a measurable, collectible, manageable commodity that can move results to the bottom line just like any other marketing tool. In other words, word-of-mouth advertising can be managed.

Even though I once owned an ad agency and have continued as an advertising copywriter and consultant for many years, I believe that many businesses can be built entirely through managed word-of-mouth advertising.

If you want lots of word-of-mouth advertising, it's just not enough to be adequate. As I pointed out in my story about returning home from trips, I don't talk about service that only meets my expectations, only about the kind that fails to meet or significantly exceeds my expectations.

Often, getting from adequate/good customer service, which creates few or no referrals, to exceptional customer service, which dramatically exceeds customer expectations and creates many referrals, involves *"little things"*. Try using a *"one little thing"* program in your business. In one tire shop I know, each employee is required to find *"one little thing"* to fix, free of charge, on each car. When the customer picks up the car, this repair appears on the invoice as a no charge. The customer's expectations, focusing on proper repair work and reasonable charges, are significantly exceeded. The customer gets a pleasant surprise to help him or her get over the always-nasty business of looking at the invoice and paying it.

Not long ago, I was staying in a Hilton Hotel, got in late and weary, and ordered a room service meal. About ten minutes after its delivery, I got a "concern call" from the restaurant manager, just checking to make sure my meal was okay. Maybe there's a way you can adapt this idea to your business. These kind of *"little things"* can make a big difference in just about any business. Here are some tips for getting maximum positive word-of-mouth advertising and referrals:

- Make it a marketing and management priority.
- Become a serious student of word-of-mouth advertising.

Define your customers' expectations. Keep amending and adding to the list as your understanding of your customers grows.

- Set up a plan to consistently exceed those expectations. Look for new ways to exceed customer expectations. **Implement the *"little things program"* idea.**
- Ask your customers, through surveys, questionnaires conversation, etc., about what they need, want, like and don't like. One large supermarket invites customers in to Saturday meetings, to discuss their likes and dislikes and what could be done better in the store.

Measure the success of your word-of-mouth advertising. Keep track of the number of referrals you get in total and the percentage of your customers who do refer.

Action Tools

Here is a simple checklist of the *"inside"* determinate factors of the referral rate of your business or practice. Check out your business or practice and see how it would rate on these 10 items:

1. Environment (5 senses)

2. Sight
3. Sound
4. Smell
5. Touch
6. Taste

"Five-sensing" is a consulting technique invented by a teenager who made \$55,000 during his summer vacation, his first year consulting with retail stores and shopping malls - it's based on the idea that people are subconsciously affected greatly by subtle environmental issues.

1. Reception area or store window
2. Referral recognition
3. Your image
4. Staffs image

LIFE EXPERIENCES

Let me tell you about a dentist who multiplied his practice by ten in just one year without even a one-dollar increase in his advertising budget. He caters to children and, after a seminar on creative thinking, he built up a list of 300 things to change in his practice. For example:

He redesigned his office to provide maximum comfort to the "*short people* " who came there. He lowered the reception staff into a pit behind the counter, so they were at eye level with the patients.

He hung giant photographs of each dentist and dental assistant along with descriptions of each person's hobbies and interests, so new patients could pick their dentists and dental assistants based on having something in common with them.

He gave away free bicycles! Every patient got a "*home care follow-through Report Card* " for his or her parents to fill out. If the Report Card came back to the dentist with all A's, the youngster got a bicycle. (Imagine - as little Johnny rides around the neighborhood on his new bike and people ask him who got it for him and he answers, "*My dentist.*")

He called each parent the day after the child's treatment.

Each new patient left the office the first time with an autographed 8" x 10" glossy of his dentist and dental assistant.

Guess what? At backyard barbecues, PTA meetings, office lunches - the number one topic of conversation was little Johnny's weird dentist! Pardon the pun, but his practice multiplied itself by ten purely through word-of-mouth advertising.

This sort of dedicated, constructive, well-planned program can be adapted to most any type of business - the possibilities are endless.

INSPIRATION FOR APPLICATION

The willingness to do whatever it takes is infinitely more important than knowing everything there is to know about how to do it.

- Dan S. Kennedy

Do what you do so well that people can't resist telling others about you.

- Walt Disney

Amateurs hope. Professionals work.

- Garson Kanin

(P) 1997/Kennedy Inner Circle, Inc.

Entrepreneurship And Business Success Power Points

The First Paradigm Shift Is From Doer Of Things To Marketer Of Things

When the jewelry store owner becomes a marketer of fine jewelry, the carpet cleaner becomes a marketer of carpet cleaning services, the chiropractor a marketer of chiropractic care, etc., he takes a quantum leap up in income potential. Most service business owners, small business owners, self-employed professionals and consultants all view themselves as doers of what they do, with the task of getting people to do it to as a necessary evil. The marketer sees the acquisition, retention and value maximization of the customers as his primary role, with the doing of the service the necessary evil. Simply, marketers are much more valuable and highly paid than doers.

This is very, very difficult for doers to accept. When you go to our National Speakers Convention, at least 80% of everybody's conversation is about the doing, not the marketing; in the cocktail lounge, people tell each other what they do...."I speak about X, I'm an expert in Y." In the meetings, they endlessly rehash platform techniques. If one asks another what do you do, the answerer will define himself by his topic. This is not unusual. If you go to a chiropractic or carpet cleaning or computer programmer's convention, the focus will be on chiropractic technique, new chemicals and equipment, and new software. If you ask most businesspeople what they do, they'll define themselves as a doer of a thing rather than as a marketer of a thing.

From the very beginning, when asked the question, I would explain that I was in the speaking and consulting businesses. To me, what I did on stage or in the boardroom was not the main issue. Being in those businesses (i.e. marketing those services) was.

This attitude or view or definition of who you are has enormous impact on how you allocate your time and energy. The doers of things do those things and get around to marketing if there's "time left over." And often they will say they're no good at marketing or selling. Or that they don't like it or want to do it. In this way, they box themselves in to forever being a "worker bee" rather than a "queen bee", and to forever working harder than smarter.

Obviously, technical skills related to the delivery of a quality product or service are important. But they are not nearly as important as the ability to market those same products or services. And it is infinitely easier to delegate the doing than the marketing in just about every busi-

ness, because there are plenty of good doers who are terrible marketers, who, because of that, can be hired cheap.



Power Point #130:

The Power Of Being A Professional Entrepreneur

The "professional entrepreneur" masters the skills of entrepreneurship but is never limited to any one particular industry or business i.e. application of those skills. The professional entrepreneur can start or run companies or both, and is adept at extracting maximum value out of a business and its customers via focused diversification.



Power Point #131:

The Power Of Being a Professional Direct Marketer

The "professional marketer" masters the skills of direct marketing without being limited to any one product category or media i.e. application of those skills. I might add, there is no higher valued and rewarded skill on earth than the ability to get something sold. In corporate bureaucracies, the top management's compensation is always pushed higher than their highest paid salesman, but outside of that controlled environment, the sales and marketing "stars" always make more money than the makers of products or providers of services being sold. If you want to increase your personal earning power, the answer is always to focus on becoming better at marketing (not at "making").

A PROFESSIONAL DIRECT MARKETER SUBSCRIBES TO AND READS THE TRADE JOURNALS OF THE DIRECT MARKETING INDUSTRY

1. DM NEWS
2. DIRECT

3. Catalog Age

4. Direct Marketing

For addresses, refer to Million Dollar Rolodex in 'How To Make Millions With Your Ideas'.



Power Point #132: The Power Of Expert Status

I don't think you can over-emphasize the advantage to the entrepreneur who has personal expert status in his field.

HOW TO BECOME AN EXPERT

1. Legitimate personal experience
2. Read the top ten books in the field
3. Read two years' back issues of the industry journals
4. Join the trade associations
5. Attend the major trade show, convention or conference
6. Attend an industry leader's seminar
7. Keep a notebook of unanswered questions, and get them answered
8. Seek out several leaders in the industry and consult with them personally (informally or formally)

HOW TO BE RECOGNIZED AS AN EXPERT

1. Write a book/Create information products *
2. High profile advertising in industry journals**
3. Launch a publicity campaign ***
4. Write articles for industry journals
5. Speak at industry conferences and/or market and conduct your own seminars
6. Publish a newsletter
7. Surround yourself with recognized experts, via having them write for your newsletter, speak at your seminars, interview them for your audio tapes, etc.

Notes



Power Point #133:

The Power Of "Big Cajones"

"Timid Salesmen Have Skinny Kids" - Zig Ziglar

I got this early in life - but I'm unceasingly amazed at how many people still haven't got it. The principle is simple and even Biblical: you've got to ask for what you want.

In selling, negotiating, deal-making, etc., you need to be brazen beyond belief.

This is especially important if selling big-ticket/high-priced products or services or high fees. In my business, what is the difference between getting \$500 or \$5,000 to write a sales letter or to give a speech? It has more to do with asking for it than with anything else. It is both a metaphysical and practical truth that the world accepts your own appraisal of your value.



Power Point #134:

Everybody Can't Be Good At Everything

Everybody Is Really, Really Good At A Few Things

I suppose every entrepreneur starts out just as I did: doing everything. And like me, you've undoubtedly discovered that there are lots of things you can do including those you don't like doing, those you have no training in, and those that do not have value equal to the value of your time.

The trick to maximum earnings is to free yourself from as many of the things you only do adequately, and certainly the things you don't do well, and focus as much time and energy as possible on the things you do well, especially the very few things you do better than anybody else you've ever met. And it's useful to work on those lists (see following pages).

The trick to peace of mind is to get comfortable with who you are, with regard to this breakdown of things you do better than anybody, things you do well, things you do adequately, and things you do so badly it's an embarrassment. Nobody can be good at everything. Donald Trump is, for example, obviously much better at making money and doing deals than he is at sustaining a marriage. If the latter is or becomes very important to him, then he's going to have to make attitude, habit, behavioral, priority, lifestyle, etc. changes in order to get good at it. He may just decide it's not that important and stay single from here on out. I suspect that becoming "ok" with what you've gotten really good at and what you haven't gotten good at is what maturity is all about.

A mentor of mine taught this metaphorically; he insisted that anytime you saw a guy on the dance floor who was a really good dancer, it was a safe bet he had more moths than money in his wallet, because anybody who had enough time to master dancing didn't have enough time to master making money. Taken literally, I'm sure there are exceptions to this (although I've yet to meet one). But taken as example and metaphor, it is perfectly valid.

I can tell you, personally, that I took a big leap in happiness - and, not coincidentally, in earning power - from the day that I concluded I should not build and run companies with employees. Yes, I can do it. But I shouldn't do it. It is not the highest, best and happiest use of my time.

Power Point #136:

Recruit Your Weaknesses

This applies to partners and associates, if you're going to have them; employees, if you're going to have them; mastermind group members and advisors; even, I think, spouses.

NOTICE:

THE FOLLOWING PAGES DESCRIBE A HIGH-LEVEL MASTERMIND GROUP WHICH MAY OR MAY NOT BE AVAILABLE OR HAVE OPENINGS AT THE PRESENT TIME.

IF IT INTERESTS YOU, PLEASE INQUIRE. ALSO: ONETIME ATTENDANCE AT A MEETING IS POSSIBLE UNDER CERTAIN CIRCUMSTANCES; FEEL FREE TO INQUIRE ABOUT THAT ALSO.

**An urgent and important special notice
from Dan Kennedy**

\$250.000.00 A DAY.

That's the minimum amount of money that was made in deals (not counting ideas!) amongst the small number of invited Inner Circle Members/clients who attended my recent two day "Closed Door Meeting" in Phoenix.

Why am I telling you this? Because it was so successful that we are formalizing a *Platinum Inner Circle", limited to no more than 20 people, who I judge to have both knowledge and deal-making opportunities to share with the others, who will meet three times in 1998 plus receive other, exclusive services and benefits.

You should know right off the bat that membership is pricey.

It'll cost you over \$5,000.00, plus the costs of travel to attend the meetings. If that's a "choke" for you, read no further.

If, on the other hand, you feel this might be for you, and that you have something to contribute as well as something to gain, then let me know and I will send you detailed information and then, as need be, talk with you personally about it. (Please do not be offended if I determine that this is NOT appropriate for you. I have a duty to the others already in the group to very carefully screen the new participants.

Our group consists of business owners and entrepreneurs from companies as "small" as a million or two in annual gross (but high "net") to over 100-million in annual grossusing direct-response advertising, direct marketing and mail-order marketing.... to sell business information products and services, training courses, seminars and boot camps, business opportune ties and similar goods.....to niche and to mainstream markets. I am looking for compatible individuals to fill out the group. (If you are in a business significantly different from what I've just described, you do not belong in this particular group.) Oh, and you must be seriously interested in experiencing very substantial income growth in your business.

There are three reasons to join: one, to make profitable deals; joint ventures; get somebody to sell your products to

their clientele, find others' products you can sell to your clientele, etc. Two, to exchange information, experience, contacts, solutions and ideas. Three, to give yourself a "brain shake-up" periodically with like-minded, bright, successful, innovative entrepreneurs. There is an agreed upon environment of complete confidentiality, so we can be very open with one another. Even though I'm coordinating everything, I'm participating and seeking the benefits of participation just like everyone else.

The first "Closed Door Meeting" (which each person paid \$1,800.00 to attend) was so successful it surprised even me - and motivated me to act on creating a continuing, complete "package" of these meetings, tele-conferences and other exchanges of information. I'm very excited about what we've laid out as the 1998 program.

This is an opportunity to mind-and-deal "partner" with my elite cadre of the most successful direct marketers and info-marketers in the country. If this interests you, and if you believe you are qualified, it is critical that you communicate with me IMMEDIATELY, as I anticipate closing membership very quickly. My FAX# is 602/269-3113.

Best,

Dan Kennedy

Step 9 Toward Riches: Power of the Master Mind

POWER IS ESSENTIAL FOR SUCCESS IN THE ACCUMULATION of money.

Plans are inert and useless without sufficient power to translate them into action. This chapter will describe the method by which an individual may attain and apply power.

Power may be defined as "organized and intelligently directed knowledge." Power, as the term is here used, refers to organized effort sufficient to enable an individual to transmute desire into its monetary equivalent. Organized effort is produced through the co-ordination of effort of two or more people who work toward a definite end in a spirit of harmony.

Power is required for the accumulation of money! Power is necessary for the retention of money after it has been accumulated!

Let us ascertain how power may be acquired. If power is "organized knowledge," let us examine the sources of knowledge:

An economic principle and a psychic principle give you a remarkable cooperative alliance. Master-mind power helps you accumulate money and keep your money growing.

1. *Infinite Intelligence*: This source of knowledge may be contacted through the procedure described in another chapter, with the aid of creative imagination.
2. *Accumulated experience*: The accumulated experience of man (or that portion of it which has been organized and recorded) may be found in any well-equipped public library. An important part of this accumulated experience is taught in public schools and colleges, where it has been classified and organized.
3. *Experiment and research*: In the field of science

Earn a ton of money giving away **FREE ADVERTISING** to merchants and giving **MONEY** to worthy non-profit clubs and charitable groups...

How Two Crazy College Kids Made \$55,352.00 Their First Year In The World's Most Unusual Business!

Here's what they did and now what you can do too.

Omaha, Ne.- My name is Julie Nielsen. I'm 25 years old. Three years ago, with NO MONEY, NO REAL BUSINESS EXPERIENCE, and NO CONTACTS, my brother Doug and I started a unique, stress-free, high profit business from a small two bedroom apartment. Nobody even thought we would get our business off the ground. In only three years, we've gone from being two broke peasant butter and jelly eating college kids to successful entrepreneurs owning a fast growing money making business. We've achieved the American Dream of starting a business from nothing and building it into a thriving and growing enterprise.

Everyone thought we were CRAZY when we told them, "We've had it! We're done hunting for those so called 'GOLD' JOBS'. We're starting our own company!!"

But, nobody thinks we're crazy now! You see, Doug and I now make more money part-time than most people my Dad's age earn (in management jobs) working all year long putting up with their boss. In only our second full year, we doubled the size of our business and 1995 is off to a blistering start.

Oh, by the way, our business is NOT some 'multi-level' marketing opportunity. NOT a mail order opportunity where you can make \$2,000 per hour. IT some business where we teach you how to teach others how to get rich. We have a real business. It actually took work to start it and make it successful. This is not some made up story. Doug and I are real people and are actually brother and sister. And like every brother and sister, we used to get like cats and dogs. But, now that we're a little less, besides an occasional disagreement (when we're wrong), we get along very well.

HOW DID WE GO FROM BEING TWO BROKE COLLEGE GRADS TO BEING SUCCESSFUL ENTREPRENEURS?

Before we started our business, we were like every other college grad searching high and low for one so called "GOOD JOB". After months of tirelessly hunting and banging our heads against brick walls, we both became frustrated with the job market. Out of sheer desperation, we decided to start our own business. But how? Two kids fresh out of college with no money (in fact we were in debt) no real business experience, and no contacts. Our odds seemed better for winning the lottery than for successfully starting a business. Determined not to fail...

We discovered an incredibly unique business that allows us to make a great deal of money by doing two things: Giving free or "retiring" away to merchants and giving money to non-profit clubs and charitable groups.

Our business has grown faster than weeds in a den. Can you think of a charitable group that can't need more money? Can you name a business that wouldn't want free advertising? The answer partly explains the amazing success we've had. There's simply a huge market for what we do. In our business, we help non-profit groups to money for all their special community projects and activities. With the help of our home computer, we created the ultimate WIN-WIN

concept that helps companies increase their business while helping non-profit groups raise money. Who are non-profit groups? They are school clubs such as band and choir, youth sports clubs like soccer or softball, churches, and organizations such as the Optimists, Kiwanis, Jaycees, Rotarians and Lions Clubs. There are literally thousands and thousands of clubs who need money.

After only 4 months, we began to make money and were pretty sure that starting our own business was the right decision. But after making over \$55,000.00 our first year, we knew we were on the right track! Our business literally exploded after the fourth month.

Now our business runs almost completely on autopilot. It virtually runs itself.

The first year was a lot of hard work. We worked a ton of hours developing our business. We had to learn everything the hard way. Only after trying 37 different methods, did we finally discover the secret from which we developed our amazingly simple system. It took about a full year to refine the system and totally set up the program. Both merchants and non-profit clubs love our concepts. Once a club successfully works with us... they want to every year. In other words, once the business is set up it almost runs itself. Unlike most businesses, where you start from scratch at the beginning of each year, our business is set up on a renewal basis.

WORK ONLY HALF THE YEAR AND STILL HAVE A GREAT INCOME!

Our business is great because it can be set up as a seasonal business. It can either be a full-time or part-time business. Anyway you slice it, there's a lot of free time. I actually took the whole month of January off. In 1994, Doug and I were able to take almost seven weeks of vacation and could almost come and go as we pleased.

SO, HOW DO YOU FIT INTO ALL THIS?

Well, over the past 3 years (and much trial and error), we've nearly perfected this business. In fact, it works so well, it's almost scary. I am convinced that there is huge growth potential for our business in every community in America. People ask us all the time if we are going to expand our business. But, we've hardly even scratched the surface of potential in our own area. Sure, we'd like to make even more money (who wouldn't), but, frankly, we're not willing to work hard enough to expand this all over the country. Instead, we decided to condense our business into a step-by-step formula that anybody of average intelligence can use... and offer it in a book that anyone can afford.

JULIE & DOUG'S PERSONAL GUARANTEE!!

With our book, The Secret of Making \$55,000.00 a Year Part-Time Giving Away Free Advertising, you are protected by our simple, NO-QUESTIONS-ASKED guarantee: Use our book for TWO FULL MONTHS entirely at our risk. If, during this time, you are not totally convinced you're on to something real and that you too can make \$50,000.00 or more in the next year with this simple and rewarding business...I want you to send it back for a complete refund. No hassles. No questions.



"Young Entrepreneurs explain the secret of their success"

Here are some of the things we will reveal about how we make \$55,352.00 a year giving away **FREE** advertising and giving money to non-profit and charitable groups.

- How we got started by helping just one non-profit club and made over \$2,500.00
- How to create the perfect BIG PROFIT PRODUCT for marketing with our system, without making a huge investment.
- Five of the most unusual, high margin, easy to develop products - all that give **FREE** advertising to merchants.
- Where to find the most money hungry non-profit groups... and how to get them beating down your door (We make good money working with only 5 groups!)
- THE ULTIMATE WIN-WIN BUSINESS - everybody loves us because we help merchants increase their business while helping non-profit groups make a ton of money - we show you how!
- The amazing Big Red Renewal System that allows you to put together unique products that will keep making you CASH year after year
- How to start right now - without leaving the security of your job - with just a few hours a week.

YES, this is a great business to be in. But, you need to have unique high profit margin products and a system in place to be successful. After reading our book you cannot fail... we will explain it all. Remember there is absolutely no risk in trying our system. We are offering two full months to test our book.

TO FINISH THIS ALL UP:

Doug and I **LOVE** what we do! Unlike many people, we don't dread Monday mornings and in fact, we really enjoy going to work. We're making 'good money', but more importantly, we also have the **FREEDOM & TIME** to enjoy it...all this from discovering the **SECRET** which lead to our amazing system. No doubt about it, it really works! We believe YOU can learn and use our system too. **GUARANTEED!** We've described **EVERYTHING** we do in our book, and you can have a copy for just \$19.95.

To order with your Visa, Mastercard, Discover/Novus, or American Express Card CALL TOLL FREE AT:

1-800-598-9903 Ext. C15

Or mail your check or money order for \$19.95 plus \$3.50 shipping and handling to:

Julie and Doug Nielsen
9001 Arbor St. #206, Dept. C15
Omaha, Nebraska 68124

© Julie and Doug Nielsen 1995

Think and Grow Rich

great fortune, and many of those who have accumulated modest fortunes, and you will find that they have either consciously or unconsciously employed the "Master Mind" principle.

Great power can be accumulated through no other principle!

You Can Use More Brains Than Your Own

Man's brain may be compared to an electric battery. It is a well-known fact that a group of electric batteries will provide more energy than a single battery. It is also a well-known fact that an individual battery will provide energy in proportion to the number and capacity of the cells it contains.

The brain functions in a similar fashion. This accounts for the fact that some brains are more efficient than others, and leads to this significant statement—a group of brains coordinated (or connected) in a spirit of harmony will provide more thought energy than a single brain, just as a group of electric batteries will provide more energy than a single battery.

Through the metaphor it becomes immediately obvious that the Master-Mind principle holds the secret of the power wielded by men who surround themselves with other men of brains.

There follows now another, statement which will lead still nearer to an understanding of the psychic phase of the Master-Mind principle: when a group of individual brains are coordinated and function in harmony, the increased energy created through that alliance becomes available to every individual brain in the group.

It is a well-known fact that Henry Ford began his business

Step 9 Toward Riches: Power of the Master Mind

career under the handicaps of poverty, illiteracy, and ignorance. It is an equally well-known fact that, within the inconceivably short period of ten years, Mr. Ford mastered these three handicaps, and that within twenty-five years he made himself one of the richest men in America. Connect with this fact the additional knowledge that Mr. Ford's most rapid strides became noticeable from the time he became a personal friend of Thomas A. Edison, and you will begin to understand what the influence of one mind upon another can accomplish. Go a step farther, and consider the fact that Mr. Ford's most outstanding achievements began from the time that he formed the acquaintances of Harvey Firestone, John Burroughs, and Luther Burbank (each a man of great brain capacity) and you will have further evidence that power may be produced through friendly alliance of minds.

Men take on the nature and the habits and the power of thought of those with whom they associate in a spirit of sympathy and harmony. Through his association with Edison, Burbank, Burroughs, and Firestone, Mr. Ford added to his own brain power the sum and substance of the intelligence, experience, knowledge, and spiritual forces of these four men. Moreover, he appropriated and made use of the Master-Mind principle through the methods of procedure described in this book.

This principle is available to you! We have already mentioned Mahatma Gandhi—Let us study the method by which he attained his stupendous power. It may be explained in a few words. He came by power through inducing over two hundred million people to coordinate, with mind and body, in a spirit of harmony, for a definite purpose.

In brief, Gandhi accomplished a miracle, for it is a miracle

Think and Grow Rich

when two hundred million people can be induced—not forced — to cooperate in a spirit of harmony. If you doubt that this is a miracle, try to induce any two people to cooperate in a spirit of harmony for *any length of time*.

Every man who manages a business knows what a difficult matter it is to get employees to work together in a spirit even remotely resembling harmony.

The list of the chief sources from which power may be attained is, as you have seen, headed by Infinite Intelligence. When two or more people coordinate in a spirit of harmony and work toward a definite objective, they place themselves in position, through that alliance, to absorb power directly from the great universal storehouse of Infinite Intelligence. This is the greatest of all sources of power. It is the source to which the genius and the great leader turn (whether they are conscious of the fact or not).

The other two major sources from which the knowledge necessary for the accumulation of power may be obtained are no more reliable than the five senses of man. The senses are not always reliable.

In subsequent chapters, the methods by which Infinite Intelligence may be most readily contacted will be adequately described.

This is not a course on religion. No fundamental principle described in this book should be interpreted as being intended to interfere either directly or indirectly with any man's religious habits. This book has been confined exclusively to instructing the reader how to transmute the definite purpose of desire for money into its monetary equivalent. Read, *think* and meditate as you read. Soon, the entire subject will unfold, and you will see it in perspective. You are now seeing the detail of the individual chapters.

Step 9 Toward Riches: Power of the Master Mind

Poverty Needs No Plan

Money is shy and elusive. It must be wooed and won by methods not unlike those used by a determined lover in pursuit of the girl of his choice. And, coincidental as it is, the power used in the "wooing" of money is not greatly different from that used in wooing a maiden. That power, when successfully used in the pursuit of money, must be mixed with faith. It must be mixed with desire. It must be mixed with persistence. It must be applied through a plan, and that plan must be set into action.

When money comes in quantities known as "the big money," it flows to the one who accumulates it as easily as water flows down hill. There exists a great unseen stream of power, which may be compared to a river, except that one side flows in one direction, carrying all who get into that side of the stream, onward and upward to wealth—and the other-side flows in the opposite direction, carrying all who are unfortunate enough to get into it (and not able to extricate themselves from it) downward to misery and poverty.

Every man who has accumulated a great fortune has recognized the existence of this stream of life. It consists of one's thinking process. The positive emotions of thought form the side of the stream which carries one to fortune. The negative emotions form the side which carries one down to poverty.

This carries a thought of stupendous importance to the person who is following this book with the object of accumulating a fortune.

If you are in the side of the stream of power which leads to poverty, this may serve as an oar by which you may propel yourself over into the other side of the stream. It can serve

Think and Grow Rich

you only through application and use. Merely reading and passing judgment on it, either one way or another, will in no way benefit you.

Poverty and riches often change places. When riches take the place of poverty, the change is usually brought about through well-conceived and carefully executed plans. Poverty needs no plan. It needs no one to aid it, because it is bold and ruthless. Riches are shy and timid. They have to be "attracted."

Step 9 Toward Riches: Power of the Master Mind

POINTS TO PIN DOWN:

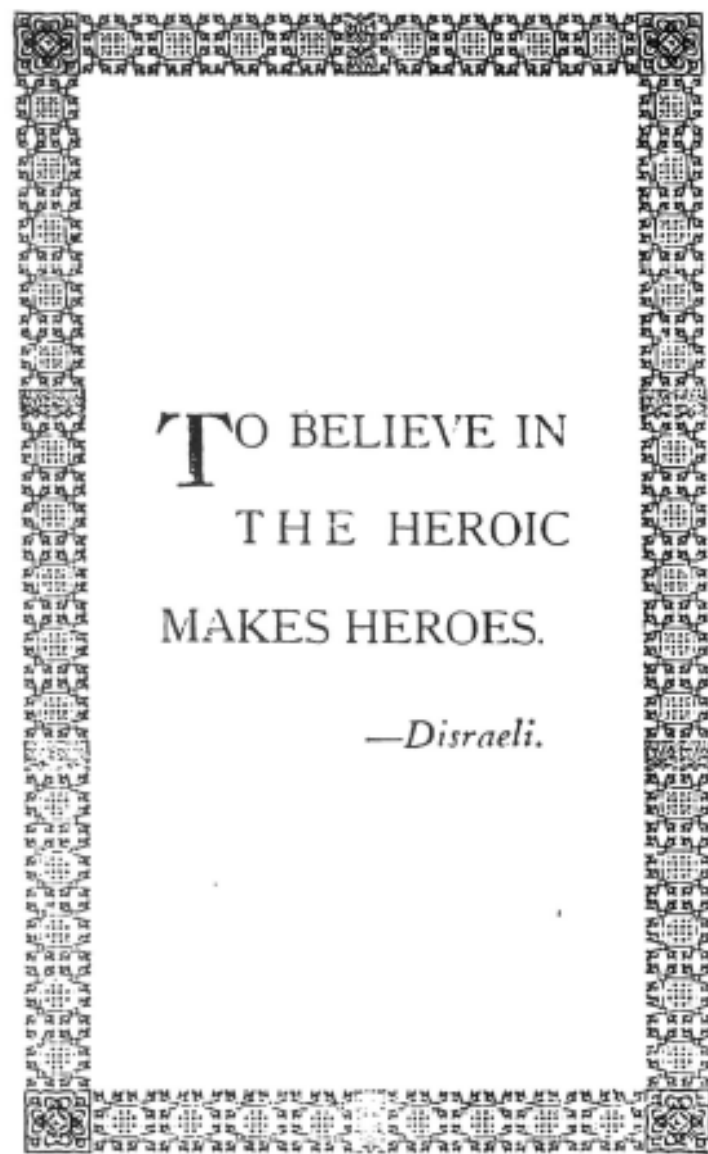
Andrew Carnegie's greatest contribution to personal and business success—the Master Mind—is yours to use as you desire. It is the master way to use organized and directed knowledge as a road to lifelong power.

The human mind is a form of energy. When two or more minds cooperate in harmony, they form a great "bank" of energy, plus a third, invisible force which can be likened to a Master Mind.

It is necessary to plan and to organize in order to get rich. Staying poor is very easy; poverty needs no plan.

Three major sources of accumulated mind power stand ready to aid you. They can be used at will by those who know how to use them—as you do now.

Happiness is found in doing, not merely in possessing.



The Master Mind

For the purpose of establishing this lesson upon a sound foundation we have gone a long way toward success by admitting that the meeting or coming in close contact of two minds sets up in each of those minds a certain noticeable "effect" or state of mind quite different from the one existing immediately prior to the contact. While it is desirable it is not essential to know what is the "cause" of this reaction of mind upon mind. That the reaction takes place, in every instance, is a known fact which gives us a starting point from which we may show what is meant by the term "Master Mind."

A Master Mind may be created through the bringing together or blending, in a spirit of perfect harmony, of two or more minds. Out of this harmonious blending the chemistry of the mind creates a third mind which may be appropriated and used by one or all of the individual minds. This Master Mind will remain available as long as the friendly, harmonious alliance between the individual minds exists. It will disintegrate and all evidence of its former existence will disappear the moment the friendly alliance is broken.

This principle of mind chemistry is the basis and cause for practically all the so-called "soul-mate" and "eternal triangle" cases, so many of which unfortunately find their way into the divorce courts and meet with popular ridicule from ignorant and uneducated people who manufacture vulgarity and scandal out of one of the greatest of Nature's laws.

The entire civilized world knows that the first two or three years of association after marriage are often marked by much disagreement, of a more or less petty

The Law of Success

nature. These are the years of "adjustment." If the marriage survives them it is more than apt to become a permanent alliance. These facts no experienced married person will deny. Again we see the "effect" without understanding the "cause."

While there are other contributing causes, yet, in the main, lack of harmony during these early years of marriage is due to the slowness of the chemistry of the minds in blending harmoniously. Stated differently, the electrons or units of the energy called the mind are often neither extremely friendly nor antagonistic upon first contact: but, through constant association they gradually adapt themselves in harmony, except in rare cases where association has the opposite effect of leading, eventually, to open hostility between these units.

It is a well known fact that after a man and a woman have lived together for ten to fifteen years they become practically indispensable to each other, even though there may not be the slightest evidence of the state of mind called love. Moreover, this association and relationship sexually not only develops a natural affinity between the two minds, but it actually causes the two people to take on a similar facial expression and to resemble each other closely in many other marked ways. Any competent analyst of human nature can easily go into a crowd of strange people and pick out the wife after having been introduced to her husband. The expression of the eyes, the contour of the faces and the tone of the voices of people who have long been associated in marriage, become similar to a marked degree.

So marked is the effect of the chemistry of the human mind that any experienced public speaker may

The Master Mind

quickly interpret the manner in which his statements are accepted by his audience. Antagonism in the mind of but one person in an audience of one thousand may be readily detected by the speaker who has learned how to "feel" and register the effects of antagonism. Moreover, the public speaker can make these interpretations without observing or in any manner being influenced by the expression on the faces of those in his audience. On account of this fact an audience may cause a speaker to rise to great heights of oratory, or heckle him into failure, without making a sound or denoting a single expression of satisfaction or dissatisfaction through the features of the face.

All "Master Salesmen" know the moment the "psychological time for closing" has arrived: not by what the prospective buyer says, but from the effect of the chemistry of his mind as interpreted or "felt" by the salesman. Words often belie the intentions of those speaking them but a correct interpretation of the chemistry of the mind leaves no loophole for such a possibility. Every able salesman knows that the majority of buyers have the habit of affecting a negative attitude almost to the very climax of a sale.

Every able lawyer has developed a sixth sense whereby he is enabled to veer his way through the most artfully selected words of the clever witness who is lying, and correctly interpret that which is in the witness's mind, through the chemistry of the mind. Many lawyers have developed this ability without knowing the real source of it; they possess the technique without the scientific understanding upon which it is based. Many salesmen have done the same thing.

One who is gifted in the art of correctly interpreting

The Law of Success

the chemistry of the minds of others may, figuratively speaking, walk in at the front door of the mansion of a given mind and leisurely explore the entire building, noting all its details, walking out again with a complete picture "f the interior of the building, without the owner of the building so much as knowing that he has entertained a visitor. It will be observed, in the lesson Accurate Thinking, that this principle may be put to a very practical use (having reference to the principle of the chemistry of the mind>. The principle is referred to merely as an approach to the major principles of this lesson.

Enough has already been stated to introduce the principle of mind chemistry, and to prove, with the aid of the student's own every-day experiences and casual observations that the moment two minds come within close range of each other a noticeable mental change takes place in both, sometimes registering in the nature of antagonism and at other times registering in the nature of friendliness. Every mind has what might be termed an electric field. The nature of this field varies, depending upon the "mood" of the individual mind back of it, and upon the nature of the chemistry of the mind creating the "field."

It is believed by this author that the normal or natural condition of the chemistry of any individual mind is the result of his physical heredity plus the nature of thoughts which have dominated that mind; that every mind is continuously changing to the extent that the individual's philosophy and general habits of thought change the chemistry of his or her mind. These principles the author BELIEVED to be true. That any individual may voluntarily change the

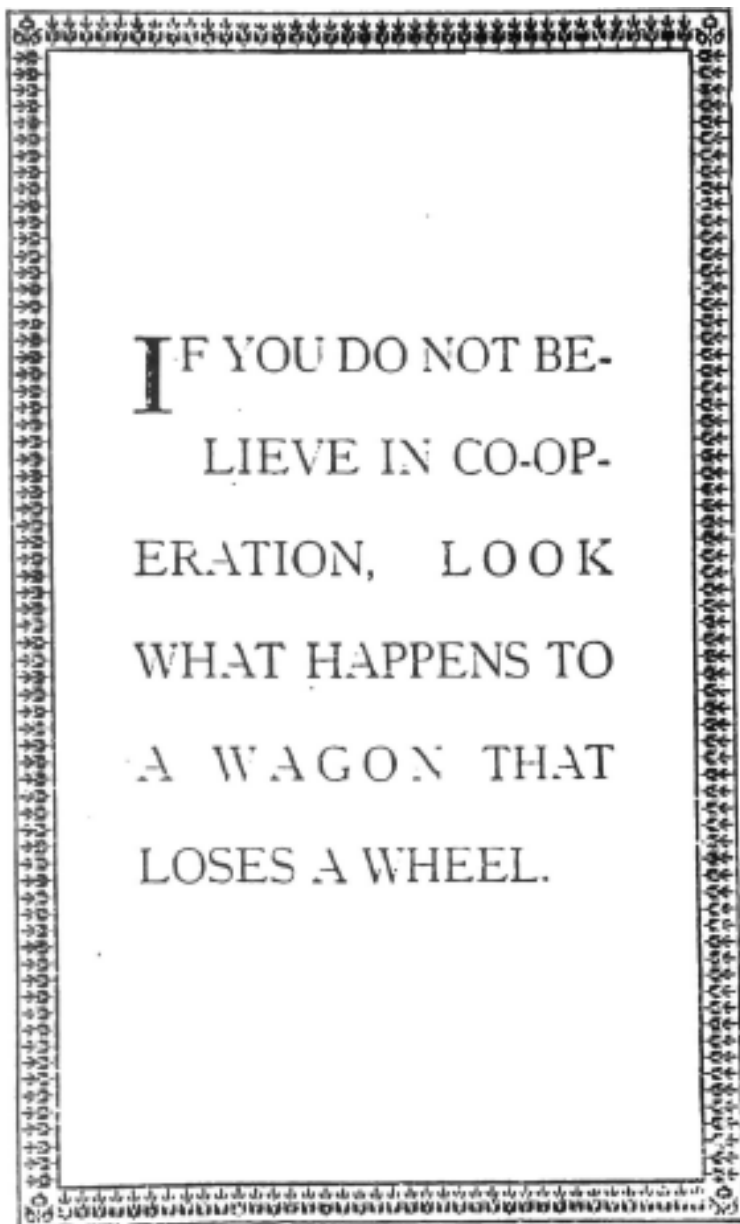
The Master Mind

chemistry of his or her mind so that it will either attract or repel all with whom it comes in contact is a **KNOWN FACT!** Stated in another manner, any person may assume a mental attitude which will attract and please others or repel and antagonize them, and this without the aid of words or facial expression or other form of bodily movement or demeanor.

Go back, now, to the definition of a "Master Mind" —a mind which grows out of the blending and coordination of two or more minds, **IN A SPIRIT OF PERFECT HARMONY**, and you will catch the full significance of the word "harmony" as it is here used. Two minds will not blend nor can they be co-ordinated unless the element of perfect harmony is present, wherein lies the secret of success or failure of practically all business and social partnerships.

Every sales manager and every military commander and every leader in any other walk of life understands the necessity of an "esprit de corps"—a spirit of common understanding and co-operation—in the attainment of success. This mass spirit of harmony of purpose is obtained through discipline, voluntary or forced, of such a nature that the individual minds become blended into a "Master Mind," by which is meant that the chemistry of the individual minds is modified in such a manner that these minds blend and function as one.

The methods through which this blending process takes place are as numerous as the individuals engaged in the various forms of leadership. Every leader has his or her own method of coordinating the minds of the followers. One will use force. Another uses per-



The Master Mind

suasion. One will play upon the fear of penalties while another plays upon rewards, in order to reduce the individual minds of a given group of people to where they may be blended into a mass mind. The student will not have to search deeply into history of statesmanship, politics, business or finance, to discover the technique employed by the leaders in these fields in the process of blending the minds of individuals into a mass mind.

The really great leaders of the world, however, have been provided by Nature with a combination of mind chemistry favorable as a nucleus of attraction for other minds. Napoleon was a notable example of a man possessing the magnetic type of mind which had a very decided tendency to attract all minds with which it came in contact. Soldiers followed Napoleon to certain death without flinching, because of the impelling or attracting nature of his personality, and that personality was nothing more nor less than the chemistry of his mind.

No group of minds can be blended into a Master Mind if one of the individuals of that group possesses one of these extremely negative, repellent minds. The negative and positive minds will not blend in the sense here described as a Master Mind. Lack of knowledge of this fact has brought many an otherwise able leader to defeat.

Any able leader who understands this principle of mind chemistry may temporarily blend the minds of practically any group of people, so that it will represent a mass mind, but the composition will disintegrate almost the very moment the leader's presence is removed from the group. The most successful life-

The Law of Success

insurance sales organizations and other sales forces meet once a week, or more often, for the purpose of— OF WHAT?

FOR THE PURPOSE OF MERGING THE INDIVIDUAL MINDS INTO A MASTER MIND WHICH WILL, FOR A LIMITED NUMBER OF DAYS, SERVE AS A STIMULUS TO THE INDIVIDUAL MINDS!

It may be, and generally is, true that the leaders of these groups do not understand what actually takes place in these meetings, which are usually called "pep meetings." The routine of such meetings is usually given over to talks by the leader and other members of the group, and occasionally from someone outside of the group, meanwhile the minds of the individuals are contacting and recharging one another.

The brain of a human being may be compared to an electric battery in that it will become exhausted or run down, causing the owner of it to feel despondent, discouraged and lacking in "pep." Who is so fortunate as never to have had such a feeling? The human brain, when in this depleted condition, must be recharged, and the manner in which this is done is through contact with a more vital mind or minds. The great leaders understand the necessity of this "recharging" process, and, moreover, they understand how to accomplish this result. THIS KNOWLEDGE IS THE MAIN FEATURE WHICH DISTINGUISHES A LEADER FROM A FOLLOWER!

Fortunate is the person who understands this principle sufficiently well to keep his or her brain vitalized or "recharged" by periodically contacting it with a more vital mind. Sexual contact is one of the most

The Master Mind

effective of the stimuli through which a mind may be recharged, providing the contact is intelligently made, between man and woman who have genuine affection for each other. Any other sort of sexual relationship is a devitalizer of the mind. Any competent practitioner of Psycho-therapeutics can "recharge" a brain within a few minutes.

Before passing away from the brief reference made to sexual contact as a means of revitalizing a depleted mind it seems appropriate to call attention to the fact that all of the great leaders, in whatever walks of life they have arisen, have been and are people of highly sexed natures. The word "sex" is not an indecent word. You'll find it in all the dictionaries.)

There is a growing tendency upon the part of the best informed physicians and other health practitioners, to accept the theory that all diseases begin when the brain of the individual is in a depleted or devitalized state. Stated in another way, it is a known fact that a person who has a perfectly vitalized brain is practically, if not entirely, immune from all manner of disease.

Every intelligent health practitioner, of whatever school or type, knows that "Nature" or the mind cures disease in every instance where a cure is affected. Medicines, faith, laying on of hands, chiropractic, osteopathy and all other forms of outside stimulant are nothing more than artificial aids to NATURE, or, to state it correctly, mere methods of setting the chemistry of the mind into motion to the end that it readjusts the cells and tissues or the body, revitalizes the brain and otherwise causes the human machine to function normally.

The Law of Success

The most orthodox practitioner will admit the truth of this statement.

What, then, may be the possibilities of the future developments in the field of mind chemistry?

Through the principle of harmonious blending of minds perfect health may be enjoyed. Through the aid of this same principle sufficient power may be developed to solve the problem of economic pressure which constantly presses upon every individual.

We may judge the future possibilities of mind chemistry by taking inventory of its past achievements, keeping in mind the fact that these achievements have been largely the result of accidental discovery and of chance groupings of minds. We are approaching the time when the professorate of the universities will teach mind chemistry the same as other subjects are now taught. Meanwhile, study and experimentation in connection with this subject open vistas of possibility for the individual student.

MIND CHEMISTRY AND ECONOMIC POWER: That mind chemistry may be appropriately applied to the workaday affairs of the economic and commercial world is a demonstrable fact.

Through the blending of two or more minds, in a spirit of PERFECT HARMONY, the principle of mind chemistry may be made to develop sufficient power to enable the individuals whose minds have been thus blended to perform seemingly superhuman feats any undertaking. Power, in unlimited quantities, may be enjoyed by any group of men, or men and women.

The Master Mind

who possess the wisdom with which to submerge their own personalities and their own immediate individual interest, through the blending of their minds in a spirit of perfect harmony.

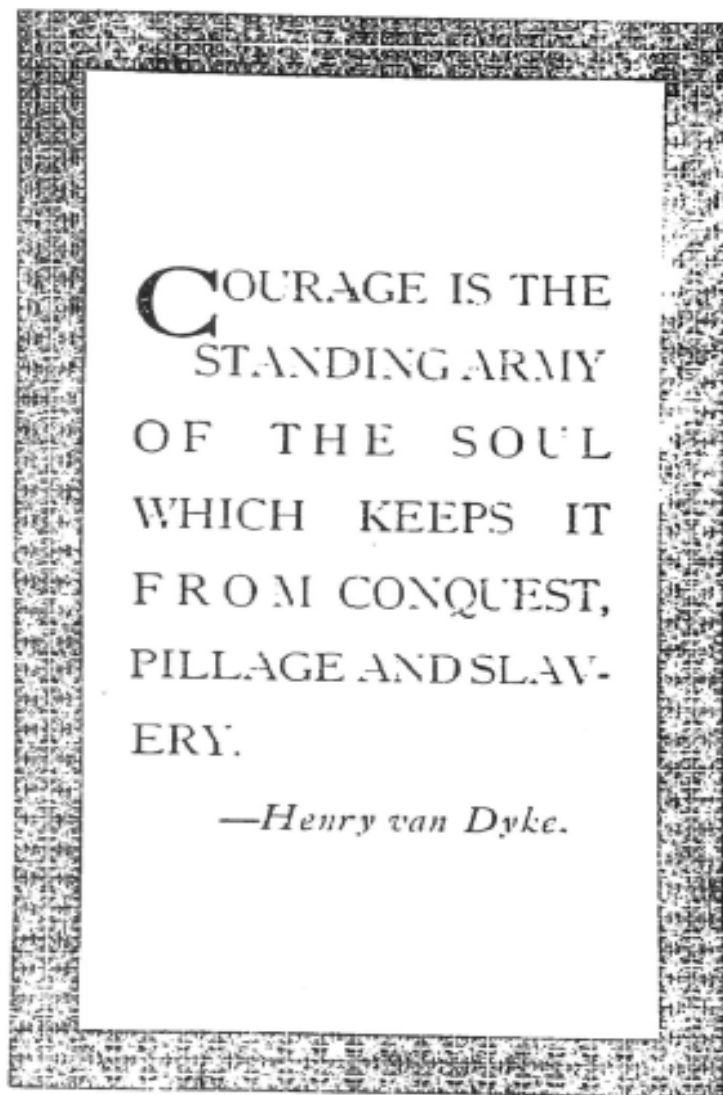
Observe, profitably, the frequency with which the word “harmony” is used throughout this Introduction! There can be a development of a “Master Mind” where this element of PERFECT HARMONY does not exist. The individual units of the mind will not blend with the individual units of another mind UNTIL THE TWO MINDS HAVE BEEN AROUSED AND WARMED. AS IT WERE WITH A SPIRIT OF PERFECT HARMONY OF PURPOSE. The two minds begin to take divergent roads of interest the individual units of each mind separate, and the third element, known as a “MASTER MIND” which grew out of the friendly or harmonious alliance, will disintegrate.

We come, now, to the study of some well known men who have accumulated great power (also great fortunes) through the application of mind chemistry.

Let us begin our study with these men who are known to be men of great achievement in their respective fields of economic business and professional endeavors.

Their names are Henry Ford, Thomas A. Edison, and Harvey S. Firestone.

Of the three Henry Ford is by far the most POWERFUL having great financial wealth. Mr. Ford is the most powerful man on earth. Many who have studied Mr. Ford agree that he is the most powerful man who ever



The Master Mind

lived. As far as is known Mr. Ford is the only man now living, or who ever lived, with sufficient power to outwit the money trust of the United States. Mr. Ford gathers millions of dollars with as great-ease as a child fills its bucket with sand when playing on the beach. It has been said, by those who were in position to know, that Air. Ford, if he needed it. could send out the call for money and gather in a billion dollars (a thousand million dollars) and have it available for use within one week. To one who knows of Ford's achievements doubts this. Those who know him well know that he could do it with no more effort than the average man expends in raising the money with which to pay a month's house rent. He could get this money, if he needed it, through the intelligent application of the principles on which this course is based.

While Mr. Ford's new automobile was in the process of perfection, in 1927, it is said that he received advance orders, with cash payments, for more than 575.000 cars\$.000.000.00 which he received before a single car was delivered. Such is the power of confidence in Ford's ability.

Mr. Edison, as everyone knows, is a philosopher, scientist and inventor. He is, perhaps, the keenest Bible student on earth; a student of Nature's Bible, however, and not of the myriads of man-made Bibles. Mr. Edison has such a keen insight into Mother Nature's Bible that he has harnessed and combined, for the good of mankind, more of Nature's laws than any other person now living or who ever lived. It was he who brought together the point of a needle and a piece of revolving wax in such a way that the vibration of

The Law of Success

the human voice may be recorded and reproduced through the modern talking machine.

(And it may be Edison who will eventually enable man to pick up and correctly interpret the vibrations of thought which are now recorded in the boundless universe of ether, just as he has enabled man to record and reproduce the spoken word.)

It was Edison who first harnessed the lightning and made it serve as a light for man's use, through the aid of the incandescent electric light bulb.

It was Edison who gave the world the modern moving picture.

These are but a few of his outstanding achievements. These modern "miracles" which he has performed (not by trickery, under the sham pretense of superhuman power, but in the very midst of the bright light of science) transcend all of the so-called "miracles" described in the man-made books of fiction.

Mr. Firestone is the moving spirit in the great Firestone Tire industry, in Akron, Ohio. His industrial achievements are so well known wherever automobiles are used that no special comment on them seems necessary.

All three of these men began their careers, business and professional, without capital and with but little schooling of that type usually referred to as "education."

All three men are now well educated. All three are wealthy. All three are powerful. Now let us inquire into the source of their wealth and power. Thus far we have been dealing only with effect; the true philosopher wishes to understand the *cause* of a given effect.

The Master Mind

It is a matter of general knowledge that Mr. Ford, Mr. Edison and Mr. Firestone are close personal friends, and have been so for many years; that in former years they were in the habit of going away to the woods once a year for a period of rest, meditation and recuperation.

But it is not generally known—it is a grave doubt if these three men themselves know it—that there exists between the three men a bond of harmony which has caused their minds to become blended into a "Master Mind" which is the real source of the power of each. This mass mind, growing out of the co-ordination of the individual minds of Ford, Edison and Firestone, has enabled these men to "tune in" on forces (and sources of knowledge) with which most men are to no extent familiar.

If the student doubts either the principle or the effects here described, let him remember that more than half the theory here set forth is a known fact. For example, it is known that these three men have great power. It is known that they are wealthy. It is known that they began without capital and with but little schooling. It is known that they form periodic mind contacts. It is known that they are harmonious and friendly. It is known that their achievements are so outstanding as to make it impossible to compare these achievements with those of other men in their respective fields of activity.

All these "effects" are known to practically every school-boy in the civilized world, therefore there can be no dispute as far as effects are concerned.

Of one fact connected with the *cause* of the achievements of Edison, Ford and Firestone we may be

The Law of Success

sure, namely, that these achievements were in no way based upon trickery, deceit, the "supernatural" or so-called "revelations" or any other form of unnatural law. These men do not possess a stock of legerdemain. They work with natural laws; laws which, for the most part, are well known to all economists and leaders in the field of science, with the possible exception of the law upon which chemistry of the mind is based. As yet chemistry of the mind is not sufficiently developed to be classed, by scientific men, in their catalogue of known laws.

A "Master Mind" may be created by any group of people who will co-ordinate their minds, in a spirit of perfect harmony. The group may consist of any number from two upward. Best results appear available from the blending of six or seven minds.

It has been suggested that Jesus Christ discovered how to make use of the principle of mind chemistry, and that His seemingly miraculous performances grew out of the power He developed through the blending of the minds of His twelve disciples. It has been pointed out that when one of the disciples (Judas Iscariot) broke faith the "Master Mind" immediately disintegrated and Jesus met with the supreme catastrophe of His life.

When two or more people harmonize their minds and produce the effect known as a "Master Mind," each person in the group becomes vested with the power to contact with and gather knowledge through the "subconscious" minds of all the other members of the group. This power becomes immediately noticeable, having the effect of stimulating the mind to a higher rate of vibration, and otherwise evidencing itself in the

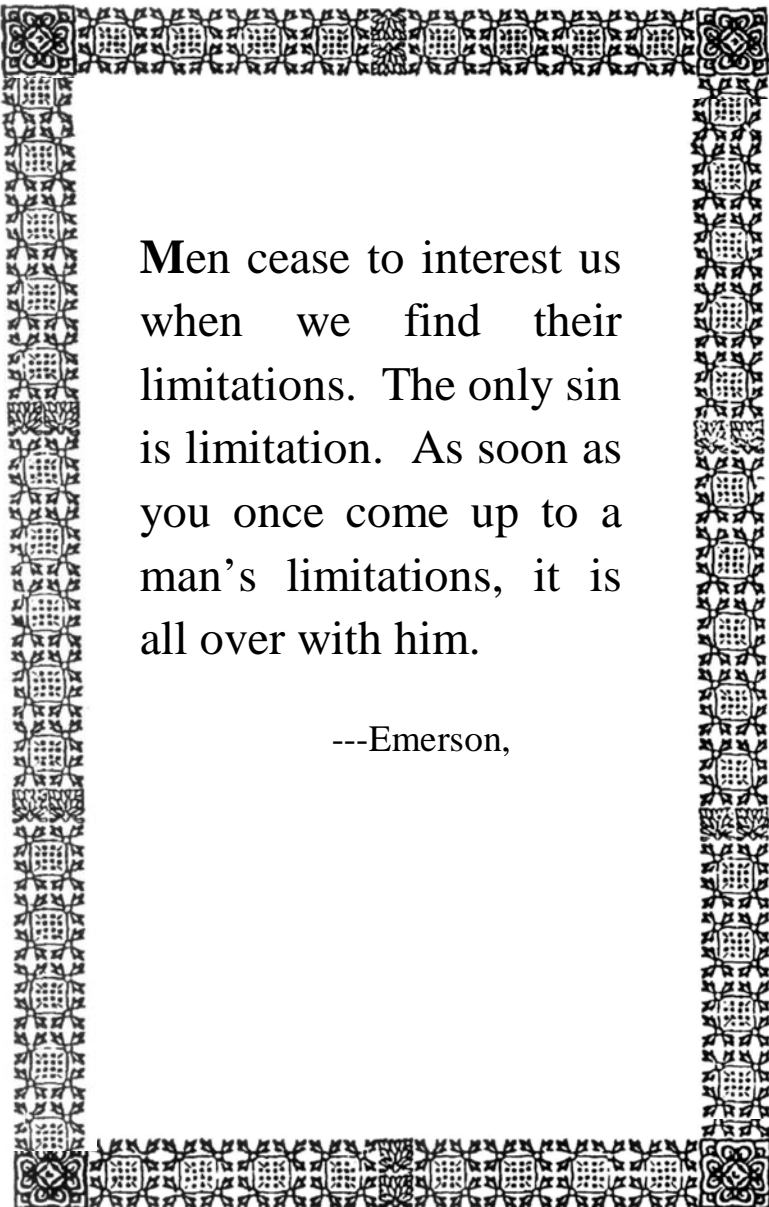
The Master Mind

form of a more vivid imagination and the consciousness of what appears to be a sixth sense. It is through this sixth sense that new ideas will "flash" into the mind. These ideas take on the nature and form of the subject dominating the mind of the individual. If the entire group has met for the purpose of discussing a given subject, ideas concerning that subject will come pouring into the minds of all present, as if an outside influence were dictating them. The minds of those participating in the "Master Mind" become as magnets, attracting ideas and thought stimuli of the most highly organized and practical nature, from—no one knows where!

The process of mind-blending here described as a "Master Mind" may be likened to the act of one who connects many electric batteries to a single transmission wire, thereby "stepping up" the power flowing over that line. Each battery added increases the power passing over that line by the amount of energy the battery carries. Just so in the case of blending individual minds into a "Master Mind." Each mind, through the principle of mind chemistry, stimulates all the other minds in the group, until the mind energy thus becomes so great that it penetrates to and connects with the universal energy known as ether, which, in turn, touches every atom of the entire universe.

The modern radio apparatus substantiates, to a considerable extent, the theory here expounded. Powerful sending or broadcasting stations must be erected through which the vibration of sound is "stepped up" before it can be picked up by the much higher vibrating energy of the ether and carried in all directions. A "Master Mind" made up of many individual minds,

The Master Mind



Men cease to interest us
when we find their
limitations. The only sin
is limitation. As soon as
you once come up to a
man's limitations, it is
all over with him.

---Emerson,

so blended that they produce a strong vibrating energy, constitutes almost an exact counterpart of the radio broadcasting station.

Every public speaker has felt the influence of mind chemistry, for it is a well known fact that as soon as the individual minds of an audience become "en rapport" (attuned to the rate of vibration of the mind of the speaker) with the speaker, there is a noticeable increase of enthusiasm in the speaker's mind, and he often rises to heights of oratory which surprise all, including himself.

The first five to ten minutes of the average speech are devoted to what is known as "warming up." By this is meant the process through which the minds of the speaker and his audience are becoming blended in a spirit of PERFECT HARMONY.

Every speaker knows what happens when this state of "perfect harmony" fails to materialize upon part of his audience.

The seemingly supernatural phenomena occurring in spiritualistic meetings are the result of the reaction, upon one another, of the minds in the group. These phenomena seldom begin to manifest themselves under ten to twenty minutes after the group is formed, for the reason that this is about the time required for the minds in the group to become harmonized or blended.

The "messages" received by members of a spiritualistic group probably come from one of two sources, or from both, namely: first: From the vast storehouse of the subconscious mind of some member of the group; or Second: From the universal storehouse of the ether,

The Law of Success

in which, it is more than probable, all thought vibration is preserved.

Neither any known natural law nor human reason supports the theory of communication with individuals who have died.

It is a known fact that any individual may explore the store of knowledge in another's mind, through this principle of mind chemistry, and it seems reasonable to suppose that this power may be extended to include Contact with whatever vibrations are available in the ether, if there are any.

The theory that all the higher and more refined vibrations, such as those growing out of thought, are preserved in the ether grows out of the known fact that neither matter nor energy (the two known elements of the universe) may be either created or destroyed. It is reasonable to suppose that all vibrations which have been "stepped up" sufficiently to be picked up and absorbed in the ether, will go on forever. The lower vibrations, which do not blend with or otherwise contact the ether, probably live a natural life and die out.

All the so-called geniuses probably gained their reputations because, by mere chance or otherwise, they formed alliances with other minds which enabled them to "step up" their own mind vibrations to where they were enabled to contact the vast Temple of Knowledge recorded and filed in the ether of the universe. All of the great geniuses, as far as this author has been enabled to gather the facts, were highly sexed people. The fact that sexual contact is the greatest known mind stimulant lends color to the theory herein described.

The Master Mind

Inquiring further into the source of economic power, as manifested by the achievements of men in the field of business, let us study the case of the Chicago group known as the "Big Six," consisting of Wm. Wrigley, Jr., who owns the chewing gum business bearing his name, and whose individual income is said to be more than Fifteen Million Dollars a year; John R. Thompson, who operates the chain of lunch rooms bearing his name; Mr. Lasker, who owns the Lord & Thomas Advertising Agency; Mr. McCullough, who owns the Parmalee Express Company, the largest transfer business in America; and Mr. Ritchie and Mr. Hertz, who own the Yellow Taxicab business.

A reliable financial reporting company has estimated the yearly income of these six men at upwards of Twenty-five Million Dollars (\$25,000,000.00), or an average of more than Four Million Dollars a year per man.

Analysis of the entire group of six men discloses the fact that not one of them had any special educational advantages; that all began without capital or extensive credit; that their financial achievement has been due to their own individual plans, and not to any fortunate turn of the wheel of chance.

Many years ago these six men formed a friendly alliance, meeting at stated periods for the purpose of assisting one another with ideas and suggestions in their various and sundry lines of business endeavor.

With the exception of Hertz and Ritchie none of the six men were in any manner associated in a legal partnership. These meetings were strictly for the purpose of co-operating on the give and take basis of assisting one another with ideas and suggestions, and

The Law of Success

occasionally by endorsing notes and other securities to assist some member of the group who had met with an emergency making such help necessary.

It is said that each of the individuals belonging to this Big Six group is a millionaire many times over. As a rule there is nothing worthy of special comment on behalf of a man who does nothing more than accumulate a few million dollars. However, there is something connected with the financial success of this particular group of men that is well worth comment, study, analysis and even emulation, and that "something" is the fact that they have learned how to coordinate their individual minds by blending them in a spirit of perfect harmony, thereby creating a "Master Mind" that unlocks, to each individual of the group, doors which are closed to most of the human race.

The United States Steel Corporation is one of the strongest and most powerful industrial organizations in the world. The Idea out of which this great industrial giant grew was born in the mind of Elbert H. Gary, a more or less commonplace small-town lawyer who was born and reared in a small Illinois town near Chicago.

Mr. Gary surrounded himself with a group of men whose minds he successfully blended in a spirit of perfect harmony, thereby creating the "Master Mind" which is the moving spirit of the great United States Steel Corporation.

Search where you will, wherever you find an outstanding success in business, finance, industry or in any of the professions, you may be sure that back of the success is some individual who has applied the principle of mind chemistry, out of which a "Master

The Master Mind

Mind" has been created. These outstanding successes often appear to be the handiwork of but one person, but search closely and the other individuals whose minds have been co-ordinated with his own may be found. Remember that two or more persons may operate the principle of mind chemistry so as to create a "Master Mind."

POWER (man-power) is ORGANIZED KNOWLEDGE, EXPRESSED THROUGH INTELLIGENT EFFORTS!

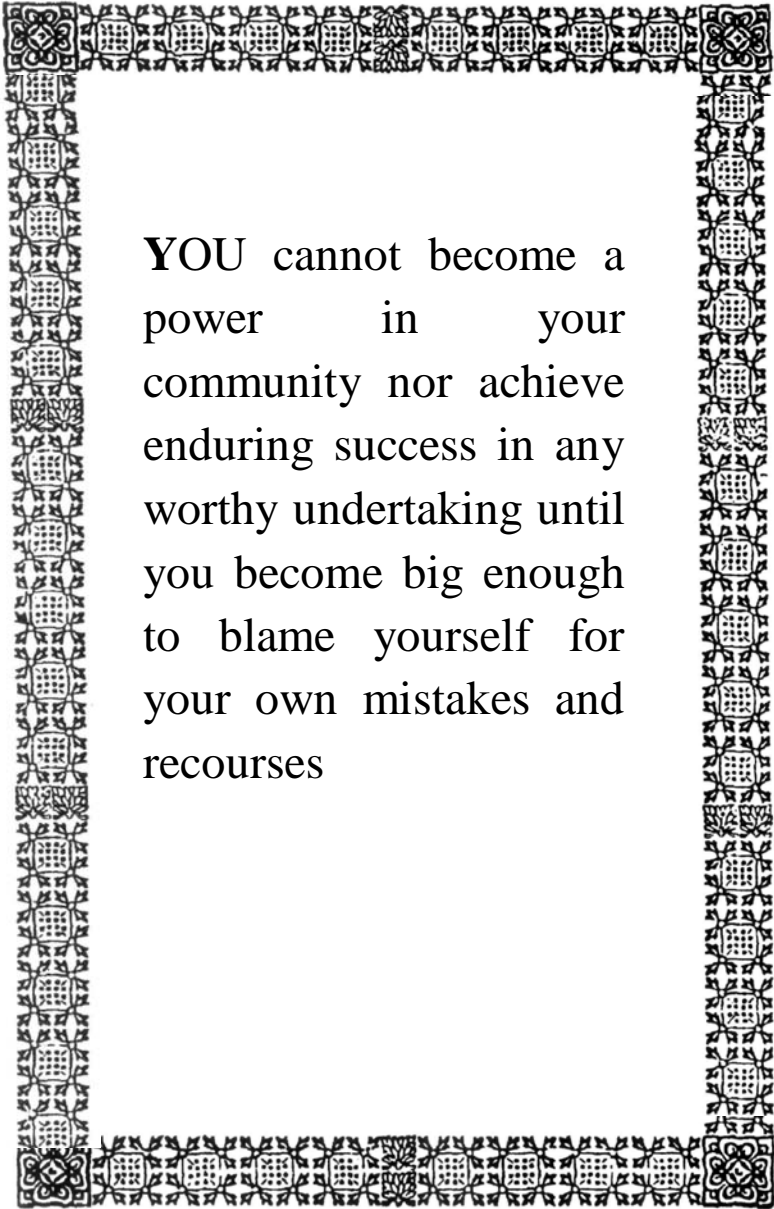
No effort can be said to be ORGANIZED unless the individuals engaged in the effort co-ordinate their knowledge and energy in a spirit of perfect harmony. Lack of such harmonious co-ordination of effort is the main cause of practically every business failure.

An interesting experiment was conducted by this author, in collaboration with the students of a well known college. Each student was requested to write an essay on "How and Why Henry Ford Became Wealthy."

Each student was required to describe, as a part of his or her essay, what was believed to be the nature of Ford's real assets, of what these assets consisted in detail.

The majority of the students gathered financial statements and inventories of the Ford assets and used these as the basis of their estimates of Ford's wealth.

Included in these "sources of Ford's wealth" were such as cash in banks, raw and finished materials in stock, real estate and buildings, good-will, estimated at from ten to twenty-five per cent of the value of the material assets.



YOU cannot become a power in your community nor achieve enduring success in any worthy undertaking until you become big enough to blame yourself for your own mistakes and recourses

of several hundred answered as follows:

"Henry Ford's assets consist, in the main, of two items, viz.: (1) Working capital and raw and finished materials; (2) The knowledge, gained from experience, of Henry Ford, himself, and the co-operation of a well trained organization which understands how to apply this knowledge to best advantage from the Ford viewpoint. It is impossible to estimate, with anything approximating correctness, the actual dollars and cents value of either of these two groups of assets, but it is my opinion that their relative values are:

"The organized knowledge of the Ford Organization...75% The value of cash and physical assets of every nature, including raw and finished materials 25%" This author is of the opinion that this statement was not compiled by the young man whose name was signed to it, without the assistance of some very analytical and experienced mind or minds.

Unquestionably the biggest asset that Henry Ford has is his own brain. Next to this should come the brains of his immediate circle of associates, for it has been through co-ordination of these that the physical assets which he controls were accumulated.

Destroy every plant the Ford Motor Company owns: every piece of machinery; every atom of raw or finished material, every finished automobile, and every dollar on deposit in any bank, and Ford would still be the most powerful man, economically, on earth. The brains which have built the Ford business could duplicate it again in short order. Capital is always

The Law of Success

available, in unlimited quantities, to such brains as Ford's.

Ford is the most powerful man on earth (economically) because he has the keenest and most practical conception of the principle of ORGANIZED KNOWLEDGE of any man on earth, as far as this author has the means of knowing.

Despite Ford's great power and financial success, it may be that he has blundered often in the application of the principles through which he accumulated this power. There is but little doubt that Ford's methods of mind co-ordination have often been crude; they must needs have been in the earlier days of this experience, before he gained the wisdom of application that would naturally go with maturity of years.

Neither can there be much doubt that Ford's application of the principle of mind chemistry was, at least at the start, the result of a chance alliance with other minds, particularly the mind of Edison. It is more than probable that Mr. Ford's remarkable insight into the laws of nature was first begun as the result of his friendly alliance with his own wife long before he ever met either Mr. Edison or Mr. Firestone. Many a man who never knows the real source of his success is made by his wife, through application of the "Master Mind" principle. Mrs. Ford is a most remarkably intelligent woman, and this author has reason to believe that it was her mind, blended with Mr. Ford's, which gave him his first real start toward power.

It may be mentioned, without in any way depriving Ford of any honor or glory, that in his earlier days of experience he had to combat the powerful enemies

The Master Mind

of illiteracy and ignorance to a greater extent than did either Edison or Firestone, both of whom were gifted by natural heredity with a most fortunate aptitude for acquiring and applying knowledge. Ford had to hew this talent out of the rough, raw timbers of his hereditary estate.

Within an inconceivably short period of time Ford has mastered three of the most stubborn enemies of mankind and transformed them into assets constituting the very foundation of his success.

These enemies are: Ignorance, illiteracy and poverty!

Any man who can stay the hand of these three savage forces, much less harness and use them to good account, is well worth close study by the less fortunate individuals.

This is an age of INDUSTRIAL POWER in which we are living!

The source of all this POWER is ORGANIZED EFFORT. Not only has the management of industrial enterprises efficiently organized individual workers, but, in many instances, mergers of industry have been effected in such a manner and to the end that these combinations (as in the case of the United States Steel Corporation, for example) have accumulated practically unlimited power.

One may hardly glance at the news of a day's events without seeing a report of some business, industrial or financial merger, bringing under one management enormous resources and thus creating great power.

One day it is a group of banks; another day it is

The Law of Success

a chain of railroads; the next day it is a combination of steel plants, all merging for the purpose of developing power through highly organized and co-ordinated effort.

Knowledge, general in nature and unorganized, is not POWER; it is only potential power—the material out of which real power may be developed. Any modern library contains an unorganized record of all the knowledge of value to which the present stage of civilization is heir, but this knowledge is not power because it is not organized.

Every form of energy and every species of animal or plant life, to survive, must be organized. The oversized animals whose bones have filled Nature's bone-yard through extinction have left mute but certain evidence that non-organization means annihilation.

From the electron—the smallest particle of matter—to the largest star in the universe: these and every material thing in between these two extremes offer proof positive that one of Nature's first laws is that of ORGANIZATION. Fortunate is the individual who recognizes the importance of this law and makes it his business to familiarize himself with the various ways in which the law may be applied to advantage.

The astute business man has not only recognized the importance of the law of organized effort, but he has made this law the warp and the woof of his POWER.

Without any knowledge, whatsoever, of the principle of mind chemistry, or that such a principle exists, many men have accumulated great power by merely organizing the knowledge they possessed. The

The Master Mind

majority of all who have discovered the principle of mind chemistry and developed that principle into a "MASTER MIND" have stumbled upon this knowledge by the merest of accident; often failing to recognize the real nature of their discovery or to understand the source of their power.

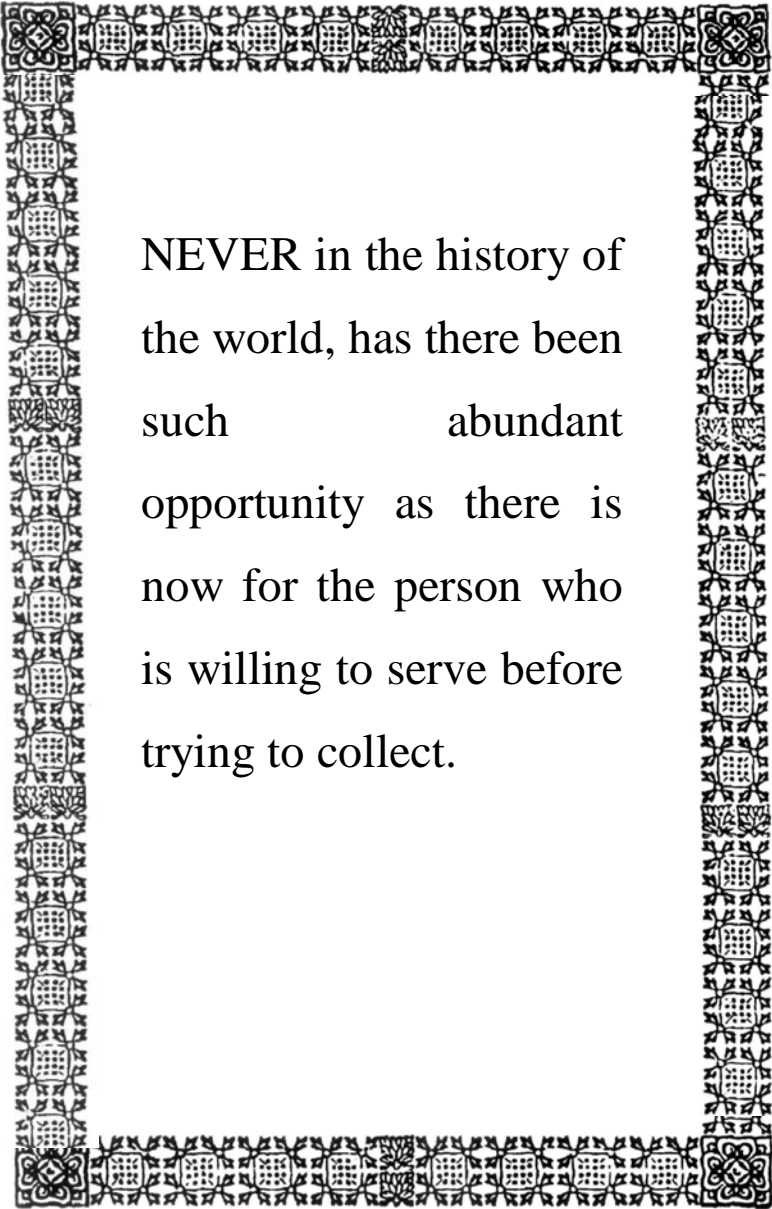
This author is of the opinion that all living persons who at the present time are consciously making use of the principle of mind chemistry in developing power through the blending of minds, may be counted on the fingers of the two hands, with, perhaps, several fingers left to spare.

If this estimate is even approximately true the student will readily see that there is but slight danger of the field of mind chemistry practice becoming over-crowded.

It is a well known fact that one of the most difficult tasks that any business man must perform is that of inducing those who are associated with him to coordinate their efforts in a spirit of harmony. To induce continuous co-operation between a group of workers, in any undertaking, is next to impossible. Only the most efficient leaders can accomplish this highly desired object, but once in a great while such a leader will rise above the horizon in the field of industry, business or finance, and then the world hears of a Henry Ford, Thomas A. Edison, John D. Rockefeller, Sr., E. H. Harriman or James J. Hill.

Power and success are practically synonymous terms!

One grows out of the other; therefore, any person who has the knowledge and the ability to develop power, through the principle of harmonious co-ordi-



NEVER in the history of
the world, has there been
such abundant
opportunity as there is
now for the person who
is willing to serve before
trying to collect.

The Master Mind

nation of effort between individual minds, or in any other manner, may be successful in any reasonable undertaking that is possible of successful termination.

It must not be assumed that a "Master Mind" will immediately spring, mushroom fashion, out of every group of minds which make pretense of co-ordination in a spirit of HARMONY!

Harmony, in the real sense of meaning of the word, is as rare among groups of people as is genuine Christianity among those who proclaim themselves Christians.

Harmony is the nucleus around which the state of mind known as "Master Mind" must be developed. Without this element of harmony there can be no "Master Mind," a truth which cannot be repeated too often.

Woodrow Wilson had in mind the development of a "Master Mind," to be composed of groups of minds representing the civilized nations of the world, in his proposal for establishing the League of Nations. Wilson's conception was the most far-reaching humanitarian idea ever created in the mind of man, because it dealt with a principle which embraces sufficient power to establish a real Brotherhood of Man on earth. The League of Nations, or some similar blending of international minds, in a spirit of harmony, is sure to become a reality.

The time when such unity of minds will take place will be measured largely by the time required for the great universities and NON-SECTARIAN institutions of learning to supplant ignorance and superstition with

The Law of Success

understanding and wisdom. This time is rapidly approaching.

THE PSYCHOLOGY OF THE REVIVAL MEETING: The old religious orgy known as the "revival" offers a favorable opportunity to study the principle of mind chemistry known as "Master Mind."

It will be observed that music plays no small part in bringing about the harmony essential to the blending of a group of minds in a revival meeting. Without music the revival meeting would be a tame affair.

During revival services the leader of the meeting has no difficulty in creating harmony in the minds of his devotees, but it is a well known fact that this state of harmony lasts no longer than the presence of the leader, after which the "Master Mind" he has temporarily created disintegrates.

By arousing the emotional nature of his followers the revivalist has no difficulty, under the proper stage setting and with the embellishment of the right sort of music, in creating a "Master Mind" which becomes noticeable to all who come in contact with it. The very air becomes charged with a positive, pleasing influence which changes the entire chemistry of all minds present.

The revivalist calls this energy "the Spirit of the Lord."

This author, through experiments conducted with a group of scientific investigators and laymen (who were unaware of the nature of the experiment), has created the same state of mind and the same positive atmosphere without calling it the Spirit of the Lord.

On many occasions this author has witnessed the

The Master Mind

creation of the same positive atmosphere in a group of men and women engaged in the business of salesmanship, without calling it the Spirit of the Lord.

The author helped conduct a school of salesmanship for Harrison Parker, founder of the Co-operative Society, of Chicago, and, by the use of the same principle of mind chemistry which the revivalist calls the Spirit of the Lord, so transformed the nature of a group of 3,000 men and women (all of whom were without former sales experience) that they sold more than \$10,000,000.00 worth of securities in less than nine months, and earned more than \$1,000,000 for themselves.

It was found that the average person who joined this school would reach the zenith of his or her selling power within one week, after which it was necessary to revitalize the individual's brain through a group sales meeting. These sales meetings were conducted on very much the same order as are the modern revival meetings of the religionist, with much the same stage equipment, including music and "high-powered" speakers who exhorted the salespeople in very much the same manner as does the modern religious revivalist. Call it religion, psychology, mind chemistry or anything you please (they are all based upon the same principle), but there is nothing more certain than the fact that wherever a group of minds are brought into contact, in a spirit of PERFECT HARMONY, each mind in the group becomes immediately supplemented and re-enforced by a noticeable energy called a "Master Mind."

For all this writer professes to know this uncharted energy may be the Spirit of the Lord, but it operates

The Law of Success

just as favorably when called by any other name. The human brain and nervous system constitute a piece of intricate machinery which but few, if any, understand. When controlled and properly directed this piece of machinery can be made to perform wonders of achievement and if not controlled it will perform wonders fantastic and phantom-like in nature, as may be seen by examining the inmates of any insane asylum.

The human brain has direct connection with a continuous influx of energy from which man derives his power to think. The brain receives this energy, mixes it with the energy created by the food taken into the body, and distributes it to every portion of the body, through the aid of the blood and the nervous system. It thus becomes what we call life.

From what source this outside energy comes no one seems to know; all we know about it is that we must have it or die. It seems reasonable to suppose that this energy is none other than that which we call ether, and that it flows into the body along with the oxygen from the air, as we breathe.

Every normal human body possesses a first-class chemical laboratory and a stock of chemicals sufficient to carry on the business of breaking up, assimilating and properly mixing and compounding the food we take into the body, preparatory to distributing it to wherever it is needed as a body builder.

Ample tests have been made, both with man and beast, to prove that the energy known as the mind plays an important part in this chemical operation of compounding and transforming food into the required substances to build and keep the body in repair.

The Master Mind

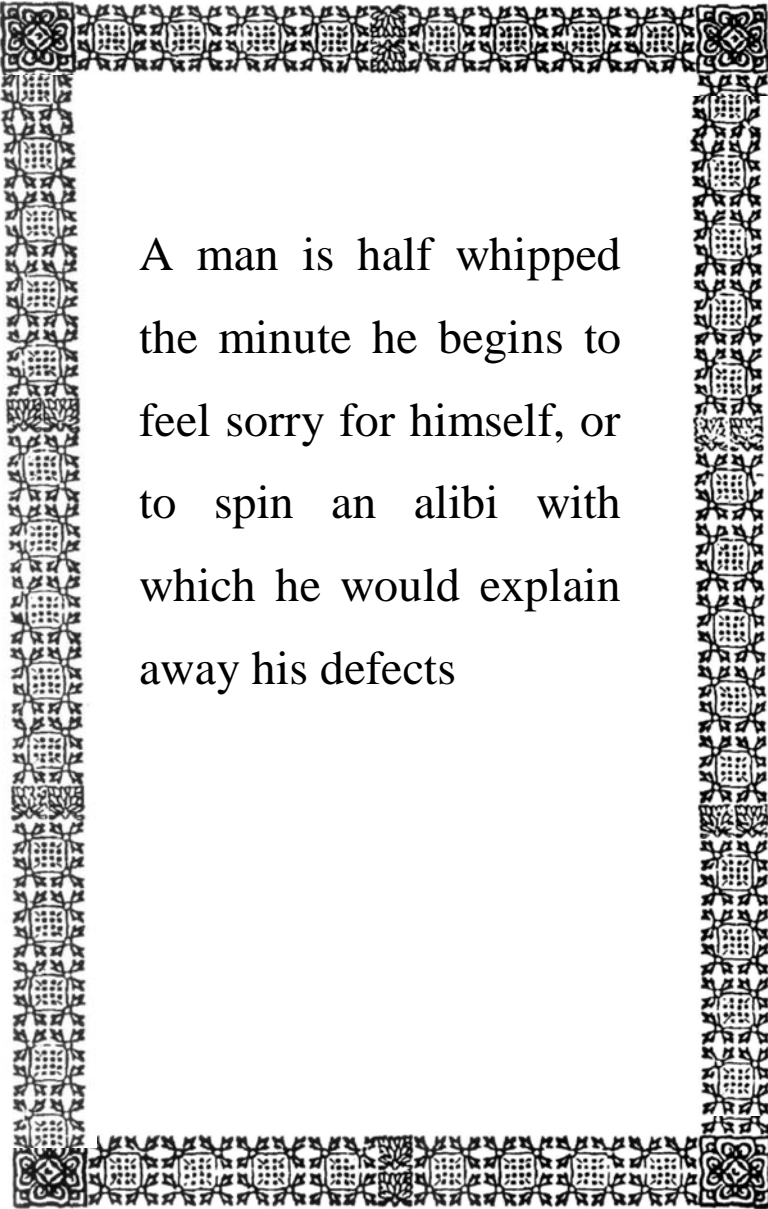
It is known that worry, excitement or fear will interfere with the digestive process, and in extreme cases stop this process altogether, resulting in illness or death. It is obvious, then, that the mind enters into the chemistry of food digestion and distribution.

It is believed by many eminent authorities, although it may never have been scientifically proved, that the energy known as mind or thought may become contaminated with negative or "unsociable" units to such an extent that the whole nervous system is thrown out of working order, digestion is interfered with and various and sundry forms of disease will manifest themselves. Financial difficulties and unrequited love affairs head the list of causes of such mind disturbances.

A negative environment such as that existing where some member of the family is constantly "nagging," will interfere with the chemistry of the mind to such an extent that the individual will lose ambition and gradually sink into oblivion. It is because of this fact that the old saying that a man's wife may either "make" or "break" him is literally true. In a subsequent lesson a whole chapter on this subject is addressed to the wives of men.

Any high-school student knows that certain food combinations will, if taken into the stomach, result in indigestion, violent pain and even death. Good health depends, in part at least, upon a food combination that "harmonizes." But harmony of food combinations is not sufficient to insure good health; there must be harmony, also, between the units of energy known as the mind.

The Master Mind



A man is half whipped
the minute he begins to
feel sorry for himself, or
to spin an alibi with
which he would explain
away his defects

"Harmony" seems to be one of Nature's laws, without which there can be no such thing as ORGANIZED ENERGY, or life in any form whatsoever.

The health of the body as well as the mind is literally built around, out of and upon the principle of HARMONY! The energy known as life begins to disintegrate and death approaches when the organs of the body stop working in harmony.

The moment harmony ceases at the source of any form of organized energy (power) the units of that energy are thrown into a chaotic state of disorder and the power is rendered neutral or passive.

Harmony is also the nucleus around which the principle of mind chemistry known as a "Master Mind" develops power. Destroy this harmony and you destroy the power growing out of the co-ordinated effort of a group of individual minds.

This truth has been stated, re-stated and presented in every manner which the author could conceive, with unending repetition, for the reason that unless the student grasps this principle and learns to apply it this lesson is useless.

Success in life, no matter what one may call success, is very largely a matter of adaptation to environment in such a manner that there is harmony between the individual and his environment. The palace of a king becomes as a hovel of a peasant if harmony does not abound within its walls. Conversely stated, the hut of a peasant may be made to yield more happiness than that of the mansion of the rich man. if harmony obtains in the former and not in the latter.

Without perfect harmony the science of astronomy would be as useless as the "bones of a saint." because

The Law of Success

would be in a state of chaos and disorder.

Without the law of harmony an acorn might grow into a heterogeneous tree consisting of the wood of the oak, poplar, maple and what not.

Without the law of harmony the blood might deposit the food which grows finger nails on the scalp where hair is supposed to grow, and thus create a horny growth which might easily be mistaken, by the superstitious, to signify man's relationship to a certain imaginary gentleman with horns, often referred to by the more primitive type.

Without the law of harmony there can be no organization of knowledge, for what, may one ask, is organized knowledge except the harmony of facts and truths and natural laws?

The moment discord begins to creep in at the front door harmony edges out at the back door, so to speak, whether the application is made to a business partnership or the orderly movement of the planets of the heavens.

If the student gathers the impression that the author is laying undue stress upon the importance of HARMONY, let it be remembered that lack of harmony is the first, and often the last and only, cause of FAILURE'

There can be no poetry nor music nor oratory worthy of notice without the presence of harmony.

Good architecture is largely a matter of harmony. Without harmony a house is nothing but a mass of building material, more or less a monstrosity, Sound business management plants the very sinews of its existence in harmony.

The Master Mind

Every well dressed man or woman is a living picture and a moving example of harmony.

With all these workaday illustrations of the important part which harmony plays in the affairs of the world—nay, in the operation of the entire universe— how could any intelligent person leave harmony out of his "Definite Aim" in life? As well have no "definite aim" as to omit harmony as the chief stone of its foundation.

The human body is a complex organization of organs, glands, blood vessels, nerves, brain cells, muscles, etc. The mind energy which stimulates to action and co-ordinates the efforts of the component parts of the body is also a plurality of ever-varying and changing energies. From birth until death there is continuous struggle, often assuming the nature of open combat, between the forces of the mind. For example, the life-long struggle between the motivating forces and desires of the human mind, which takes place between the impulses of right and wrong, is well known to everyone.

Every human being possesses at least two distinct mind powers or personalities, and as many as six distinct personalities have been discovered in one person. One of man's most delicate tasks is that of harmonizing these mind forces so that they may be organized and directed toward the orderly attainment of a given objective. Without this element of harmony no individual can become an accurate thinker.

It is no wonder that leaders in business and industrial enterprises, as well as those in politics and other

The Law of Success

fields of endeavor, find it so difficult to organize groups of people so they will function in the attainment of a given objective, without friction. Each individual human being possesses forces, within himself, which are hard to harmonize, even when he is placed in the environment most favorable to harmony. If the chemistry of the individual's mind is such that the units of his mind cannot be easily harmonized, think how much more difficult it must be to harmonize a group of minds so they will function as one, in an orderly manner, through what is known as a "Master Mind."

The leader who successfully develops and directs the energies of a "Master Mind" must possess tact, patience, persistence, self-confidence, intimate knowledge of mind chemistry and the ability to adapt himself (in a state of perfect poise and harmony) to quickly changing circumstances, without showing the least sign of annoyance.

How many are there who can measure up to this requirement?

The successful leader must possess the ability to change the color of his mind, charneleon-like, to fit every circumstance that arises in connection with the object of his leadership. Moreover, he must possess the ability to change from one mood to another without showing the slightest signs of anger or lack of self-control. The successful leader must understand the Fifteen Laws of Success and be able to put into practice any combination of these Fifteen Laws whenever occasion demands.

Without this ability no leader can be powerful, and without power no leader can long endure.

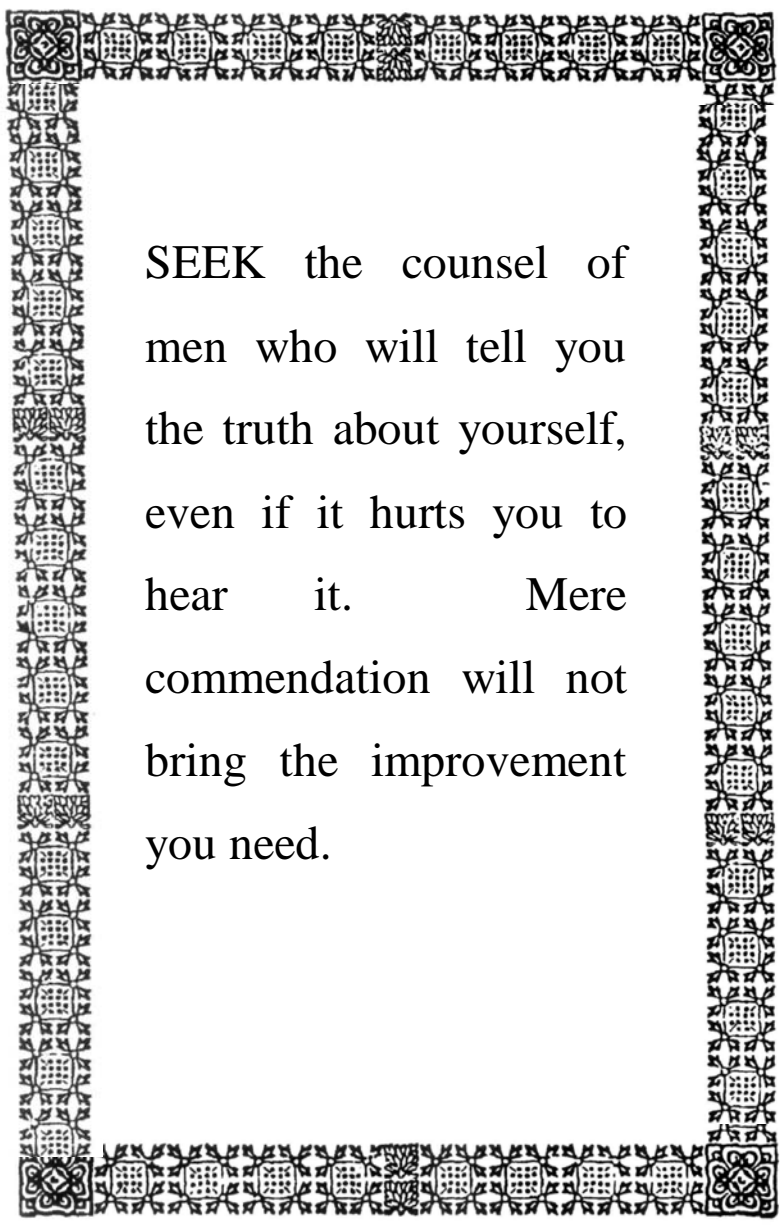
The Master Mind

THE MEANING OF EDUCATION: There has long been a general misconception of the meaning of the word "educate." The dictionaries have not aided in the elimination of this misunderstanding, because they have defined the word "educate" as an act of imparting knowledge.

The word educate has its roots in the Latin word *educo*, which means to develop FROM WITHIN: to educe; to draw out; to grow through the law of USE. Nature hates idleness in all its forms. She gives continuous life only to those elements which are in use. Tie up an arm, or any other portion of the body, taking it out of use, and the idle part will soon atrophy and become lifeless. Reverse the order, give an arm more than normal use, such as that engaged in by the blacksmith who wields a heavy hammer all day long, and that arm (developed from within") grows strong. Power grows out of ORGANIZED KNOWLEDGE, but, mind you, it "grows out of it" through application and use!

A man may become a walking encyclopedia of knowledge without possessing any power of value. This knowledge becomes power only to the extent that it is organized, classified and put into action. Some of the best educated men the world has known possessed much less general knowledge than some who have been known as fools, the difference between the two being that the former put what knowledge they possessed into use while the latter made no such application.

An "educated" person is one who knows how to acquire everything he needs in the attainment of his main purpose in life, without violating the rights of



SEEK the counsel of
men who will tell you
the truth about yourself,
even if it hurts you to
hear it. Mere
commendation will not
bring the improvement
you need.

The Master Mind

his fellow men. It might be a surprise to many so-called men of "learning" to know that they come nowhere near qualification as men of "education." It might also be a great surprise to many who believe they suffer from lack of "learning" to know that they are well "educated."

The successful lawyer is not necessarily the one who memorizes the greatest number of principles of law. On the contrary, the successful lawyer is the one who knows where to find a principle of law, plus a variety of opinions supporting that principle which fit the immediate needs of a given case.

In other words, the successful lawyer is he who knows where to find the law he wants when he needs it.

This principle applies, with equal force, to the affairs of industry and business.

Henry Ford had but little elementary schooling, yet he is one of the best "educated" men in the world because he has acquired the ability so to combine natural and economic laws, to say nothing of the minds of men, that he has the power to get anything of a material nature he wants.

Some years ago during the world war Mr. Ford brought suit against the Chicago Tribune, charging that newspaper with libelous publication of statements concerning him, one of which was the statement that was an "ignoramus," an ignorant pacifist, etc.

When the suit came up for trial the attorneys for Tribune undertook to prove, by Ford himself, that statement was true that he was ignorant, and with this object in view they catechized and cross-examined him on all manner of subjects.

The Law of Success

One question they asked was:

"How many soldiers did the British send over to subdue the rebellion in the Colonies in 1776?"

With a dry grin on his face Ford nonchalantly replied:

"I do not know just how many, but I have heard that it was a lot more than ever went back."

Loud laughter from Court, jury, court-room spectators, and even from the frustrated lawyer who had asked the question.

This line of interrogation was continued for an hour or more, Ford keeping perfectly calm the meanwhile. Finally, however, he had permitted the "smart Aleck" lawyers to play with him until he was tired of it, and in reply to a question which was particularly obnoxious and insulting, Ford straightened himself up, pointed his finger at the questioning lawyer and replied:

"If I should really wish to answer the foolish question you have just asked, or any of the others you have been asking, let me remind you that I have a row of electric push-buttons hanging over my desk and by placing my finger on the right button I could call in men who could give me the correct answer to all the questions you have asked and to many that you have not the intelligence either to ask or answer. Now, will you kindly tell me why I should bother about filling my mind with a lot of useless details in order to answer every fool question that anyone may ask, when I have able men all about me who can supply me with all the facts I want when I call for them?"

This answer is quoted from memory, but it substantially relates Ford's answer.

There was silence in the court-room. The question-

The Master Mind

ing attorney's under jaw dropped down, his eyes opened widely; the judge leaned forward from the bench and gazed in Mr. Ford's direction; many of the jury awoke and looked around as if they had heard an explosion (which they actually had).

A prominent clergyman who was present in the court-room at the time said, later, that the scene reminded him of that which must have existed when Jesus Christ was on trial before Pontius Pilate, just after He had given His famous reply to Pilate's question, "What is truth?"

In the vernacular of the day, Ford's reply knocked the questioner cold.

Up to the time of that reply the lawyer had been enjoying considerable fun at what he believed to be Ford's expense, by adroitly displaying his (the lawyer's) sample case of general knowledge and comparing it with what he inferred to be Ford's ignorance as to many events and subjects.

But that answer spoiled the lawyer's fun! It also proved once more (to all who had the intelligence to accept the proof) that true education means mind development; not merely the gathering and classifying of knowledge.

Ford could not, in all probability, have named the capitals of all the States of the United States, but he could have and in fact had gathered the "capital" with which to "turn many wheels" within every State in 'ho Union.

Education—let us not forget this—consists of the power with which to get everything one needs when he needs it, without violating the rights of his fellow men. Ford comes well within that definition, and for

The Law of Success

the reason which the author has here tried to make plain, by relating the foregoing incident connected with the simple Ford philosophy.

There are many men of "learning" who could easily entangle Ford, theoretically, with a maze of questions none of which he, personally, could answer. But Ford could turn right around and wage a battle in industry or finance that would exterminate those same men, with all of their knowledge and all of their wisdom.

Ford could not go into his chemical laboratory and separate water into its component atoms of hydrogen and oxygen and then re-combine these atoms in their former order, but he knows how to surround himself with chemists who can do this for him if he wants it done. The man who can intelligently use the knowledge possessed by another is as much or more a man of education as the person who merely has the knowledge but does not know what to do with it.

The president of a well known college inherited a large tract of very poor land. This land had no timber of commercial value, no minerals or other valuable appurtenances, therefore it was nothing but a source of expense to him, for he had to pay taxes on it. The State built a highway through the land. An "uneducated" man who was driving his automobile over this road observed that this poor land was on top of a mountain which commanded a wonderful view for many miles in all directions. He (the ignorant one) also observed that the land was covered with a growth of small pines and other saplings. He bought fifty acres of the land for \$10.00 an acre. Near the public highway he built a unique log house to which he attached a large dining room. Near the house he put

The Master Mind

in a gasoline filling station. He built a dozen single-room log houses along the road, these he rented out to tourists at \$3.00 a night, each. The dining room, gasoline filling station and log houses brought him a net income of \$15,000.00 the first year. The next year he extended his plan by adding fifty more log houses, of three rooms each, which he now rents out as summer country homes to people in a near-by city, at a rental of \$150.00 each for the season.

The building material cost him nothing, for it grew on his land in abundance (that same land which the college president believed to be worthless).

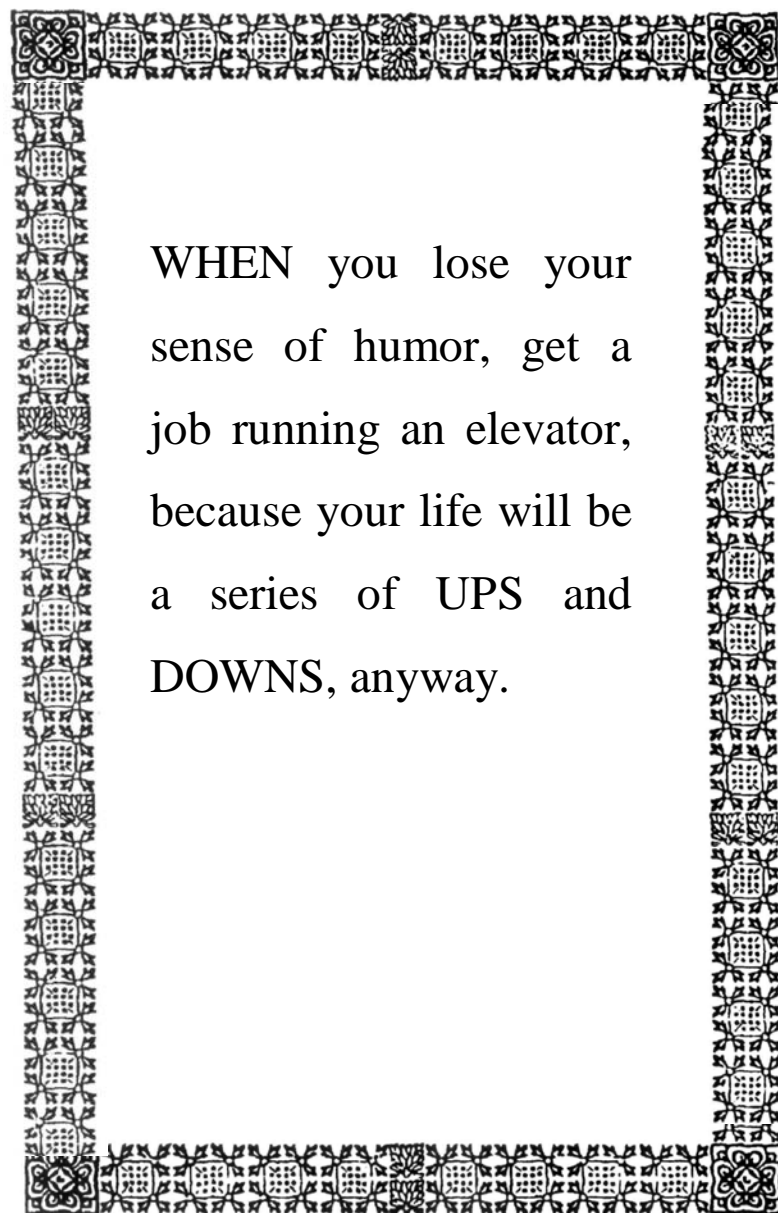
Moreover, the unique and unusual appearance of the log bungalows served as an advertisement of the plan, whereas many would have considered it a real calamity had they been compelled to build out of such crude materials.

Less than five miles from the location of these log houses this same man purchased an old worked-out farm of 150 acres, for \$25.00 an acre, a price which the seller believed to be extremely high.

By building a dam, one hundred feet in length, the purchaser of this old farm turned a stream of water into a lake that covered fifteen acres of the land, stocked the lake with fish, then sold the farm off in building lots to people who wanted summering places around the lake. The total profit realized from this simple transaction was more than \$25,000.00, and the time required for its consummation was one summer.

Vet this man of vision and imagination was not "educated" in the orthodox meaning of that term.

Let us keep in mind the fact that it is through these



WHEN you lose your sense of humor, get a job running an elevator, because your life will be a series of UPS and DOWNS, anyway.

The Master Mind

simple illustrations of the use of organized knowledge that one may become educated and powerful.

In speaking of the transaction here related, the college president who sold the fifty acres of worthless (?) land for \$500.00 said:

"Just think of it! That man, whom most of us might call ignorant, mixed his ignorance with fifty acres of worthless land and made the combination yield more yearly than I earn from five years of application of so-called education."

There is an opportunity, if not scores of them, in every State in America, to make use of the idea here described. From now on make it your business to study the lay of all land you see that is similar to that described in this lesson, and you may find a suitable place for developing a similar money-making enterprise. The idea is particularly adaptable in localities where bathing beaches are few, as people naturally like such conveniences.

The automobile has caused a great system of public highways to be built throughout the United States. On practically every one of these highways there is a suitable spot for a "Cabin City" for tourists which can be turned into a regular money-making mint by the man with the IMAGINATION and SELF-CONFI-PENCE to do it.

There are opportunities to make money all around you. This course was designed to help you "see" like opportunities, and to inform you how to make the most of them after you discover them.

The Law of Success

WHO CAN PROFIT MOST BY THE LAW OF SUCCESS PHILOSOPHY?

RAILROAD OFFICIALS who want a better spirit of co-operation between their trainmen and the public they serve.

SALARIED PEOPLE who wish to increase their earning power and market their services to better advantage.

SALESPeOPLE who wish to become masters in their chosen field. The Law of Success philosophy covers every known law of selling, and includes many features not included in any other course.

INDUSTRIAL PLANT MANAGERS who understand the value of greater harmony among their employees.

RAILROAD EMPLOYEES who wish to establish records of efficiency which will lead to more responsible positions, with greater pay.

MERCHANTS who wish to extend their business by adding new customers. The Law of Success philosophy will help any merchant increase his business by teaching him how to make a walking advertisement of every customer who comes into his store.

AUTOMOBILE AGENTS who wish to increase the selling power of their salesmen. A large part of the Law of Success course was developed from the life-work and experience of the greatest automobile salesman living, and it is therefore of unusual help to the Sales Manager who is directing the efforts of Automobile Salesmen.

LIFE INSURANCE AGENTS who wish to add new

The Master Mind

policy-holders and increase the insurance on present policy-holders. One Life Insurance Salesman, in Ohio, sold a Fifty Thousand Dollar policy to one of the officials of the Central Steel Company, as the result of but one reading of the lesson on "Profiting by Failures." This same salesman has become one of the star men of the New York Life Insurance Company's staff, as the result of his training in the Fifteen Laws of Success.

SCHOOL TEACHERS who wish to advance to the top in their present occupation, or who are looking for an opportunity to enter the more profitable field of business as a life-work.

STUDENTS, both College and High School, who are undecided as to what field of endeavor they wish to enter as a life-work. The Law of Success course covers a complete Personal Analysis service which helps the student of the philosophy to determine the work for which he or she is best fitted.

BANKERS who wish to extend their business through better and more courteous methods of serving their clients.

BANK CLERKS who are ambitious to prepare themselves for executive positions in the field of banking, or in some commercial or industrial field.

PHYSICIANS and DENTISTS who wish to extend their practice without violating the ethics of their profession by direct advertising. A prominent physician has said that the Law of Success course is worth \$1,000.00 to any professional man or woman whose professional ethics prevent direct advertising.

PROMOTERS who wish to develop new and heretofore unworked combinations in business or industry.

The Law of Success

The principle described in this Introductory Lesson is said to have made a small fortune for a man who used it as the basis of a real estate promotion.

REAL ESTATE MEN who wish new methods for promoting sales. This Introductory Lesson contains a description of an entirely new real-estate promotion plan which is sure to make fortunes for many who will put it to use. This plan may be put into operation in practically every State. Moreover, it may be employed by men who never promoted an enterprise.

FARMERS who wish to discover new methods of marketing their products so as to give them greater net returns, and those who own lands suitable for subdivision promotion under the plan referred to at the end of this Introductory Lesson. Thousands of farmers have "gold mines" in the land they own which is not suitable for cultivation, which could be used for recreation and resort purposes, on a highly profitable basis.

STENOGRAPHERS and BOOKKEEPERS who are looking for a practical plan to promote themselves into higher and better paying positions. The Law of Success course is said to be the best course ever written on the subject of marketing personal services.

PRINTERS who want a larger volume of business and more efficient production as the result of better cooperation among their own employees.

DAY LABORERS who have the ambition to advance into more responsible positions, in work that has greater responsibilities and consequently offers more pay.

The Master Mind

LAWYERS who wish to extend their clientele through dignified, ethical methods which will bring them to the attention, in a favorable way, of a greater number of people who need legal services.

BUSINESS EXECUTIVES who wish to expand their present business, or who wish to handle their present volume with less expense, as the result of greater co-operation between their employees.

LAUNDRY OWNERS who wish to extend their business by teaching their drivers how to serve more courteously and efficiently.

LIFE INSURANCE GENERAL AGENTS who wish bigger and more efficient sales organizations.

CHAIN STORE MANAGERS who want a greater volume of business as the result of more efficient individual sales efforts.

MARRIED PEOPLE who are unhappy, and therefore unsuccessful, because of lack of harmony and cooperation in the home.

To all described in the foregoing classification the Law of Success philosophy offers both DEFINITE and SPEEDY aid.

SUMMARY OF INTRODUCTORY LESSON

The purpose of this summary is to aid the student in mastering the central idea around which the lesson has been developed. This idea is represented by the term "Master Mind" which has been described in great detail throughout the lesson.

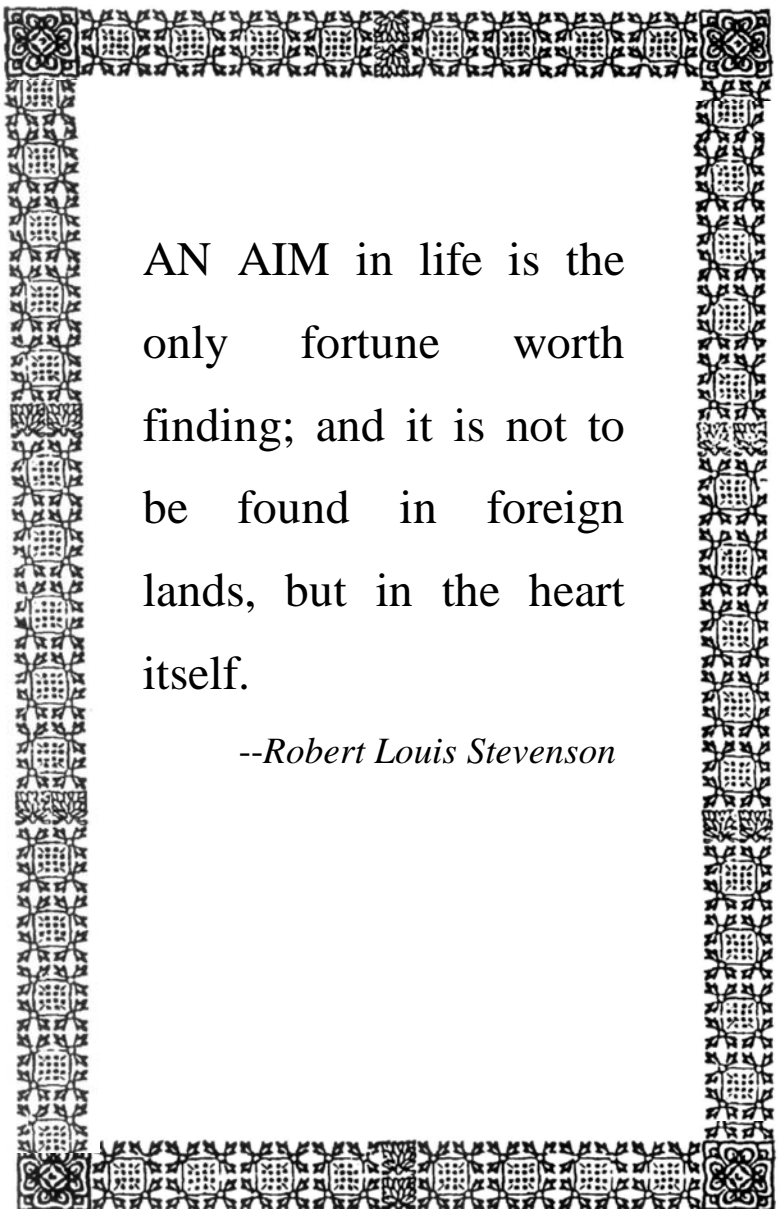
All new ideas, and especially those of an abstract nature, find lodgment in the human mind only after much repetition, a well known truth which accounts for the re-statement, in this summary, of the principle known as the "Master Mind."

A "Master Mind" may be developed by a friendly alliance, in a spirit of harmony of purpose, between two or more minds.

This is an appropriate place at which to explain that out of every alliance of minds, whether in a spirit of harmony or not, there is developed another mind which affects all participating in the alliance. No two or more minds ever met without creating, out of the contact, another mind, but not always is this invisible creation a "Master Mind."

There may be, and altogether too often there is, developed out of the meeting of two or more minds a negative power which is just the opposite of a "Master Mind."

There are certain minds which, as has already been initiated throughout this lesson, cannot be made to blend in a spirit of harmony. This principle has its comparable analogy in chemistry, reference to which may enable the student to grasp more clearly the principle here referred to.



AN AIM in life is the
only fortune worth
finding; and it is not to
be found in foreign
lands, but in the heart
itself.

--Robert Louis Stevenson

The Law of Success

For example, the chemical formula H^2O (meaning the combining of two atoms of hydrogen with one atom of oxygen) changes these two elements into water. One atom of hydrogen and one atom of oxygen will not produce water; moreover, they cannot be made to associate themselves in harmony!

There are many known elements which, when combined, are immediately transformed from harmless into deadly poisonous substances. Stated differently, many well known poisonous elements are neutralized and rendered harmless when combined with certain other elements.

Just as the combining of certain elements changes their entire nature, the combining of certain minds changes the nature of those minds, producing either a certain degree of what has been called a "Master Mind," or its opposite, which is highly destructive.

Any man who has found his mother-in-law to be incompatible has experienced the negative application of the principle known as a "Master Mind." For some reason as yet unknown to investigators in the field of mind behavior, the majority of mothers-in-law appear to affect their daughters' husbands in a highly negative manner, the meeting of their minds with those of their sons-in-law creating a highly antagonistic influence instead of a "Master Mind."

This fact is too well known as a truth to make extended comment necessary.

Some minds will not be harmonized and cannot be blended into a "Master Mind," a fact which all leaders of men will do well to remember. It is the leader's responsibility so to group his men that those who have been placed at the most strategic points in his organi-

The Master Mind

zation are made up of individuals whose minds CAN and WILL BE blended in a spirit of friendliness and harmony.

Ability so to group men is the chief outstanding quality of leadership. In Lesson Two of this course the student will discover that this ability was the main source of both the power and fortune accumulated by the late Andrew Carnegie.

Knowing nothing whatsoever of the technical end of the steel business, Carnegie so combined and grouped the men of which his "Master Mind" was composed that he built the most successful steel industry known to the world during his lifetime.

Henry Ford's gigantic success may be traced to the successful application of this selfsame principle. With all the self-reliance a man could have, Ford, nevertheless, did not depend upon himself for the knowledge necessary in the successful development of his industries.

Like Carnegie, he surrounded himself with men who supplied the knowledge which he, himself, did not and could not possess.

Moreover, Ford picked men who could and did harmonize in group effort.

The most effective alliances, which have resulted in the creation of the principle known as the "Master Mind," have been those developed out of the blending of the minds of men and women. The reason for this is the fact that the minds of male and female will be more readily blend in harmony than will the minds of males. Also, the added stimulus of sexual contact enters into the development of a "Master Mind" between a man and a woman.

The Law of Success

It is a well known fact that the male of the species is keener and more alert for "the chase," let the goal or object of the chase be what it may, when inspired and urged on by a female.

This human trait begins to manifest itself in the male at the age of puberty, and continues throughout his life. The first evidence of it may be observed in athletics, where boys are playing before an audience made up of females.

Remove the women from the audience and the game known as football would soon become a very tame affair. A boy will throw himself into a football game with almost superhuman effort when he knows that the girl of his choice is observing him from the grandstand.

And that same boy will throw himself into the game of accumulating money with the same enthusiasm when inspired and urged on by the woman of his choice; especially if that woman knows how to stimulate his mind with her own, through the law of the "Master Mind."

On the other hand, that same woman may, through a negative application of the law of the "Master Mind" (nagging, jealousy, selfishness, greed, vanity), drag this man down to sure defeat!

The late Elbert Hubbard understood the principle here described so well that when he discovered that the incompatibility between himself and his first wife was dragging him down to sure defeat he ran the gamut of public opinion by divorcing her and marrying the woman who is said to have been the main source of his inspiration.

Not every man would have had the courage to defy

The Master Mind

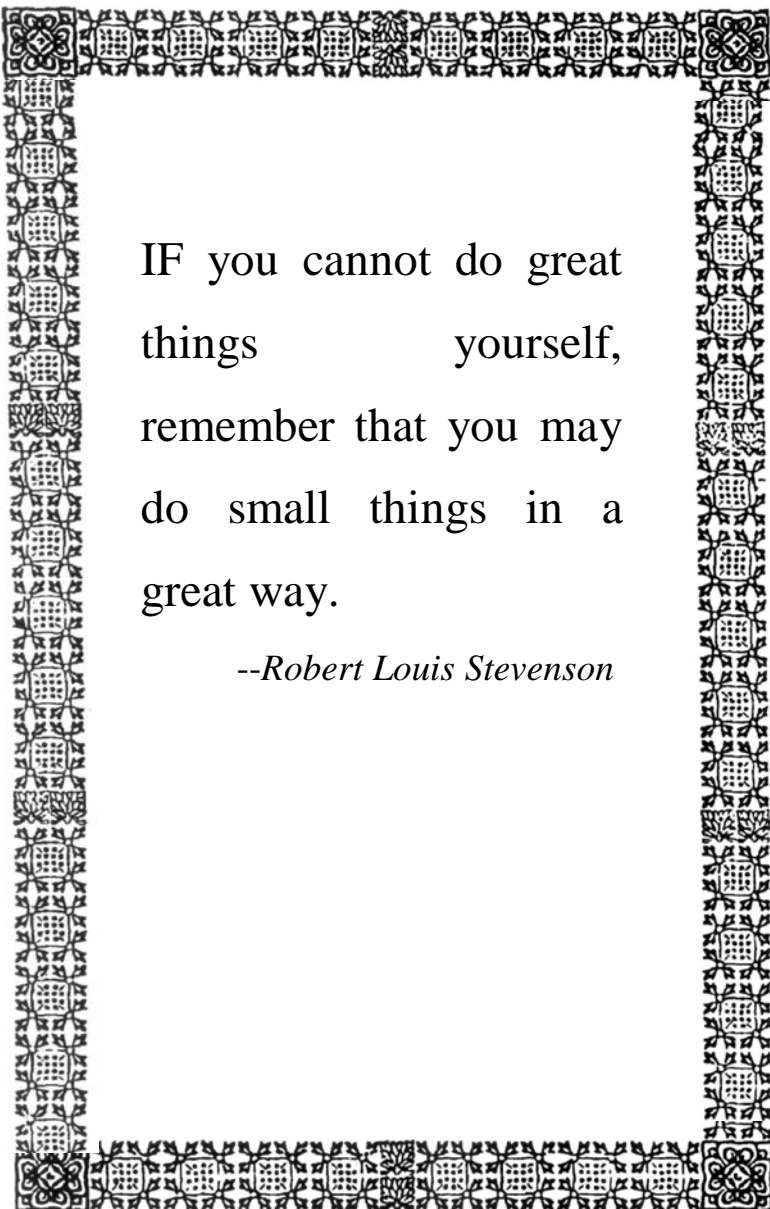
public opinion, as Hubbard did, but who is wise enough to say that his action was not for the best interest of all concerned?

A man's chief business in life is to succeed! The road to success may be, and generally is, obstructed by many influences which must be removed before the goal can be reached. One of the most detrimental of these obstacles is that of unfortunate alliance with minds which do not harmonize. In such cases the alliance must be broken or the end is sure to be defeat and failure.

The man who has mastered the six basic fears, one of which is the Fear of Criticism, will have no hesitancy in taking what may seem to the more convention-bound type of mind to be drastic action when he finds himself circumscribed and bound down by antagonistic alliances, no matter of what nature or with whom they may be.

It is a million times better to meet and face criticism than to be dragged down to failure and oblivion on account of alliances which are not harmonious, whether the alliances be of a business or social nature. To be perfectly frank, the author is here justifying divorce, when the conditions surrounding marriage are such that harmony cannot prevail. This is not intended to convey the belief that lack of harmony may not be removed through other methods than that of divorce; for there are instances where the cause of antagonism may be removed and harmony established without taking the extreme step of divorce.

While it is true that some minds will not blend in a spirit of harmony, and cannot be forced or induced to do so, because of the chemical nature of the in-



IF you cannot do great
things yourself,
remember that you may
do small things in a
great way.

--Robert Louis Stevenson

The Master Mind

dividuals' brains, DO NOT BE TOO READY TO CHARGE THE OTHER PARTY TO YOUR ALLIANCE WITH ALL THE RESPONSIBILITY OF LACK OF HARMONY—REMEMBER. *THE TROUBLE MAY BE WITH YOUR OWN BRAIN!* Remember, also, that a mind which cannot and will not harmonize with one person or persons may harmonize perfectly with other types of minds. Discovery of this truth has resulted in radical changes in methods of employing men. It is no longer customary to discharge a man because he does not fit in the position for which he was originally hired. The discriminating leader endeavors to place such a man in some other position, where, it has been proved more than once, misfits may become valuable men.

The student of this course should be sure that the principle described as the "Master Mind" is thoroughly understood before proceeding with the remaining lessons of the course. The reason for this is the fact that practically the entire course is closely associated with this law of mind operation.

If you are not sure that you understand this law, analyze the record of any man who has accumulated a great fortune, and you will find that they have either consciously, or unconsciously employed the "Master Mind" principle.

You cannot spend too much time in serious thought and contemplation in connection with the law of the "Master Mind," for the reason that when you have mastered this law and have learned how to apply it new worlds of opportunity will open to you.

This Introductory Lesson, while not really intended as a separate lesson of the Law of Success course, con-

The Law of Success

tains sufficient data to enable the student who has an aptitude for selling to become a Master Salesman.

Any sales organization may make effective use of the law of the "Master Mind" by grouping the salesmen in groups of two or more people who will ally themselves in a spirit of friendly co-operation and apply this law as suggested in this lesson.

An agent for a well known make of automobile, who employs twelve salesmen, has grouped his organization in six groups of two men each, with the object of applying the law of the "Master Mind," with the result that all the salesmen have established new high sales records.

This same organization has created what it calls the "One-A-Week Club," meaning that each man belonging to the Club has averaged the sale of one car a week since the Club was organized.

The results of this effort have been surprising to all!

Each man belonging to the Club was provided with a list of 100 prospective purchasers of automobiles. Each salesman sends one postal card a week to each of his 100 prospective purchasers, and makes personal calls on at least ten of these each day.

Each postal card is confined to the description of but one advantage of the automobile the salesman is selling, and asks for a personal interview.

Interviews have increased rapidly, as have, also, sales. The agent who employs these salesmen has offered an extra cash bonus to each salesman who earns the right to membership in the "One-A-Week Club" by averaging one car a week.

The Master Mind

The plan has injected new vitality into the entire organization. Moreover, the results of the plan are showing in the weekly sales record of each salesman. A similar plan could be adopted very effectively by Life Insurance Agencies. Any enterprising General Agent might easily double or even triple the volume of his business, with the same number of salesmen, through the use of this plan.

Practically no changes whatsoever would need to be made in the method of use of the plan. The Club might be called the "Policy-A-Week Club," meaning that each member pledged himself to sell at least one policy, of an agreed minimum amount, each week.

The student of this course who has mastered the second lesson, and understands how to apply the fundamentals of that lesson (A Definite Chief Aim) will be able to make much more effective use of the plan here described.

It is not suggested or intended that any student shall undertake to apply the principles of this lesson, which is merely an Introductory Lesson, until he has mastered at least the next five lessons of the Law of Success course.

The main purpose of this Introductory Lesson is to state some of the principles upon which the course is founded. These principles are more accurately described, and the student is taught in a very definite manner how to apply them, in the individual lessons of the course.

The automobile sales organization referred to in this summary meets at luncheon once a week. One hour and a half is devoted to luncheon and to the discussion of ways and means of applying the principles of

The Law of Success

this course. This gives each man an opportunity to profit by the ideas of all the other members of the organization.

Two tables are set for the luncheon.

At one table all who have earned the right to membership in the One-A-Week Club are seated. At the other table, which is serviced with tinware instead of china, all who did not earn the right to membership in the Club are seated. These, needless to say, become the object of considerable good-natured chiding from the more fortunate members seated at the other table.

It is possible to make an almost endless variety of adaptations of this plan, both in the field of automobile salesmanship and in other fields of selling.

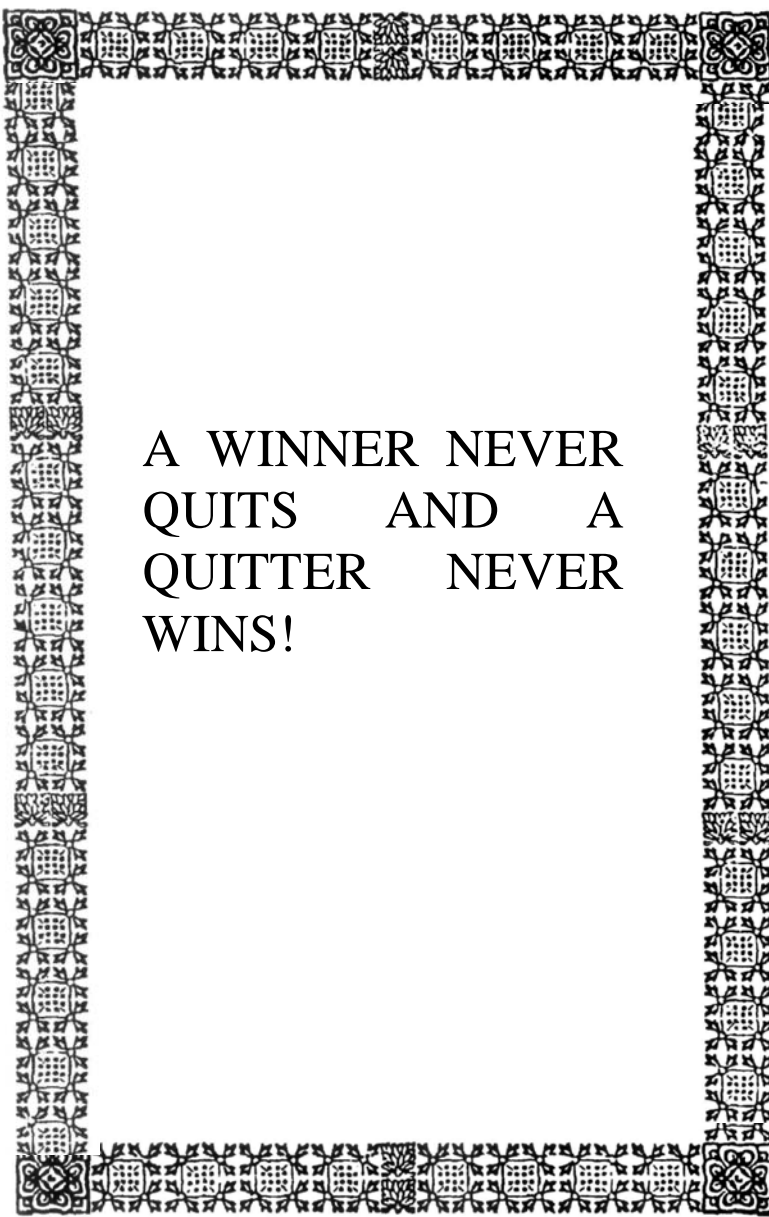
The justification for its use is that it pays!

It pays not only the leader or manager of the organization, but every member of the sales force as well.

This plan has been briefly described for the purpose of showing the student of this course how to make practical application of the principles outlined in this course.

The final acid test of any theory or rule or principle is that it will **ACTUALLY WORK!** The law of the "Master Mind" has been proved sound because it **WORKS**.

If you understand this law you are now ready to proceed with Lesson Two, in which you will be further and much more deeply initiated in the application of the principles described in this Introductory Lesson.



A WINNER NEVER
QUITS AND A
QUITTER NEVER
WINS!

The Power Of The "Well, I'll Be Damned..." Test

Super-entrepreneur Wilson Harrell suggests pitching your idea to 20 potential buyers (not friends or family) and see how they react. If they don't say "Well, I'll be damned - why didn't I think of that?" or "How can I get one?", you may be on the wrong track. It's a simple idea, but how many of us do take the time to go out and mingle with our market and ask our potential customers lots of smart questions? Here are a few:

- If this were available, would you buy it?
- What would you be willing to pay for it?
- What modification would make it more attractive to you?
- Do they think it's such a good idea they'd invest in?



Power Point #138:

The Negative Power Of "Lunch Bucket Thinking"

"Lunch Bucket Thinking" is extraordinarily, negatively powerful in its ability to suppress income and restrict individual success. It is the curse of many self-employed professionals. The typical chiropractor, dentist, optometrist, accountant, attorney, etc. has his day, business, schedule and life run by a staff person. He drives to the office in the morning, the staff brings him patient after patient, they schedule those patients, he does his technical thing with the patients but 80% of the meaningful interaction is staff-patient, the staff tells the doctor when to take a break, when to go to lunch, and when to go home. The only difference between this doctor and a factory worker is the absence of a lunchbox.

In this scenario, incidentally, staff organizes everything for their needs, for their convenience, not to meet marketing objectives. For example, I recall one chiropractor telling me how puzzled he was that other doctors were so busy from 4 to 6 PM but that he had so few patients after 4 that he closed at 5. It never dawned on him that the sole reason he had no patients after 4 is that the staff didn't want to stay after 5.

It is easy to fall into the "show up - respond" mode. Executives, business owners and professionals do it. But it is not how things should be. You should be in control, not controlled; making things happen not responding to things as they happen; directing your troops, not being directed by them.



Power Point #139

The Power Of Conquering Fears

The entrepreneur able to take business risks, experience failure, accept losses, and incur the criticism of others without insomnia, ulcers or remorse has overcome his fears of failure and humiliation and acquired immense power. I'm currently working on a new book all about power, and one of my early ideas is that the most powerful people are powerful because they have long ago shed any concern over what others think about them.

I watched the CEO of Archer-Daniels-Midland grilled by John Stoessels of ABC-TV about so-called "corporate welfare". Stoessels told him that, in one magazine, his face was put on a pig's body and he was called the greediest of all pigs at the Washington trough. The CEO calmly, literally with zero emotion, said, "Why should I care about that." Why indeed? The magazine will be gone and forgotten in days or weeks, but he'll still be CEO of the largest agricultural corporation in the world. It's a variation of the famous exchange between Churchill and Lady Astor; she said to him, "You are disgustingly drunk" and he said, "Yes, madam, I am drunk, but you are ugly, and I will be sober in the morn-mg."

Lacking this total freedom from fear of loss and/or others' opinions, a person is continually making judgments based on criteria other than his best beliefs about what will or will not work, should or should not be done, or is right or wrong. This is why politicians, including recent U.S. Presidents, actually have little power; Clinton the least of any recent President; they are, and he is, ruled by the public opinion polls.

Fear of others' opinions of the outcomes of your decisions and actions hampers you more than any other obstacle or handicap.

The Power Of Belief

I was taught: the level or strength of your belief shows in your results. Another way to say it is that outcomes reflect beliefs, and the most important beliefs are, I think, as follows:

- What you believe about how the Universe works
- What you believe about yourself
- What you believe about your vision, idea, plan

A great "classic" book to read is Claude Bristol's **MAGIC OF BELIEVING**.

In considering the rich, successful, powerful and persuasive individuals I've gotten to know, I would summarize their most significant beliefs as follows:

- 1A. A belief in unlimited abundance, not lack.
- 1B. A belief that the Universe, Universal intelligence, God or whatever you call "It" responds to committed thought (prayer) and determined action.
- 2A. A belief in unlimited and unrestricted capability ie. either that you can do a thing as well or better than anybody else or that you can learn to do a thing as well or better than anybody else; if someone else can do a thing, so can you.
- 2B. A belief system of self-worth, self-respect, and self-confidence based on realistic assessment of one's strengths and weaknesses, attributes and flaws potential and limitations...a profound disinterest in perfection in all things....a disconnect between deserving and being perfect.
- 3A. An unwavering, even somewhat stubborn and obsessive belief in its attainment.

The Power Of Self-image

Self-image is everything. I totally accept all the theses put forward by Dr. Maxwell Maltz about the overriding power of the self-image. In fact, I am such a believer and advocate, I organized the partnership that bought all the rights and copyrights, created the Psycho-Cybernetics Foundation, breathed new life into Dr. Maltz' works in the marketplace, developed an updated and comprehensive home study course*, and so on.

No human can long outperform his self-image. This is why teeth-gritted determination so often fails everyone from the fat person on diets to the golfer telling himself "I will not slice, I will not slice" to the salesman scared to quote his price. Some people temporarily "sneak" past their self-image, but they always snap back. I am absolutely convinced that the more you understand about how the self-image works and what yours is, the easier it becomes to accomplish whatever you aspire to.

*For free information, fax or mail your address to: The Psycho-Cybernetics Foundation 5818 N. 7th Street, #103, Phoenix, AZ 85014. FAX: 602/269-3113.



Power Point #142

The Power Of Distribution

Whenever possible, you want to explore and pursue every means of distribution possible for your products - including, but not limited to:

- retail
- catalogs
- home shopping
- infomercials
- package inserts
- private label for sale by others
- endorsed marketing/mailings

Joe Cossman found ten different products, each worth over a million dollars to him, available for licensing because most manufacturers/publishers limit themselves to only one or two methods of distribution.



Power Point #143

Create a Sales Breakthrough: Find A New Means Of Distribution

QVC, HSN and/or infomercials have provided enormous opportunity for many companies previously distributing their products by more conventional means. Bill McGowan took MCI into multi-level marketing via Amway.

Ask yourself:

How else could my product(s)/service(s) be sold or sold for me?



Power Point #144

The Power Of Hyper-Productive Markets

The "smart job" of the marketing oriented entrepreneur is identifying the little, hyper-productive markets within his main market. This requires alert observation of trends, careful analysis of your own customers, and constant testing.

For example, we all know that "golfers" is a rabid, responsive market. But what about women golfers vs. golfers over the age of 65 vs. novice golfers vs. married golfers vs. single golfers vs. golfers in big cities vs. golfers in small towns, etc., etc. - somewhere in there, there may be one segment of the market that responds at a high multiple of the entire market.

In my days of marketing to chiropractors and dentists, for example,

we found that Canadians were most responsive, Californians next most responsive, then those in secondary markets throughout the midwest, then Floridians. This information affected where we put seminars, how often we returned to different areas, and where we did direct-mail. After the first year, we were able to strike a number of states and never mail into them.



Power Point #145

Power Of Competing With Yourself

These days, success breeds knock-offs at a very quick pace. In some product categories, something seen as successful will have a number of knock-off competitors nipping at its heels in only a matter of months. It's also important to understand that all advertising for a particular product also boosts sales of other (often lesser priced) product in the same category. (For example all beer commercials get beer used up quicker, so the person has to buy more beer. For many years, there was no advertising for 'Old Milwaukee'. Its strategy was to be slightly lower in price even to Bud, and to survive just by being there.)

Given these facts, many manufacturers choose to compete with themselves head-on or by covering different price brackets. Essentially, GM's divisions compete with each other a bit, but mostly cover different price brackets.

Sometimes this is done just with labeling changes - same product, different bottles, different names.

Rexall now essentially competes with itself: it has a line of vitamins sold through stores, a different line of nutrition products sold via its own multi-level company, and yet another line for its (dwindling number of) franchised Rexall pharmacies.

The Power Of The Service Gap

Many fortunes have been made by identifying and responding to a "gap" in the marketplace. Often, it's a combination of something everybody does badly, that is an annoyance to the consumer, and the providing of a service that addresses it. Dóminos' deliver fresh, hot pizza in 30 minutes or less is an example. The "quick lube" business is another example.

The existence of a "service gap" is sometimes the answer to a price/ commodity business. In the appliance retailing business, if you look at the Sunday newspapers, you'll find almost all the advertising to be identical; pages of little pictures of appliances with prices, each trying to be a dollar cheaper than the other. But in at least several markets I know of, an appliance retailer has taken himself out of the price wars and instead started selling service with meaningful specifics, such as delivery times narrowed to 1/2 hour windows.

Wal-Mart initially grew because of a geo-service gap i.e. no other discounters or large stores would locate in the secondary markets.



Power Point #147

The Power Of The Price Gap

Sometimes opportunity presents itself in the form of a price gap.

In 1983, for example, the chiropractic and dental professions were being sold high-fee practice management programs. If a doctor needed help with marketing and management, he had two basic price choices: a consulting/management program with a 3 to 5 year commitment at \$30,000.00 or more, or buying books and tapes piecemeal. Nothing in between. I saw it, created "packages" of \$400 to \$1,000, replicated the same marketing methods used in selling the big ticket contracts, and enjoyed enormous, fast success.

Another example: as the price of franchises crept up and up and up and the franchise industry abandoned the person who wanted to get in

business for about \$10,000.00, the "business opportunity boot camp" business was created, and people like Rick Neiswonger, my client Larry Pino, and others profited by filling that price gap.



Power Point #148

The Power Of "Tweaking"

Invention or innovation is definitely not required to have an enormous product/business success. Instead, often little "tweaks" yield big results. Here are some of the best "tweaks" I know of:



Power Point #149

Make It Bigger

Big screen TV's and "home theaters", 7-11 's Big Gulp, Foot-Long Hot Dogs. Always consider the Power Of Bulk: 12 cassettes rather than 6; 6 Reports rather than one book; etc.



Power Point#150

Make It Smaller

The TV that fits in your pocket. The flip-phone. The mini-van.

Power Point #151

Notes

Add To It

Shampoo+conditioner in one. Cold capsules enriched with Vitamin C. The now popular bookstore/cafe. Audio cassettes with transcripts.



Power Point #152

Subtract From It

The convertible (a top-less car). No-appointment hair cutters. Sansabelt slacks (beltless). A "stripped down" version of a product, to offer as a last resort, step down sale.



Power Point #153

Do It Faster

The 10-minute oil change. The microwave oven - once saleable only to restaurants, by the way. FAX-back.



Power Point #154

Do It Slower

Car wash by hand. Breadmakers, juicers - appliances that do something "slow" you can buy already done.

Power Point #155

Do It Cheaper

Cubic zirconium jewelry. Wal-Mart.



Power Point #156

Finance It

Rent-to-own. The boom in car leasing. Installment payments for everything from seminars to fitness devices.



Power Point #157

Do It More Expensively

The Nieman-Marcus catalog. First class travel. Designer-name fashions. A "deluxe" version of a product.



Power Point#158

Change The Package

If you can't change the product, change the package. Remember McDonalds' McD-LT - the two sided box, "keeps the hot side hot, cold side cold." Proctor& Gamble frequently changes the Tide box; pour spout, handle, tall, squat, etc. The "Lunchables" product. Information on CD-ROM

Change The Delivery Mechanism

Newsletters via e-mail. Audio Magazines. Vitamin sprays.



Power Point #160

The Power Of Price

One of the things every businessperson seems to wrestle with is the setting of price for products and services. Price is extremely important. I have seen products fail at one price, succeed at another. A change in price make a substantial difference in the volume of sales....and so on. Pricing is a combination of marketing and management. Here are a few key ideas about price:



Power Point #161

Live By Price, Die By Price

K-Mart dominated the low price position, until Wal-Mart took it away from them. Now K-Mart is in shambles. This is a demonstration of the high risk of buying business purely based on having the cheapest prices. There's no doubt that you can essentially buy business by undercutting competitors' prices. You can also build a business entirely based on price, as Motel-6 demonstrates. But history tells us that the cheapest price businesses are much more vulnerable than the highest price businesses. Here's why: the Nordstrom's customer prefers Nordstrom's for a combination of reasons, including quality merchandise, knowledgeable and courteous salespeople, legendary service, pleasant shopping environment, satisfaction guarantees, etc. vs., say, the K-Mart customer who would prefer shopping elsewhere if it wasn't for their need for the cheapest price. A competitor need alter only one factor - price - to steal customers from a cheap price vendor. But a competitor must alter a number of factors to steal a customer from a Nordstroms.

Price Need Have No Relationship To Cost

There are "mark-up formulas" that we often talk about and use in business. For example, for direct-response marketing, we look for a 8X to 10X mark-up. In traditional distribution through retail, there tends to be a 20% to 1X (100%) mark-up from mfg cost to wholesale, and a 1X mark-up from wholesale to retail. But the most important thing to keep in mind is that these are MINIMUM mark-ups. The entrepreneur's job is to get the maximum possible mark-up for himself as well as for his resellers. So "what the market will bear" is the ultimate determinate of price.

Some products are much more "price elastic" than others, based on a myriad of factors, including relative uniqueness, scarcity, perceived value, market responsiveness, and so forth. Testing and pushing that elasticity is important.

Sometimes guilt limits price. With "information products", for example, somebody'll say: how can you charge \$100 for a book that only costs you \$ 1.00 to make? But with such products, there's no relationship whatsoever between manufactured cost and price, because the value to the end user is not based on the thing but on the information contained in the thing.

Methods of marketing and distribution have a great affect on price. Information in book form, sold through bookstores, may be saleable at \$ 10 to \$30, yet that very same information packaged differently for sale through direct mail may support a price of \$ 100 to \$300. If that same information is delivered through a seminar: \$ 1,000.00 to \$3,000.00.



Power Point #163

Raising Prices Can Instantly Increase Profits

Most professionals wait too long to raise fees; most marketers fail to test the limits of their products' price elasticity. Yet any price increase, even a dollar, that does not decrease volume obviously improves profitability. Sometimes a price increase that DOES decrease volume still yields higher profits.

Two-Tiered Pricing Almost Always Increases Profits

This is one of my "big" consulting tricks: let's assume you sell a "fruit-of-the-month" program at \$ 19.95 a month. I'd keep that, but also create a 'deluxe monthly basket' program with the fruit plus cheese plus wine, at \$49.95. If I sell the same number of subscriptions, but some percentage opt for the "deluxe", I increase sales and profits without increasing the number of customers.

This strategy has worked for a number of my clients with newsletters or other continuity programs. And if you have a number of subscribers to be renewed on one plan, building the renewal offer around renewing as-is or opting for a "bigger" program always boosts profits; typically 30% of those renewing will move up.

Even the hotel industry has figured this out with designated "Club Floors" or business-equipped rooms at higher rates.



Power Point #165

Price To Meet Marketplace Changes

Some years ago, I did some work for the founder and former CEO of Steak-N-Ale restaurants. He jumped on the recession, with "early bird dinner discounts" and low-priced, complete steak dinners (by cutting the size of the steaks). More recently, Taco Bell and Wendy's added "value-priced" menu items.

- Times to consider reactive price changes:
- Inflation
- Recession
- Competitors' actions

- Cost increases
- Cost savings
- Seasonal fluctuations
- Demand-supply in your favor
- Supply-demand against you



Power Point #166

The Power Of A 'Slack Adjuster'

A 'slack adjuster' is a high margin, high profit item sold to a small percentage of your customers, that makes a disproportionate contribution to your bottom line.

In the information products business, it's often the high-fee BootCamp. In the appliance business, it's the extended warranty "paper".

What is it in your business?



Power Point #167

The Power Of "Easy Payments"

If there is one factor that has ever-increasing impact in the sale of everything, it is financing. These days, if you can't or won't offer financing, you're dead. And a way to gain competitive advantage in businesses where "easy pay" is not yet prevalent is to offer it.

One expert in dentistry has shown me proof of increased sales of elective, cosmetic procedures by as much as 30% in offices actively promoting easy payment options.

I think if I were a carpet cleaner, I'd offer to charge the job amount in 2 or 3 installments to the customer's credit card.

Lillian Vernon, Figis and other cataloguers offer their customers "No Payments Til February" on Christmas shopping orders.

Everywhere you look, financing is a major marketing strategy.



Power Point #168

The Power Of A Mature Business

As many businesses mature, they require less and less advertising because of the referral activity of the accumulated customer base as well as general word-of-mouth advertising. The typical professional practice, for example, will get 90% of its new patients from advertising in Year One, but should (need to) get less than 10% from those same sources in Year Tea

A great entrepreneurial trick is to accelerate the maturation process.

This means that your business must become famous and respected within its market as quickly as possible.

Another way to think of this; my example; I'm a marketing guy who doesn't market I do virtually nothing overt or direct to attract new clients, as a speaker or consultant. I have more new client flow than I can handle as a result of being known, being seen, being talked about, as well as direct referrals. This should be the goal of any good marketer; to arrive at a position where all the marketing can be redirected at the "back end" of the business.



Power Point #169

The Power Of Strategic Alliances

Strategic Alliances can be used to suppress costs or increase sales/profits.

For some years, my companies shared a computer system, copying system, space, a receptionist, etc. with other companies, and we

both had what we could not afford separately, and we were both better off as a result. Barter, used carefully, can give you and others access to goods, services, expertise or opportunities that might otherwise be out of reach.

Strategic Alliances for profit are even more interesting. MCI/Amway has been an interesting example: MCI gave Amway entre into "services" in addition to hard products, with zero start-up costs or capital investments, at a time when Amway was losing distributors to new MLM companies focused on services; MCI gained massive distribution instantly.

A few smart questions:

- Who has distribution I could use?
- Who has products I could distribute?
- Who has contacts I could profit from?
- Who could profit from my contacts?
- Who has resources I could use without duplicating?
- Who could use resources I have?



Power Point #170

The Power Of Expanded Usage

I've used this term - "expand usage" - a lot, because it is important (and often ignored) for many businesses. For example, the restaurant that has a great lunch business - what is done to get those customers to come in for dinner?

Consider a simple, mundane business like dry cleaning. We probably spend \$300 a month at the dry cleaners, because most of my suits and shirts have to be cleaned after every on-stage wearing. In all the years that we've been dealing with dry cleaners, taking in shirts, suits, slacks, jackets, never once have we received a coupon for leather coat cleaning or drapery cleaning, etc.

The insurance agent who sells us business insurance has never once attempted to find out about any other insurance needs. Other than sending out the company newsletter, the State Farm guy who has my car insurance has never once, in any way, attempted to interest me in other products. Ford Motor Credit Corp. has my car loan, but no attempt has been made to sell me the Ford-branded VISA card.

Everywhere I look, I see businesses leaving lots of easy money on the table by making no attempts to expand customer usage.

Get this: it is easier to sell more and more often to a happy customer than it is to get anew customer. And, generally, profitability increases when you sell more (and more often) to fewer customers than when you sell less to more. Finally, your vulnerability to competition actually decreases when you sell more and more often to fewer customers because you will automatically be doing a better job of relationship nurturing. These three facts mandate an emphasis on deliberately expanding usage by existent customers.

A related application is to push a particular item: if you have a slow-moving produces), then you can promote it with coupons to customers buying other products from you.

When my Ford Motor car loan payment booklet arrived, it should have come with a pitch letter, application and "thank you coupon" waiving all annual fees for that VISA. When the bill came from my doctor for the visit to get antibiotics, there should have been a pitch letter and discount coupon for a complete physical. Etc.



Power Point #171

The Power Of Rewarding Frequent Buyers

Many businesses use variations of "Bonus Bucks". These can be given out based on formula, much like a frequent flyer program, or spontaneously, as "thank you's" for sizable orders, frequent purchases or referrals. I do NOT believe you can buy customer loyalty with this sort of thing. But I do believe in rewarding loyal customers, as one part of a complete strategy for retention, referral stimulation, and maximizing value.

The Power Of The Mini-Conglomerate

Most business owners detest marketing and do just about everything better than acquiring new customers. One approach to this is to do a lot more business with each customer, so you need a lot fewer customers. For many businesses, this is best accomplished by being a "mini-conglomerate".

I encourage carpet cleaners, for example, to consider also being in the air duct cleaning, ceiling tile cleaning, mini-blind cleaning, mobile auto detailing, pest control, dry cleaning pick-up and delivery, and new carpet sales and installation businesses. Every customer for one of these services uses and needs all these services.

The warehouse club businesses, like Costco and Sam's Club, has fully embraced this idea, expanding from discount groceries and commodities in a zillion different directions, including hard products and services.



Power Point #173

The Power Of A Vacuum

Over the years, I have "fired" a number of clients - even when I couldn't afford to do so - confident that Nature so abhors a vacuum that it will quickly be filled with better clients than the ones I vaporized.

The longer you "hang on" to something/situation/person with which you are unhappy, the longer it'll be before you can be happy. A void has to be created first. You have to make room for something better.

A metaphysical example of this in action comes from my friend, Foster Hibbard: a woman at one of Foster's 6-week courses told him she desperately needed new and better clothes but had no money or credit to get them with. (She had just landed anew, good job but needed to dress sharp every day.) Foster told her to go home, pack up at least half of everything in her closet that wasn't appropriate or that she didn't like, and take it to a charity immediately. She feared that would double her problem; he insisted it would solve it. Two weeks later at class she

told Foster of the "amazing things" happening since she had emptied her closet. An old friend of considerable wealth had, without provocation, called her up and offered her some hardly-ever used clothes, mostly business suits and fine dresses, that no longer fit her as a gift. A credit card arrived in her mail without her having applied for it. She got lost driving somewhere, pulled over to the side of the street to get her bearings, and found herself parked in front of a very exclusive women's dress shop that was running a Going Out Of Business - Owner Retiring Sale with discounts as high as 80%. And so on. The vacuum she intentionally created filled.

The same principle applies in business. In hiring/firing, it is "hire slow, fire fast" - when you fire appropriately, as quickly as you know it is inevitable, you create a vacuum to be filled by a better person for that job. In marketing, when you "fire" as low moving product line, a minimally profitable but very time consuming client, etc., you deliberately create a vacuum certain to be filled with something better.

You might say that we "clean out our closets" too infrequently.



Power Point #174

The Power Of Direct Contact With End Users

If you have salespeople, distributors, franchisees, retail locations, etc., you should still devise means of obtaining the end users-customers' names and addresses and communicating directly with them. About 5 years ago or so, Mary Kay cosmetics convinced their independent distributors to turn over 5-million customer names and addresses so that the company could periodically mail them sales literature. Why? Because they could not rely on the distributors to do the job. I believe there should always be a direct relationship maintained between company and customer.

The Power Of Being In Touch With The Customer

As a business grows, it's easy (and hazardous) for you to get distanced from the customers. I think you should read your "white mail" (customer correspondence) at least a few times every month, get on the phone or face-to-face with customers at least several times a month, and work on the front lines of your business at least one out of every 90 days.

The CEO of a restaurant chain, for example, ought to get into one of those restaurants and seat people, wait on tables, and bus tables every once in awhile.



Power Point #176

The Power Of Checking On Yourself

Periodically call your own office phone, your order-taking service, your stores, etc. and "play customer/prospect".



Power Point #177

The Negative Power Of The Sales Prevention Department

In every business, small or large, there is an inherent struggle between "operations" and "sales", and far too often "operations" win.

The correct process is, all operational issues and staff preferences aside, what is the best thing to do to maximize sales - then it is "operations"' job to figure out how to support that approach.

The Power Of Congruent Customer Service

As I'm writing this, I'm particularly peeved about a jewelry store in Phoenix (Weisfields). Last year, for Christmas, I bought matching Tag Huer watches for Carla and myself there. Not a cheap purchase. On my last trip, I dropped mine on the carpet and the band broke. Carla took it in and was treated as a nuisance told it'll take 4 to 6 weeks to get it repaired and that she'd probably do better handling it with the manufacturer herself. If you buy a Timex at Walgreens, that kind of non-customer service would be expected and accepted. But when you buy two very expensive watches from a jeweler, that is NOT the kind of service that should exist. (It's also incredibly dumb to tee off a customer like this right before the holiday shopping season.)

The result is that I'll spend money elsewhere this year and every year thereafter, will never spend another dime there, and will give them lots of negative word-of-mouth advertising, just as I'm doing here.

Different levels of customer service are required for different businesses, different clientele, and the differing expectations established through a business' positioning, advertising, marketing and pricing. Lots of advertising dollars are wasted if not supported by congruent customer service.



Power Point #179

The Power Of Customer Retention As Marketing

In SUCCESS MAGAZINE, (5/90) telemarketing consultant George Walther described how U.S. West Cellular's "retention group" had turned keeping customers into an important profit center. It then cost the company about \$700.00 to get a new customer, then about 7 months to recover that investment before beginning to reap profits from the relationship. But half of all new customers were dropping out before that "magic" 7th month. Analysis revealed that cutting the monthly cancellation rate by just 1/10th-of-1 % would add one million dollars to the bottom-line. An elite taskforce, "The Retention Team", was created to

place Welcome Calls to new customers, to explain their first bills to them, and respond to customers who wanted to cancel service. Retention group soldiers are paid bonuses on 'saves'.

Notes



Power Point #180

The Power Of A "Stick Procedure"

For years, I've used and preached the importance of following up the sale and delivery of merchandise with a "stick letter" - designed to make the sale all over again and make the sale "stick." (REFERENCE MY BOOK, THE ULTIMATE SALES LETTER). These days, many of my clients employ very sophisticated, complex, multi-step "stick procedures" to reduce refunds - and they are usually highly profitable. My client Joe Polish consented to sharing his - reprinted on the following pages.

Follow Up To Piranha Marketing, Inc. Front End Sales

Day 1	Welcome fax (if applicable) from member who made the sale
Day 1	-Dollar bill letter from Joe -3-5 bade issues of Piranha Marketing Letter
Day 3-5	-Letter from member who made the sale (urging use of Quick Start Up Guide)
Day 6-9	Phone call from Support Team Member who made the sale ("Did you get it?")
Day 10-12	-"Gift from Joe" letter (Mike Guasch and Bill Yeadon tape) - Membership certificate -testimonial letter
Day 14-16	-Letter from member who made the sale (DK book. Ultimate Success Secret and No BS Marketing Report) -testimonial letter
Day 18-20	-Q&A tape -Letter from Support Team Member who made the sale
Day 23-25	-postean! from Support Team Member who made the sale
Day 30	-Letter from member who made the sale -Brad Richhdale tape and transcript -1 pack (100) million dollar bills
Day 90	Evaluation letter with gift offer

July 15, 1997

<Insert name and address>

Dear < Mr. insert Name>,

As you can see, I have attached a nice, crisp \$1.00 bill to the top of this letter. Why have I done this? Actually, there are two reasons:

- 1 . I have something very important to say to you and I needed some way to make sure this letter would catch your attention.
- 2 . And secondly, for reasons I will explain in a moment, I wanted you to experience, as you open this letter, the totally unique thrill" of receiving money in the mail from a completely unexpected source 1

First things first. What is it I have to say to you that is so all-fired important? Simply this_

THANK YOU!

I really mean it. When you decided to invest in my Piranha Marketing System, you took a chance. I admire that. And, I intend to do everything within my power to make this the best investment you will ever make.

The Piranha System and my monthly marketing newsletter are all a labor or love for me. I slave over them like you wouldn't believe. I want my Piranha System and newsletter to be... by far-.the most valuable wealth-building information in the entire world for carpet cleaners.

In fact, my personal goal is to make each single issue of The Piranha Marketing Letter (which you will be receiving in the mail every month) worth more to you in ideas and methodologies than the entire price of your Piranha Marketing Membership!

And to get you off to a quick start, right now I am sending to you some free gifts that I want you to have.

And not only are these free gifts on their way to you~. so are, a few back issues of my newsletter to give you a "taste" of what you have in store over the next six months (if you're a Basic Member) or two years (for Gold Membership) Plus a couple of powerful audio tape interviews I have done.

And listen: I want you to listen to those tapes and read the back issues of my newsletter the

same day you get them. Why? The answer is simple. You see <insert Name>, many ads that offer so-called "get rich" secrets don't tell the truth and... when you get the books or whatever else they are selling... you find out you've got nothing but a bunch of hot air. That is not true with my material. I deliver on every single promise I ever make. So, when you listen to my tapes and read my newsletters you really will learn.» just like I promise... How To Double Your Business In Six Months (or Less).

My newsletter is the only carpet cleaning marketing newsletter in the world guaranteed, - in writing - to make you an additional \$10,000.00 per year - automatically - just by reading it and implementing the ideas!

How can I make such a claim? Just start reading the information you already have and my newsletters as soon as they arrive and you'll see what I mean. After a few issues, you'll see that just reading my newsletter alone is career-changing, because it changes the way you think about the carpet cleaning business, thereby it opens your mind up to attracting new business automatically!

By the way, you will start getting my newsletter almost immediately and, it will be mailed to you every month... via first-class mail. The name of the newsletter is simply-. *The Piranha Marketing Letter*. And, if I do say so myself, it has become rather famous. It goes to all 50 states in the U.S. plus several other countries. It is usually about eight pages but sometimes it is much longer.

The information in my newsletter and my Piranha System is not for dreamers. It is for doers. I am not going to teach you how to "think" yourself rich, pray yourself rich, chant yourself rich, or run around clutching a magic voodoo charm while mouthing a litany of positive affirmations.

No, the single purpose of my newsletter and my Piranha Marketing Systems is to teach you how to sell and-, to do all your selling the easy way.-

By Remote Control 1

By direct mail., by referrals.- by- the most effective forms of advertising and marketing ever discovered for carpet cleaners. Including how to properly use the yellow pages, newspapers, val-pak type coupons, TV, Radio, and many other forms of advertising that most carpet cleaners fail miserably with.

My job and the job of my support team is to **coach, mentor** and **counsel** you how to forever throw away all those typical type boring ads and flyers that make up most of the "typical" carpet cleaner's business. Instead, I will give you the tools you need and help shorten your "learning curve" by providing you with a System that is proven and dramatically changing the lives of my 1600+ members! This will save your thousands of dollars in wasted advertising and save you

days, weeks, months, years of needless frustration.

Just imagine, when you use my secrets, you can rake in thousands (sometimes millions) of dollars. And you can do it by remote control.

I'm telling you-, it can get really exciting. Remember the little thrill you got when you opened up this letter and saw that dollar bill? Well, just imagine receiving dozens of calls from prospecta who want you to clean their carpets - automatically. And then getting referral business from happy clients who can't wait to tell their friends what a spectacular cleaning job you did for them. Believe me, you'll love it!

Which brings me to another reason I sent you that dollar bill. You know, you can do whatever you want with it. You can give it to charity, buy yourself a beer or whatever. But you know what I hope you do with it?

I Hope You Frame It!

And then, someday, in the not too distant future, what I hope happens is- someone will see that dollar bill hanging on your wall and.- when they ask you about it- you'll say something like this...

"Well, that happens to be the very first dollar I ever received because of my association with Joe Polish and Piranha Marketing and, since then, I have received hundreds of thousands more!"

Let's make it happen. If you're willing to work half as hard as I am, we've got a real good shot at making it come true.

Sincerely,

Joe Polish
Your New Friend

PS. Let's talk for a moment about the free gifts and audio tapes you are about to receive. You know, some people like to Moll up" their books and tapes with a lot of irritating silly introductions with radio voice speakers, glossy full color covers on their books etc. Not me. The ones I'm sending you have no cutsie stuff at all. But the content is real. This information has cost me well over \$100,000.00 to develop and test its validity.

So what would you rather have? A so-called "professional" advertising agency that can produce fancy full color brochures and radio or TV ads with a lot of special effects or proven

marketing systems like mine that really do. reveal secrets that can make you wealthy?

As far as the systems I've created are concerned...when you absorb my material- I dare say... it may very well literally chancre your entire life!

No matter what you've been taught, owning a carpet cleaning business doesn't have to be hard work. Once you understand the tremendous power of Piranha Marketing and the labor-saving aspects of a fully automatic Marketing System, it's easy to attract clients to call you.

You see, I hear from dozens of Piranha Members each week who report that their businesses and lives have drastically changed for the better all because my Piranha System and monthly Piranha Marketing Letter have shown them how to change the way they think.

Anyway, that's enough for now. <Insert name>, thank you again for becoming a member and giving me a chance to prove myself to you. I appreciate it from the bottom of my heart, and... as I said earlier-. I'm going to do everything within my power to make this the best investment you will ever make.

Peace.

The Power Of The Inbound Call

The phone rang persistently in the little shoe store where I was buying a pair of shoes. Finally, after six rings, the clerk at the counter said, "dammit, I'm busy", but grudgingly answered the phone. Guess how he must have sounded to that caller!

This attitudinal error must occur a million times a day in every type of business, as the incoming call "interrupts" the "important" work.

Somehow, you must educate, motivate and staff so that the response to the inbound call is enthusiastic - it's OPPORTUNITY CALLING!

Every inbound call is an opportunity to impress, make a friend, make a sale or upsell.

Inbound Call Management can dramatically improve a business' profits.



Power Point #182

The Power of The Immediate Telephone Upsell

In terms of profit improvement, there may be no greater point of leverage than the immediate telephone upsell, because there is virtually no cost of sale. One survey I saw recently indicates that the overall odds of selling to a new customer are 16-1, but of selling to an existent customer just 2-1. I think those odds get even better when the 2nd sale is made immediately behind the first. Our experience in DRTV and catalog houses indicates that 20%+ of all purchasers will say yes to an upsell offer.

The Power Of Fast Response To Inquiries

One of the most annoying things to me, as a consumer, is calling some advertiser to request information and being told I'll get it in 3 to 4 weeks – or not being told anything at all, but getting the information so late I can't even recall wanting it. Leads stay "hot" for a very, very, very short time. One of the best things you can do to maximize response is to get promised information into the hands of leads fast. And, given a sufficiently high sale price, it's always worth checking whether or not Federal Express or other overnight delivery boosts response more than enough to justify its cost.



Power Point #184

Keep Testing New And Different Means Of Acquiring Customers

Everybody gets lazy - especially when things are going well - and tends to rely on just a few means of acquiring their new customers. But your job is to continually and constantly test new methods/media, so as to, over time, enlarge the scope and diversity of your marketing.



Power Point #185

Create A Sales Breakthrough By Niche-ing Your Business

"Specialization" or "perceived specialization" can turn an ordinary business into an extraordinary business, boost prices and margins, provide competitive differentiation, and allow you to be a "big fish in a small pond"

Just for example, you might say that printing is printing and business forms are business forms. But I know of a printing company specializing in medical forms for hospitals. They and their competitors packaged and sold their forms in cartons of 1,000, 5,000 and 10,000. But many small hospitals and nursing homes refused to buy from them because they couldn't use up 1,000 copies of any of these forms in a year. This company developed a catalogue of all the forms priced in packages of 150 and targeted all the smaller institutions. In short order, they controlled this market. And they tripled their profit margins which more than made up for the handling of smaller orders.



Power Point #186

Create A Sales Breakthrough With Direct-Mail

There is no bigger-bang-for-your-buck than directmail, employed effectively. You need to look for every possible opportunity to use directmail in your business.



Power Point #187

The Power Of NOT Following The Herd

As you know from all the advertising, the trend in the automobile industry has been to stretch out the length of the loans/leases so as to offer the lowest possible monthly payments. But one expert recently showed me some fascinating analysis revealing how this works against the car dealer in terms of customer retention and repeat business. I then talked to a top car salesman I know who said that he made a point of showing customers 24, 36, 48 and 60 month schedules, including how much interest is paid in each case, so as to encourage the buyer to take the shortest term he can afford - because this gets the customer ready and able to trade-in for a new car earlier. He also teaches his customers how to make small extra principal payments on their car loans, so they save money on interest and are able to trade-in quicker. I think this is a great example of taking a look at the direction the herd is moving in your industry, then looking carefully in the opposite direction.

The Power Of "Hidden Worth"

A special entrepreneurial skill is the discovery of "hidden worth" in a business, and most existent, mature businesses have plenty of it overlooked by those running it.

In the cosmetic industry, for years Oil Of Olay was a single product. In recent years, somebody has recognized the value of that name as a brand, and is exploiting it successfully. Some years ago, the service station industry discovered the "hidden worth" in their frequent customers and got into the high margin, high profit convenience store business. Jay Abraham made his name as a marketing "genius" by identifying the "neglected worth" of a number of companies' customer databases and relationships.



Power Point #189

The Power Of "Fresh Eyes"

Everybody gets too close to their own business to see the opportunities and flaws clearly. Every business benefits from periodic examination by "fresh eyes". This need can be fulfilled by appropriate paid consultants, by mastermind groups such as those organized by my friend Joe Mancuso at the CEO Clubs or by those of your own making, even by you taking a few weeks away then returning to your business refreshed and relaxed.



Power Point #190

The Power Of Location

In retail, location is important. Tom Monaghan opened the early Dóminos on the edges of college campuses. A friend of mine opened his quick print shop right next to the busiest post office in town - thus capitalizing on all the "errand running traffic" of the surrounding offices

The Power Of Back-End Marketing

As the costs of acquiring customers continues to increase, the profits of a business increasingly depend on the back-end; everything that is done to make money with the customers after their first purchase, often unseen by the casual observer. Here are some of the most viable back-end opportunities...how many are you profiting from?



Power Point #192

Power Of Membership

A significant segment of our population is made up of "Belongers" and, generally speaking, the majority of people are responsive to being part of something, invited into something. Businesses that sell books and records by mail have long used the "Club Membership" as a means of packaging products, services and prices and committing customers to frequent purchases. THE MEMBERSHIP CONCEPT is at work all around you. If it's not at work in your business, with your customers, it probably should be.



Power Point #193

Power Of Continuity

Committing customers to automatic, periodic charges to credit cards on file for scheduled shipments of products "til-forbid", i.e. until they cancel, can be extremely profitable. Is there a way to apply this in your business?

Power Of The "Big Dollar" Sale

Marketers often underestimate the buying capacity and size-of-purchase capacity of their customers. In most clientele, there's 5% to 10% who will step up and make a large dollar purchase if it is offered to them. In chiropractic, we taught this as "pre-pay" and had doctors routinely selling \$1,500.00 to \$5,000.00 pre-pay programs. In my catalog, we have the "everything package"; at our Peter Lowe Events, Zig always sells a number of "the whole shootin' match". If you do not create a large dollar option in your business, you leave money on the table.



Power Point #195

Power Of Multi-Services

For many, it is easier to provide multiple services to the same customer than it is to get many more customers for a single service. Analyze your skills and interests: if you are better at quality control, service delivery and customer retention than at marketing and new customer acquisition, consider this approach.



Power Point #196

Power Of Joint Ventures

If you control a customer, you own a toll-booth. What you will not provide to those customers yourself, you can obtain and market to them via joint ventures. Leverage your relationship into added profits.

Power Point #197

Notes

Power Of List Rental/Sales And Exchanges

If you have a buyer mailing list of at least several thousand names, you have an asset that can, itself, produce profits via rental, outright sale or exchange to obtain other names.



Power Point #198

The Power Of Profit

Challenge: make it profitable for people to do business with you, and make sure the customers perceive that it is profitable to do business with you.

Profit can be monetary, but if you cannot offer a clear financial advantage or profit, then you have to look to other areas. For example, convenience and time savings.



Power Point #199

The Power Of Pleasure

Challenge: make it a truly pleasant experience for people to do business with you. Can going to the dentist be a "pleasureable" experience? Yes, there is evidence that it can be; there are dentists who have created such a pleasant, relaxed, in-fun office environment that their patients tell friends they actually look forward to their office visits!

Power Point #200

Notes

The Power Of "The WOW! Experience"

Disney most often comes to mind when talking about THE WOW! EXPERIENCE - simply that your customer/client/patient/prospect comes away from your place of business, meeting, etc. so impressed, having had a much better experience than anticipated, that he is compelled to do business with you and tell others about you.

In my experience, this very rarely happens, but when it does, that business thrives, usually to its maximum capacity, with little or no continuing advertising.

"Do what you do so well - and so uniquely - that people can't resist telling others about you."
- Walt Disney



Power Point #201

The Power Of Pride

Challenge: cause people to be proud of doing business with you and your company.

People are proud to drive Mercedes automobiles, carry a Mont Blanc pen, stay at The Four Seasons, shop at Nordstrom's, etc. Can you create such a "brand" that your customers want others to know they do business with you?



Power Point #202

Power Of Offending

How do you know your 'marketing' is aggressive enough? - when it offends peers and competitors but attracts customers. When your professional peers and competitors complain about your advertising, marketing and sales practices, you can be sure you're on the right track. Of course, you have to be immune to all that criticism.

Power Of Vertical Integration

Many business empires have been built or strengthened by a business acquiring either its vendors or its distribution. Pepsi bought Pizza Hut and Taco Bell to control its distribution. Bill Guthy got interested in the infomercial business as a means of creating volume for his audio cassette duplicating business. Now Guthy-Renker has organized its own cable TV network, to "own" its distribution.

Holiday Inns bought a supply company and supply everything from soap to mattresses to its franchisees.



Power Point #204

Power Of Horizontal Expansion

Jeff Paul began publishing and marketing information products for financial planners; then expanded to insurance. Years ago, with my SuccessTrak business I started with chiropractors, expanded to dentists. Weight Watchers applied its brand to supermarket foods. Now Taco Bell has done the same thing.



Power Point #205

Do Your Homework

Damn if people aren't incredibly lazy. "What do you think of x-idea?" somebody will ask and as soon as I start asking questions, it's instantly and blatantly obvious they haven't bothered to lift a finger to do any research or gather any information about their idea. Which, incidentally, immediately wipes out any interest I might have in taking them seriously and helping them.

There is so much information readily available about almost anything and everything, yet it seems people are simply unwilling to bother with it

Here are a few of my favorite research sources and methods:

The Power Of SRDS

SRDS: Standard Rate and Data Service gives you all the details of all the commercially available mailing lists in a given product category. So let's say you're thinking about selling something to parents of toddlers. SRDS '11 reveal who else sells to them, what they buy, what they '11 spend, how many buy, how many subscribe to relevant publications, and a lot more. You can get a demographic and behavioral snapshot of this customer. If few other direct-response marketers are selling to them, you'd better think twice about bucking the trend. (Pioneers come home full of arrows.)



Power Point #207

The Power Of Publications

There is at least one magazine or newsletter for EVERY interest, from stamp collecting to pot belly pig breeding to foot fetishes, and for EVERY field of business and virtually EVERY occupation. Careful, thorough review of several years' back issues of such publications reveal trends, changes in interests, re-occurring problems and needs, who's advertising repeatedly and consistently, etc. When entering a market, you have to take time to ferret out every publication servicing that market.



Power Point #208

The Power Of Trade Associations & Organizations

Virtually every commercial, business or occupation market has at least one trade association. Many of these associations periodically survey their members, collect and publish information from their members, and underwrite other research as well. Most associations also publish directories, providing access to people in the business, in your area; newsletters, providing articles and advertisers; and put on conventions and conferences. Many have state or even local chapters. By joining and getting active in the association, you can quickly get knee deep in the field, and up close and personal with its movers and shakers as well as its rank and file.

The Power Of Vendors

The vendors to an industry or vocational or a vocational market, with whom you are not competing, can be a tremendous source of information, as well as sometimes, subsidize your marketing efforts or serve as endorsers or joint venture allies. If you want to market to pig breeders, get on every mailing list of every vendor who sells anything to pig breeders, so you can see what they sell and how they sell it, how they talk to the market. Sit down with vendors and show them what you are doing, to look for opportunities.

I was just at a conference where I talked with a fellow marketing a new business product to accountants to help them attract and service a particular type of clientele. His "pitch" is attractive, and he is successfully filling seminar rooms with accountants. As a result, five different software companies who sell to accountants but can't get them to come to seminars and product demos want to underwrite his advertising and seminar expenses in exchange for a little time at the seminars, an exhibit table in the hall, the mailing list and so on. These vendors are likely to absorb all of his expenses.



The Power Of Consultants

Chances are, there's at least one consultant who is expert in your chosen market and at least one "marketing guy" expert in selling to that market. Find them, talk to them, maybe use them.

Power Point #211

The Power Of Commercially Available Research

There are research firms that do nothing but assemble data. For example, there's a company that publishes an in-depth annual compilation and a monthly newsletter strictly devoted to "marketing to women". If you market to women, it's dumb not to avail yourself of their information.

In the infomercial/DRTV industry, John Kogler at the Jordan-Whitney Report can pull together videos of all past shows done in a particular product category. But countless people bumble ahead without even looking at history.



Power Point #212

The Power Of Asking Questions Of Your Customers

Ask your customers. Customers will tell you what they want and what they don't want, if asked. They will tell you what else they will buy from you. The stories of improvements in sales in Stew Leonards supermarkets by getting groups of customers together for brainstorming sessions, in Tom Peters' books, are very instructive. Customers will work free, for doughnuts and coffee. If you don't construct and do a Customer Survey at least once a year, you're snoozing.



Power Point #213

The Power Of Asking Questions Of Your Competitors

Ask your competitors. It's often surprising how much information competitors will reveal if asked, with sincere interest. Be sure to buy from your competitors. Get on their mailing lists.

The Power Of Asking Questions Of Employees

I've lost count of the number of times I've been consulting on site, asked the client a question, he's sent for a particular employee who should have that answer, and one of two things happens: one, the employee he thinks has a handle on it is clueless - the "I thought you were steering the ship - no, I thought you were steering", crash! syndrome; or, two, the employee's information differs wildly from what the client believed to be true. Beyond that, often frontline employees have a much better grasp of what your customers really think, say and do than you do. Often, if asked, employees know how to solve half the problems outsiders are being brought in to solve and know how to increase sales substantially.



Power Point #215

Ask Everybody

Who knows when somebody might have a flash of brilliance? I like to ask everybody if they've bought anything from infomercials, what they bought, why they bought - and every once in a while, somebody 'll say something interesting and useful about all that.

SOURCES OF COMMERCIALLY AVAILABLE RESEARCH

FIND/SVP
500 Fifth Ave.
NY10010

This is one of, if not the largest commercial research organizations in the country. They annually prepare very detailed analytical reports on a variety of industries which can be bought "off the shelf or they can be commissioned to prepare research on any industry/product category.

THE FEDERAL GOVERNMENT

Our tax dollars at work - virtually every government agency compiles, publishes and disseminates mountains of information. Quite a bit of it is available free, for the asking. Or dirt cheap. Just for example, I was recently doing some consulting in the discount long-distance industry; a call to the FCC brought a thick pile of documents; information on the nature of consumer complaints, which companies had the most complaints, and so on. The Small Business Administration (SBA) can direct you to the appropriate source for your needs.

REFERENCE

Million Dollar Rolodex

"How To Make Millions With Your Ideas"

For a much more elaborate tool:

"How To Turn Your Ideas Into A Million Dollars"

Home Study Course. (Catalog)



Power Point #216

The Power Of Reading Books

"Leaders are readers."

I've long believed that I can get a pretty good handle on how well you're doing in business if you'll tell me the three books you read most recently and the three you're going to read next.

For many years, I read no less than a book a week (for a brief period, a book a day), either general business, self-improvement or related to my or a client's businesses. I've slowed that pace in recent years, certainly to my detriment. There are two big reasons to read a lot, read constantly, and read consistently, for a purpose. One, quite simply, it stimulates the powerful subconscious mind so it can better solve problems and create effective strategies for you. Input controls output; garbage in, garbage out or good in, good out. Second, we're very fortunate that so many smart and successful and innovative people write books about their own life experiences and methods.

There are also "mandatory classics" I think everybody ought to read/re-read once every year, like THINK & GROW RICH and Na-

poleon Hill's other books, PSYCHO-CYBERNETICS, THE SUCCESS SYSTEM THAT NEVER FAILS, to name a few. I've long promised IC Members a "Reading List" - as an unadvertised bonus, finally, a partial list of the books in my library is included at the end of this volume.



Power Point #217

The Power Of Reading Magazines

One of my favorite "tricks" for discovering new ideas, new opportunities, new people worth paying attention to, new products, etc. is to occasionally read magazines that I rarely or never read I'll hit a newstand before a long flight and buy 15 or 20 magazines. Hot Rod, Internet Geek, Rolling Stone, Mademoiselle. I think magazines offer a cheap, fast, convenient way to keep expanding your horizons of awareness. As my consulting/speaking colleague Bill Brooks points out in his book HIGH IMPACT SELLING, our world is full of little "break out" sub-cultures, each with its own separate and distinct viewpoints, insights, experiences, needs, desires, interests, and so on. I try to leave no sub-culture unturned for very long, in constant search of new information useful to me or my clients.

Of course, you should also regularly read the general business periodicals ie. Success, Entrepreneur, Forbes, Fortune, Nations Business, Fast Company, etc., as well as the advertising and direct marketing trade pubs like DM News, Target and Ad Age.



Power Point #218

The Power Of Reading Newspapers

Joe Cossman tells how he found the "Fly Cake" product - that subsequently made him a million dollars - while reading the classifieds in a city newspaper. (Ref. my book "How To Make Millions With Your Ideas.")

At the very least, you need to read USA TODAY and THE WALL STREET JOURNAL. My Sunday newspaper preferences, in order, are the NY Times, LA Times, and Chicago Tribune; by comparison, other cities' papers are bush league. I like to read the "alternative weekly newspapers" here and when I travel to other cities. They are infinitely more interesting than the mainstream dailies.

The tabloids, like The National Enquirer, should be required reading for anybody involved with advertising or marketing. Here you get to see the work of the best and brightest direct-response strategists and copywriters in the world, as well as tracking what topics titillate and interest the vast majority of Americans (across all demographic lines), week after week after week, for a few bucks a year.



Power Point #219

The Power Of Reading Newsletters

Obviously, you should devour MY newsletter every time it arrives and you should be a lifetime subscriber.

In general, though, newsletters are often more "how to useful" than other types of publications and more targeted in topics. I have a handful I subscribe to continually, then I tend to subscribe, drop out, and sometimes re-subscribe to many others. Quite frankly, I don't subscribe to as many as I should. I'd say anybody spending less than \$2,000.00 a year on newsletters isn't really serious about whatever it is they do.



Power Point #220

The Power Of Reading Your Mail

Anybody who throws out "junk mail" unread is just plain stupid.

And you ought to get on as many mailing lists, to get as much mail as you possibly can. The more, the better. It's like a plethora of marketers coming to you everyday and showing you their best ideas.

Power Point #221

The Power Of Keeping Score

If you don't know the score, you're not in the game.

I am dismayed at business leaders who aren't "benchmarking", don't know the important stats of their business, and aren't constantly comparing day to day, week to week.



Power Point #222

The Most Important Number

The most important number in most businesses is: cost of sale by source. You have to know and constantly monitor how much it costs to make a sale to a prospect from each source. Cost-per-lead can be deceiving; the highest cost-per-lead can also have such a high conversion rate it becomes the lowest cost per sale.



Power Point #223

The Power Of Financial Accountability

Here is the simple principle: if you cannot measure return on investment; if you cannot hold it accountable, don't spend money on it.

Admittedly, some giant companies dependent on mainstream distribution cannot live by this principle. They have no alternative but to invest in brand-building, utilizing traditional advertising. However, these situations are quite rare. And even these giants would be well served by sharply reducing their investments in this type of advertising in favor of more immediately accountable marketing.

Most small businesses *can* and should live by the principle.

Another way to think about this: would you hire a salesman on this basis? — Just show up everyday looking good, come and go as you please, and know that we will never evaluate you based on your productivity or contribution to sales or profits, and feel free to use your corporate credit card as you wish because we'll never examine your expenditures.

If you wouldn't hire salespeople this way, then how can you justify "hiring" advertising or marketing on this basis?

Incidentally, good tracking data is power in marketing. The people who sustain the best net profits have the best data. Quite frankly, although I nag my clients about this relentlessly, it's been a personal Achilles Heel over the years, and I conservatively estimate that I'd be 1/2-million to 1 - million dollars richer if I'd done a much better job of obtaining, assembling and working with data over the last ten years.



Power Point #224

The Power Of Knowing Your Numbers

Marketing-by-the-numbers is the path to maximum profits. You need to know your costs per lead and per sale from each source, your customer value by source, your renewal or retention rates by source, and every other meaningful number from your business in order to make good decisions.

Let's say you run a restaurant and use the Yellow Pages, Val-Pak and radio to attract customers. And let's say the cost per acquisition is \$20 from YP, \$30 from Val-Pak and \$40 from radio. Which is the better ad media? In this case, you don't know unless you can tell which customers come in most frequently and are retained over time. After a year of tracking, we might find:

YELLOW PAGES CUSTOMERS:

Cost To Acquire: \$20.00 #OfTimesIn,In6Months:

8 % Still Active @ 12 Months: 40%

VAL-PAK

Cost To Acquire: \$30.00

Of Times In, In 6 Months: 6
% Still Active @ 12 Months: 20%

RADIO

Cost To Acquire: \$40.00

Of Times In, In 6 Months: 14
% Still Active @ 12 Months: 30%

Now which is the best media?

Every business has its own set of governing numbers. You need to find yours and then monitor them. The more money you spend on advertising for new customer acquisition, the more important this is.



Power Point #225

The Power Of Gross Vs. Net

I spent a handful of years around an otherwise brilliant entrepreneur who chose to completely ignore the distinction between gross and net. He operated on the stated premise that if you pile up enough gross, there'll be plenty of net left around automatically. Not only is this false, it is fatal. And it is very common for me to discover two things in businesses:

1. That gross revenues are being increased in a way that enriches everybody but the owner.
2. That reducing gross improves net profits.

Contrary to liberal politicians' and unions' beliefs, the purpose of business is not to provide good jobs to the public. The first responsibility of business is to enrich its owners and investors. To do that, careful attention must be paid to every decision's impact on net.

The Power Of Total Customer Value

Every business' asset is replaceable - except the customer.

I don't know how you can manage a business without some realistic appraisal of the Total or Lifetime Value of your customer. That number controls what you can and will invest to acquire a customer as well as what you can and will invest to maintain the customer relationship. Do you know this number?

Next, can you describe your step-by-step strategy for increasing this number?



Power Point #227

The Power Of "Going The Extra Mile"

Napoleon Hill identified this as one of the 17 "Laws Of Success" adhered to by all the top achievers he studied. We all need to look for ways to provide added value and unexpected value to our customers.



Power Point #228

Forget All About "Ownership Mentality"

This is one of many management-myths popularized in books about management written by theorists. The only person you can create ownership mentality in is an owner, period. No one will ever care as much about your business, your customers, your future as you do. And employees think like employees, not owners, thus their own agendas always have priority over yours; their interests priority over yours; and their Uves are very different from yours. And no amount of generosity and compassion on your part will alter that. If it does cosmetically, it's illusion. Given all that, you must resist all temptation to believe that any employee thinks as you do or will do things as you would do them.

Therefore...

The Power Of Accountability

....don't expect what you don't (regularly) inspect.

If you have something you want done or done a certain way, you'd better check frequently to see that it is being done or done the way you want it done - or it won't be. Your people will deviate from your directives for lots of reasons. Because familiarity breeds contempt, people who start out in awe of you soon determine that you are a goof and they are smarter than you are - even though they are working for you and without you, they wouldn't get a paycheck. Logic doesn't enter into this. People re-engineer things to make their lives easier, to do it faster at the expense of your objectives, to avoid unpleasantness, to fit their priorities. People re-engineer things for operational convenience at the expense of marketing. People will pacify and pander to you only as long as you are looking but as soon as you turn your back, they switch to their way.

As a result of a couple years' working closely with a leading theft control expert, I learned and totally accept his assertion that there are roughly 5% of the people who will not lie, cheat or steal under any conditions, 5% who He, cheat and steal in every circumstance, by compulsion, even when it serves no purpose, and 90% who will He, cheat and steal given three conditions: perceived need, ability to rationalize their behavior, and opportunity to do so with nominal risk of detection. Given this fact, the "manager" must "count the cookies" - the example: you just baked a dozen cookies. Johnny comes home from school. You say: "I have to go to the store. I just baked 12 cookies. You are not to eat any. You will be all alone here. Last thing I'm doing before leaving is counting the cookies. First thing I'm doing when I walk back in is counting the cookies."

My speaking colleague General Norman Schwarzkopf emphasizes the setting and enforcing of "standards". The key word there is enforcing. Standards shipping. Quality disintegrates.

One other thought: accountability automatically improves performance. This is useful even in managing yourself.

Please, Get Me One Person Who Can "Carry The Message To Garcia"

If you are this person, you will prosper - guaranteed.

I've reprinted the essay "Message To Garcia" on the following pages because it reveals the single rarest characteristic found in humans. People who live this characteristic rise rapidly to wealth and power, even if they start at the lowliest place imaginable. Entrepreneurs who can find or grow a few of these individuals are able to conquer the world.

Don't let my shortcut comments that follow stop you from reading the essay - and getting everybody in your world to read it - but here's the idea: when you go or are sent on a mission, do it and complete it, no matter what.

One of my early mentors tested me - and I watched him subsequently test others - by sending them to fetch his lunch from a local fast food joint. He told them precisely how he wanted his burger: mayonnaise on the bottom bun, ketchup on the top, "white" lettuce, etc. - nothing like this joint's standard issue burger. Most people failed the test miserably. Some immediately, by asking all sorts of questions: "Where is this place? Give me directions to get there. What if they won't make it that way? What's white lettuce?" and on and on. You see, the only way to ace this test is to say nothing more than "I'll be back in a flash", get out of there, figure out for yourself or get help from others on how to get there, what white lettuce is, and so on, and get back with that burger made exactly to order.....that is "carrying the message to Garcia."

Now I'm here to tell you that damned few people operate that way.

Further, most people fold at the first obstacle. Car wouldn't start, guy at the burger joint said we can't do it that way, they were out of lettuce, and so on. The trick is never to let any obstacle keep from sending you back with the mission aborted. If one person says no, you get to the next person, and up, and up, to the CEO of the whole company if necessary. If they haven't got lettuce, you haul ass over to the grocery store and get some. You're like a bulldog with teeth clamped firmly in a guy's trouser leg; if that guy drags you five miles down the street, you hang on.

I watch people fold at obstacles all the time, even otherwise very good people in my own businesses. None of them could ever succeed

as entrepreneurs on their own because of this one weakness. This may be THE difference: they accept it when some "authority figure" tells them "it can't be done" - I refuse to accept that until I've/wrung out every possible person, every phone call, every alternative.

A Message To Garcia

In all this Cuban business there is one man stands out on the horizon of my memory like Mars at perihelion.

When war broke out between Spain and the United States, it was very necessary to communicate quickly with the leader of the Insurgents. Garcia was somewhere in the mountain vastness of Cuba - no one knew where. No mail or telegraph message could reach him. The President must secure his cooperation, and quickly.

What to do!

Someone said to the President, There is a fellow by the name of Rowan will find Garcia for you, if anybody can."

Rowan was sent for and given a letter to be delivered to Garcia. How the "fellow by the name of Rowan" took the letter, sealed it up in an oilskin pouch, strapped it over his heart, in four days landed by night off the coast of Cuba from an open boat, disappeared into the jungle, and in three weeks came out on the other side of the Island, having traversed a hostile country on foot, and delivered his letter to Garcia - are things I have no special desire now to tell in detail. The point that I wish to make is this: McKinley gave Rowan a letter to be delivered to Garcia; Rowan took the letter and did not ask, "Where is he at?"

By the Eternal! there is a man whose form should be cast in deathless bronze and the statue placed in every college of the land. It is not book-learning young men need, nor instruction about this and that, but a stiffening of the vertebrae which will cause them to be loyal to a trust, to act promptly, concentrate their energies: do the thing "Carry a message to Garcia."

General Garcia is dead now, but there are other Gardas. No man who has endeavored to carry out an enterprise where many hands were needed, but has been well-nigh appalled at times by the imbecility of the average man - the inability or unwillingness to concentrate on a thing and do it.

Slipshod assistance, foolish inattention, dowdy indifference, and half-hearted work seem the rule; and no man succeeds, unless by hook or crook or threat he forced or bribes other men to assist him; or mayhap, God in His goodness performs a miracle, and sends him an Angel of Light for an assistant.

You, reader, put this matter to a test: You are sitting now in your office - six clerks are within call. Summon any one and make this request: "Please look in the encyclopedia and make a brief memorandum for me concerning the life of Correggio."

Will the clerk quietly say, "Yes, sir," and go do the task? On your life he will not. He will look at you out of a fishy eye and ask one or more of the following questions:

Who was he?

Which encyclopedia?

Where is the encyclopedia?

Was I hired for that?

Don't you mean Bismarck?

What's the matter with Charlie doing it?

Is he dead?

Is there any hurry?

Sha'n't I bring you the book and let you look it up yourself?

What do you want to know for?

And I will lay you ten to one that after you have answered the questions, and explained how to find the information, and why you want it, the clerk will go off and get one of the other clerks to help him try to find Garcia - and then come back and tell you there is no such man. Of course I may lose my bet, but according to the Law of Average I will not.

Now, if you are wise, you will not bother to explain to your "assistant" that Correggio is indexed under the C's, not in the K's, but you will smile very sweetly and say, "Never mind," and go look it up yourself. And this incapacity for independent action, this moral stupidity, this infirmity of the will, this unwillingness to cheerfully catch hold and lift - these are the things that put pure Socialism so far into the future. If men will not act for themselves, what will they do when the benefit of their effort is for all?

A first mate with knotted club seems necessary; and the dread of getting "the bounce" Saturday night holds many a worker to his place. Advertise for a stenographer, and nine out of ten

who apply can neither spell nor punctuate - and do not think it necessary to.

Can such a one write a letter to Garcia?

"You see that bookkeeper," said the foreman to me in a large factory.

"Yes; what about him?"

"Well, he's a fine accountant, but if I'd send him up town on an errand, he might accomplish the errand all right, and on the other hand, might stop at four saloons on the way, and when he got to Main Street would forget what he had been sent for."

Can such a man be entrusted to carry a message to Garcia?

We have recently been hearing much maudlin sympathy expressed for the "downtrodden denizens of the sweatshop" and the "homeless wanderer searching for honest employment," and with it all often go many hard words for the men in power.

Nothing is said about the employer who grows old before his time in a vain attempt to get frowzy ne'er-do-wells to do intelligent work; and his long, patient striving after "help" that does nothing but loaf when his back is turned. In every store and factory there is a constant weeding-out process going on. The employer is constantly sending away "help" that have shown their incapacity to further the interests of the business, and others are being taken on. No matter how good times are, this sorting continues: only, if times are hard and work is scarce, the sorting is done finer - but out and forever out the incompetent and unworthy go. It is the survival of the fittest. Self-interest prompts every employer to keep the best - those who can carry a message to Garcia.

I know one man of really brilliant parts who has not the ability to manage a business of his own, and yet who is absolutely worthless to anyone else, because he carries with him constantly the insane suspicion that his employer is oppressing, or intending to oppress, him. He cannot give orders, and he will not receive them. Should a message be given him, to take to Garcia, his answer would probably be, "Take it yourself!"

Tonight this man walks the streets looking for work, the wind whistling through his threadbare coat. No one who knows him dare employ him, for he is a regular firebrand of discontent.

He is impervious to reason, and the only thing that can impress him is the toe of a thick-soled Number Nine boot.

Of course, I know that one so morally deformed is no less to be pitied than a physical cripple; but in our pitying let us drop a tear, too, for the men who are striving to carry on a great enterprise, whose working hours are not limited by the whistle, and whose hair is fast turning white through the struggle to hold in line dowdy indifference, slipshod imbecility, and the heartless ingratitude which, but for their enterprise, would be both hungry and homeless.

Have I put the matter too strongly? Possibly I have; but when all the world has gone a-slumming I wish to speak a word of sympathy for the man who succeeds - the man who, against great odds, has directed the efforts of others, and having succeeded, finds there's nothing in it: nothing but bare board and clothes. I have carried a dinner-pail and worked for day's wages, and I have also been an employer of labor, and I know there is something to be said on both sides. There is no excellence, per se, in poverty; rags are no recommendation; and all employers are not rapacious and high-handed, any more than all poor men are virtuous. My heart goes out to the man who does his work when the "boss" is away, as well as when he is at home. And the man who, when given a letter for Garcia, quietly takes the missive, without asking any idiotic questions, and with no lurking intention of chucking it into the nearest sewer, or of doing naught else but deliver it, never gets "laid off," nor has to go on a strike for higher wages. Civilization is one long, anxious search for just such individuals. Anything such a man asks shall be granted. He is wanted in every city, town and village - in every office, shop, store and factory. The world cries out for such; he is needed and needed badly - the man who can "Carry a Message to Garcia."



Power Point #231

The Power Of A Sense Of Urgency

The worst trait I observe in most people, including those I must rely on and do business with, is a lack of urgency. What doesn't get done today can be done tomorrow, and that's perfectly okay with them. But minutes, let alone days, matter. People always seem willing to demand

less of themselves, employees they manage and vendors they buy from than they should so you have to keep holding everybody's feet to the fire.

Let's assume you use directmail; your average mailing brings in \$ 10,000.00 over 10 days; and you can only get two mailings out a month because the typesetter takes four days to do a day's work, the printer is always a day or two late and screws up half the jobs, employees are absent, etc., etc. - if those factors were right, you'd get out 2.5 mailings a month. The difference is \$60,000.00 a year; in 12 years, a million dollars. The difference between independence and still working.

I recently saw some statistics from the coffee kiosk business. They showed that the difference between an efficient and inefficient service area layout equated to being able to serve 1 more customer per minute at peak periods, averaging 5 customers saved vs. lost per 15 minutes...a \$20 per hour difference x 2 peak hours a day = \$40 x 350 days a year = \$ 14,000.00 x 100 locations = \$1.4 million.

Somehow instilling and sustaining sense-of-urgency is important, often a "hidden" success/failure factor, in just about every business.



Power Point #232

The Power Of "Surgery"

In an organization, the quicker a cancer is identified and surgically removed, the better. That's why the management dictum: 'Hire slow, fire fast' is so profound First, it's the opposite of what most of us tend to do. Second, it applies to employees and vendors, and, in a broader sense, to personal relationships of all kinds.

Most people know when they should go months before they get fired; most managers know somebody needs to go months before firing them. During this time, you have a diseased, cancerous "cell" lingering on unnecessarily, infecting other good "cells" in your "organism." The wisest business owner decisively cuts out the cancer early.

The Power Of Realism In Management

"You can't teach a pig to sing." Bringing someone into your organization with the idea that you will change, improve and mold this person is as foolish as the woman marrying a man certain she will change him after marriage. Although I believe a sufficiently self-motivated individual can change just about anything, obviously few people do; most people have their personalities locked in at an early age and only amplify that through the rest of their years. So, for example, someone with a history of high absenteeism on prior jobs is not going to alter that at your place, no matter how many high-minded books on leadership you've read or how nice a person you are.



Power Point #234

The Power Of People

"In the end, all business operations can be reduced to three words: people, product and profits. People come first. Unless you've got a good team, you can't do much with the other two."

- Lee Iacocca

Yes, you can win - and must sometimes field - "the B team". Sometimes economics mandates doing so. But whenever possible, it's obviously preferable to have A's.

I have had any number of people working for me over the years and it'd take three of any of them to do the job running the office that Carla now does. But this doesn't just apply to employees - it applies to vendors, freelancers, joint venture partners, and so on. You have to determine what the most important characteristics are for the person you need in each position, then be sure you select somebody that matches that description. This is why buying just about anything repeatedly based on lowest price alone is almost always a mistake.

Power Point #235

The Power Of Incentives

Some years back, having take over a manufacturing company with 40+- employees, massive quality control problems, and absenteeism rates in double digits, I quickly solved both problems with incentive programs. Three employees consistently absent with various illnesses and sicknesses at least 4 or 5 days a month went to zero absenteeism and stayed there for over a year. I have never claimed to be a great manager - in fact, I admit to the opposite - but I do know that "incentive clauses" work. They're used in managing pro athletes; they're used in managing pro salespeople; why shouldn't they work in managing everybody else?



Power Point #236

The Power Of Properly Worded Questions

When you are trying to arrive at a particular outcome, it's important to ask for what you really want. "Do you have a watch?" is not as good a question as "Will you please tell me the correct time?" Often, you'll want to avoid general questions and use "directed questions"; for example, instead of asking "how did you like the seminar?", ask "what did you like best about the seminar?" Broad, open-ended questions are only appropriate when you are fishing for information and do not care what the answer is.



Power Point #237

The Power Of Results

DON'T TELL ME ABOUT THE LABOR PAINS -JUST SHOW ME THE BABY.

Ordinary people are process focused and task focused, but exceptional success comes from being results focused. People who are

obsessed with the telling and retelling of all the details and minutiae they went through to get to a particular result waste your time and slow down the entire organization.

People around you have to be taught, conditioned and constantly reminded how to communicate with you. Here are two examples of employees, same situation:

"Bill, we had a problem this morning. All the phone and FAX lines were out and we couldn't get any calls or orders. I went across the street to the pay phone and called the phone company. I was on hold forever. Then the first person told me they'd look into the problem as soon as possible and get back to me by tomorrow. I got to a supervisor and pushed. Finally, somebody agreed to put a repair crew on it immediately. They were here an hour ago. The head guy said we'll be up and running by noon at the latest."

"Bill, we had a problem this morning. All the phone and FAX lines were out. I already got a repair crew out here and the head guy says we'll be up and running by noon at the latest."

Which do you prefer?

By the way, the biggest Negative Power anybody has is in usurping your valuable time. If you have somebody around you who is "high maintenance", you need to get rid of them.



Power Point #238

The Power Of Dictatorship

"An astute judgment will often appear arbitrary and unreasonable to everyone except the person making the judgment."

- Ray Kroc

Say what you will about Mussolini, but the trains ran on time.

I've seen people try and run businesses as democracies, but I've never seen it work.

Power Of Project Teams

My client, the Guthy-Renker Corporation, is a "master" at using project teams instead of permanent employees to get things done. For almost every GRC project of significance, a team is assembled, comprised of some employees but also some "freelancers", paid only when needed, as needed, only for the time and services needed.



Power Point #240

The Power Of Practice

Actually, practice does NOT make perfect, it just makes permanent. If you practice bad technique, all you wind up with is permanently ingrained bad technique. An important entrepreneurial skill is recognizing and admitting what you don't know or don't do well as quickly as possible so that, instead of continuing to do it badly, you either learn how to do it better or delegate it to somebody already considerably more adept at it than you are.

(For more on delegation, see Vol. III)

Once you have a particular technique "down right", however, then you DO want to practice it frequently until it does become imbedded, automatic behavior.

One of the key ideas of Psycho-Cybernetics is that mental or synthetic practice is almost as good as actual, physical practice, so failing the opportunity to actually use your skill during a day, the next best thing is to find a few private, quiet minutes to relax and practice in your imagination. There's considerable anecdotal evidence of the power of this technique. One of the best is the Vietnam P.O.W., imprisoned for years, who, after his release and a few weeks of rest and rehab, returned to the golf course with virtually no diminishment of skill or worsening of his score, even though he hadn't touched a club in years. He had played at least 18 rounds every single day in his imagination. I have a particular speech I give about 30 to 35 times in a year, that must be delivered in a precise way. To keep from getting "rusty" if there are a couple weeks between speeches, I give the speech in my imagination a few times.

Power Of Anticipatory Practice

Before going into an important meeting, a difficult negotiation, a sales presentation, etc., it's useful to create and run through that entire meeting in your imagination, in great detail. This not only forces you to think through how the other people will respond, what objections they'll raise, etc., it also establishes a vision of a successful outcome in your incredibly powerful subconscious mind.



Power Point #242

The Power Of OPM: Other Peoples Money

There comes a time in every entrepreneur's life when he must get money from investors or private lenders in order to finance his dreams. There IS a whole lot of "idle money" sitting around, often earning minimal interest/profits, so, in ásense, there's more money looking for entrepreneurs than there are entrepreneurs looking for money. If an idea is really sound, investors can be found.

REFERENCE: The Money System (Catalog).



Power Point #243

The Power Of Position

If you view yourself as a beggar or desperate or as having difficulty raising the money you need, you will tend to offer and give too much for too little, and what will be an acceptable arrangement to you then will be very unacceptable later. It's important to give yourself enough deal flow...and to be raising money when you are not in dire need....so that you can structure your deal and present it from strength rather than weakness.

The Power Of Cash

One of the great truths of finance is: "Money's expensive when you haven't got it." Multi-million dollar empires have toppled for want of a few thousand dollars. If/when you lack cash, you usually must pay an exorbitant price to get it, will gladly do so at the moment, but will often bitterly regret the terms of the deal later. This begs several ideas:

- It is better to be the one with money than the one without
- Be eternally reluctant to do anything that so diminishes your cash position that you might get into trouble
- The time to get money is before you need it
- No matter how severe your immediate need, stop to thoroughly consider the long-term ramifications of the terms



Power Point #245

The Power Of Protecting Equity

As dearth as I am to incur debt, it's still preferable to giving up equity. The more ownership you sell, the unhappier you'll be over the long-term, given success. One of the deal structures I've used and recommend often is debt + equity, so that the individual gets 100% of his principal back via some formula, gets reasonable and competitive interest, plus a very small piece of equity "free", as a "bonus"; this allows you to tell your "big picture" story and gives the individual a chance of riding along free and getting rich, but it also gives the sense of diminished risk that comes from a traditional loan and periodic payback. The trick is to give as little equity as possible for the money you need.

Power Point #246

Notes

The Power Of Customers As Investors

For an established business, often the best source of investors is satisfied customers. There is even, now, a recently approved, "easy" means of doing a stock offering only to customers.



Power Point #247

The Power Of The Corporate Shield

Most entrepreneurs are compelled to personally guarantee the loans they get from banks or individuals. When you do, negotiate a "benchmark" when you are released from that guarantee.



Power Point #248

The Power Of Paperwork

I personally detest paperwork and long for an environment where you can still do business with a handshake, where a person's word is his bond. (Actually, the horse racing industry is still this way to a degree.) But these days, you really need paperwork for everything. In joint ventures, partnerships and corporations involving more than one person, one of the most important aspects of the contract(s) is the exit plan; how you will separate if and when the time comes.



Power Point # 249

The Power Of Patient Money

In raising money, not only will you be tempted to give too much; you'll be tempted to commit to payment terms that are unrealistic or create too much pressure. But your job is to get the most patient money possible.

REFERENCE: The Money System (See Catalog).

The Power Of Delayed Reactions

The tendency of the decisive entrepreneur is to rush decisions. And the tendency of those around you is to rush your decision-making. However there are many times when it is better to delay reaction. Being stampeded into making decisions to meet others' timetables equates to weakness. Do not rush to meet others' needs; make others wait and adapt to yours.

Here are three great truisms of management:



Power Point #251

Nothing is ever as bad or good as it first appears.



Power Point #252

Nothing is ever as black or white as it first appears.



Power Point #253

Nothing is ever as urgent as it first appears.

Power Point #254

Notes

The Power Of Confrontation

Problems do not get better with age or fix themselves. At your own pace but without undue procrastination, the faster and more decisively you confront problems, the better. Avoidance rarely pays dividends.



Power Point #255

The Power Of Decreasing Sales

Sometimes the best path to increased profits is to decrease sales, by cutting out the least profitable product lines or parts of a business, much like pruning a bush so it can grow straighter or stronger.



Power Point #256

The Power Of Being Debt-Free

I have run businesses burdened with debt and, in recent years, I have run my businesses freed of all long-term debt, equipment leases, and the like, with all bills paid in 30 day cycles. The difference, financially and emotionally, is dramatic.

Obviously, some businesses must incur debt. But many can be turned into debt-free businesses, and I recommend doing so whenever you can. Debt (and overhead) force you to accept clients you would rather not have, accept marginally profitable business you'd otherwise refuse, and to otherwise make decisions differently than you would if unburdened.

As an aside, I often tell entrepreneurs that money is VERY expensive when you haven't got it. When pressure exists to get money, entrepreneurs give up equity, take in undesirable partners, agree to crushing interest rates, make deals that can't be honored, and worse. Debt is one way to wind up in the position of having to get "expensive" money.

The Power Of Professional Purchasing

The job of the "professional" purchasing agent is to make sure that the items bought for the business are of the highest appropriate quality, delivered as needed, at the lowest price possible. In a small business, you, the owner, or your office manager must mirror this job description.

Common purchasing mistakes that cost you money:

- Buyer friendly with vendor
- Lazily relying on one vendor
- Vendors secure in knowledge they 're not being shopped, prices not questioned, bids not required
- Paying for more quality than is needed (note the term above: *appropriate* quality)
- Not demanding extraordinary service and not complaining when service is unsatisfactory....accepting quoted turnaround times without pushing for better service



Power Point #258

The Power Of Constructive Dissatisfaction

One of the sneakiest destructive forces in business is complacency. It's almost impossible to maintain "status quo" for very long; a business is either improving, responding to marketplace changes, and innovating so as to be interesting to its customers or it is losing control over its clientele; progressing or regressing.

Power Point #259

Notes

Analyze What Works For The Business And What Doesn't

Most businesses have high profit and low profit parts. Focus only on the high profit activities. Jettison the less profitable. In this way, you shrink the business and make it easier to run lean and mean.



Power Point #260

The Power Of Your Network

Harvey Mackay has made a whole career out of writing and talking about "networking" - and mostly, he is on target about both its importance and the methodology.

Every entrepreneur needs to be able to pick up the phone and reach people with knowledge and contacts and resources they don't have.



Power Point #261

The Power Of A Cash Flow Surge

Just about every business can benefit from a cash flow surge from time to time. And it is usually available from your own customer base, if you'll ask. Here are a few ideas for doing so:

1. Counter-Season Programming....

"This is our slow season, so..."

"Most people don't want to buy new furniture right before Christmas, so..."

2. The Disagreement Gambit

**REFERENCE: CASH FLOW SURGE LETTER SAMPLE,
MAGNETIC MARKETING SYSTEM**

Notes

3. The Reason Why Sale

- Moving
- -Anniversary
- Accountant's Out Of Town
- -End Of season

4. You've Already Won

See sample, next page.

Sample: "You've Already Won" letter

CONGRATULATIONS - YOU'VE ALREADY WON

Dear Customer,

Recently, in my travels, I met an importer who showed me the most amazing thing: a special kind of cubic zirconia that is so pure, so hard, so "diamond-like" in every way that even professional jewelers have trouble telling it apart from real diamonds. I was so impressed I acted immediately to secure a small inventory of beautiful 14K gold finished and silver jewelry featuring these stones – tennis bracelets, rings, tie tacks. Of course, I'm not in the jewelry business and have no intention of getting into the jewelry business. That's why **I'm giving these amazing pieces of jewelry away free to my valued customers.**

Right now, you've already won either a tennis bracelet, ring, tie tack, or (as a consolation prize) a 2-for-1 Dinner Certificate from Beefeaters' Tavern here in Rocky Point.... I think they have the best prime rib dinners in the entire city. Carved table side.

Anyway, you've won one of these gifts.

Notes

Remember, though, you do not need to buy anything to claim your prize. YOU'VE ALREADY WON one of these great gifts. Just stop in on Saturday the 00th to claim it.

◆◆◆

The Power Of Risk Management

Outsiders see entrepreneurs as riverboat gambler-type risk takers, but most successful entrepreneurs only rarely engage in such behavior; instead, they learn to manage risk.

One of the big tricks to risk management is never indulging in a risk or risks that can wipe you or your business out. Another trick is a "stop-loss"; a pre-set limit on how much money, time or other resources will be devoted to a particular experiment before judging it a dud and pulling the plug. Most of us err in not establishing such a pre-set stop-loss, and in continuing to beat a dead horse for too long (Myself included).



Power Point #263

The Power Of Adversity

*"Every adversity carries within the seed
Of an equal or greater benefit."
- Napoleon Hill*

If there is a secret to peace of mind for the entrepreneur, this is it, and, in my experience, it is absolutely, unerringly valid In my life, I can't think of a single bad thing that has happened in the past that has not directly led to something of much greater positive value subsequently coming into my life.

Understanding this principle facilitates accelerated rebound from frustration, disappointment, calamity and failure.



Power Point #264

The Power Of Crisis Management

1. Avoid Over-Reaction

When crisis occurs, the "natural" reactions are:

1. To react too quickly
2. To be stampeded into reaction too quickly by others
3. To react emotionally
4. To over-react, killing a fly with a cannon.

It is important to resist these temptations and influences, so that you have

an opportunity to apply all your knowledge, experience and skill to solving the problem.

2. Get The Time You Need To Respond Intelligently

Do not ignore or hide from the crisis or the involved parties. Instead:

1. Acknowledge your awareness of the crisis
2. Express your intent to resolve it
3. Give a reason(s) why you need time to develop a solution
4. Commit to a time when you will respond
5. Be firm and assumptive when communicating

3. Examine All Options.....because:



Power Point #265

There Is Always More Than ONE Solution To Every Problem

Rarely are you as "boxed in" as it immediately seems. And you should not only try to brainstorm all possible solutions, but, in most cases, work on more than one solution simultaneously. For example, let's say that response to your ads suddenly drops. What do you do? You'll want to try and fix the ad - and there's a whole list of things to try there, but you should also look for other means of acquiring leads, renegotiate ad contracts, temporarily cut back on advertising, put additional marketing steps in to work the leads you do get more thoroughly, cut other expenses, get expert help, etc.



Power Point #266

There Are No New Problems

Regardless of what kind of a mess you find yourself in, somebody's been there before you - in fact, many have been there before you, and some of them figured out how to get out. It's probable that at least one of them wrote a book about it. The ideas and inspiration you need may be as close as the library.

The Negative Power Of "Eating Your Kids"

When a business gets in financial difficulty, one of the dangerous managerial reactions is to spend all the gross revenue on the squeakiest wheels without regard to inventory replenishment. As inventory levels dwindle, the business becomes incapable of satisfactorily meeting its customers' needs. "Eating your kids" i.e. eating up your inventory, is ultimately fatal.



Power Point #268

The Power Of Turnaround-Style Management

Businesses get in trouble but survive and ultimately return to prosperity. Poisoned Tylenol, auto recalls, toxic hamburgers, sudden losses to competitors, etc., etc. There is a particular type of management appropriate to these crisis situations that is inappropriate in other circumstances. It's important to understand that management that works in good times does not work in crisis or turnaround. Here are some of the key Power Points of Crisis/Turnaround Management:



Power Point #269

The Power Of Massive Action

With a business in crisis, there's rarely one answer, solution or stop-gap measure that can do the job. Instead, massive action is required. It's more likely that there are dozens of actions that need to be taken simultaneously.

The Power Of Taking Control

With a business in crisis, control must be centralized. You have to sign every check and authorize every purchase, you have to reassure every customer and client, etc. The organizational chart goes out the window and any semblance of democracy must be scrapped.



Power Point #271

The Power Of Communication

Hiding won't work. Johnson & Johnson managed the Tylenol crisis brilliantly - with massive communication.



Power Point #272

The Power Of A Sacrifice

For stockholders, lenders, vendors, customers and/or the public, somebody must be at fault, so somebody must be sacrificed. In Burger King's recent poisoned meat crisis, they sacrificed their vendor (even though they were at least as much at fault). Some person or entity has to be thrown to the wolves.



Power Point #273

The Power Of Zero Spending

If you're in a cash flow crisis, you may not be able to quickly resolve the profit/loss and other problems that got you there, but you can stop the bleeding by going into a "zero spending" mode. Absolutely any and every expenditure that can be delayed or avoided must be. Lay-off, cut hours, cut wages, defer wages; buy nothing; negotiate with vendors to delay payments.....stop spending so cash flow can catch up.

The Power Of Harsh Evaluation

Now is the time to cut ALL the fat. Anybody who is only marginally producing goes. If you have a sizable workforce, fire twice as many as you think you should and make do with half as many as you think you can. You can always hire more later.



Power Point #275

The Power Of Cash Flow Strategies

You have to stop the cash hemorrhage no matter what. If the business is running at negative cash flow and losses, you must act decisively and you must take massive action to get to positive cash flow. If that means getting quick and vicious about collections, cutting off slow-pay customers, stopping all but the most clearly profitable advertising, turning off half the lights to cut utility bills, whatever.

I suppose the worst thing you can do in running a business is to let it run out of cash. Given sufficient cash flow, there's opportunity to correct every other problem. Without cash, it's difficult to solve any problem. When you look to multiply cash flow, you can look to:

- Accelerating collections
- Delaying payments
- Reducing day-to-day expenses
- Increasing customer value

Cut Overhead With An Ax, Not A Knife

Cut all but the absolutely vital employees. Switch full-timers to part-timers. Cut wages. Operate with fewer people than you think you can. Get out of leases and do with less equipment. Slash, slash, slash, slash.

Generally speaking, fixed overhead is the enemy of survival in crisis, wealth-building in prosperous times. Every dollar consumed by overhead is a dollar you are personally deprived of. The fancy office, the extra-elaborate and costly copier you lease, etc. all eat dollars that could otherwise have gone to you personally, been invested, and used to create financial independence. That \$300.00 monthly payment is not \$300.00. First of all, it requires some number larger than that in sales to net the \$300.00. Second, it's \$300.00 you're deprived of; take \$300.00 a month, put it into an investment compounding at 10% a year tax deferred, run that out for 5 or 10 years, and look at all you've lost.



Power Point #277

The Power Of Getting Paid

Far too many businesses act as their customers' "bank" and feel compelled to extend credit and to tolerate poor payment behavior in order to retain the customers. It has been my experience that slow-pay customers are best eliminated, not nurtured. Uncollected dollars lose value rapidly and severely strain a business' cash flow. The best ways to accelerate collections are:

1. Exercise due care in extending credit
2. Never extend unlimited credit; set credit limits
3. Request payment on time. If a bill is due on Tuesday and is unpaid, collection efforts should begin on Wednesday, not next Friday.
4. Offer incentives for pre-payment and early payment

The best ways to delay payments are:

1. Negotiate favorable payment terms with key vendors
2. Never "spoil" vendors by paying before the due dates
3. If an emergency arises, communicate with vendors early and often, in order to secure cooperation in delaying payments
4. In severe cash flow crises, negotiate the conversion of currently and pending due bills into long term debt

The best ways to reduce day-to-day expenses:

1. Shop new vendors and challenge the prices of vendors with whom you've had continuing relationships
2. Place limits on purchases by category
3. Reduce supply and raw materials inventories and demand shorter delivery times from vendors
4. Examine expense categories where "creep" most often occurs, egs.: use of Next Day when 2 or 3 day will do.



Power Point #278

Get Face To Face With Creditors And Negotiate

Target the creditors hurting your cash flow the most. Convert short-term to long-term debt, get an interest only "breather."

Chapter 11 Bankruptcy Reorganization

There are worse things. A Chapter 11 filing stops all collections, freezes all debt, and allows for you to prepare a "Plan" of deferred and, in many cases, discounted payments.



Power Point #280

Never Borrow From The Government

I have made two gigantic financial mistakes in my life, and one of them was "borrowing from the government" via delaying federal tax withholding payments (at the encouragement, incidentally, of a banker). Failing to pay withholding taxes sets in motion a financially devastating domino effect that is very difficult to stop and reverse.

The temptation is immense, but if you find yourself needing to use money due the fed to pay day-to-day bills, it is time to immediately kill and bury the business.



Power Point #281

Never Trust A Lawyer, Including Yours

My low opinion of the legal profession is no secret and is based on extensive experience.

However, if you are to get any decent, competent performance out of your attorney, you must manage him as you would a poor employee or unreliable child. My best advice is to have a detailed paper trail. Follow every meeting or phone conversation with a confirming FAX. Pay attention to dates and deadlines and make sure you remind your attorney of them. Never rely on him to prepare for a meeting, deposition or trial on his own.

Some Things Don't Work

It was either Casey Stengel or Yogi Berra who said: "When they don't want to come to the ballpark, nuthin' can keep 'em from not com-mg.

Even given very smart peoples' best intentions and best efforts, an outstanding product, an apparent market, and any number of other positive factors, sometimes some things just will not work. And at some point in time, you have to stop pouring good money in after bad and say "Next!"

Most Entrepreneurs Wait Too Long To Quit

We're inundated with all this "winners never quit" stuff, but my observation is that most entrepreneurs stay married to a bad idea longer than they should. There is money to be made by getting to "quit" as quickly as possible.

Most Entrepreneurs Know They Ought To Give Up On A Project Long Before They Finally Do

We're all guilty. In 1995-1996, I experimented with a syndicated daily radio commentary, providing the programming to stations free and reserving an advertising spot for myself. I hired an experienced radio industry pro to place the programming. Over time, we got on over 200 stations every day - but were unable to make any significant revenue occur. I spent more than \$50,000.00 on this little project. I knew at about the \$20,000.00 mark it was a loser, but, for all the wrong reasons, poured another \$30,000.00 in before pulling the plug.



Power Point #283

The Power Of Incremental Profits

One of the most important tricks of profit management is to increase sales or revenues without increasing fixed costs.

In the seminar business, for example, the meeting room bill may be exactly the same for 300, 400 or 500 people. So every seat filled over

301 has more profit in it than those at 300 and on down. Now that's a simple example, but the same opportunity can be found in a variety of businesses, in many different ways.

In business like hotels, movie theaters and restaurants that typically operate at 60% to 80% capacity, filling the 20% to 40% of unused capacity is much more profitable than is the base business.



Power Point #284

The Power Of Name Capture

The customer list is THE most valuable asset any business can have and the failure to capture names of customers as well as of prospects is a huge "hole in the bucket" of most businesses.



Power Point #285

The Power Of Customer Information

The more information you capture, manage and use about your customers, the better. These days, names, addresses, phone numbers and FAX numbers are virtually essential. In some businesses and possibly in the future in all businesses, e-mail addresses will be just as important. Birthdays and anniversaries, family members' names, personal interests and hobbies - this kind of information is very important to the savvy "relationship marketer." And buying behavior is important for list segmentation....

The Power Of List Segmentation

The bigger your list, the more important it is to be able to carve chunks out of it, to match to different kinds of offers - so you can create appealing offers and efficiently market to different customers.

The chiropractor who knows which families have 50+ persons vs. which don't can use "arthritis" as a marketing tool with part of his patient list. The shoe store owner who can separate "married with children" from "single" can direct different offers to each group.

Just about every marketer can increase profitability by moving away from one offer - whole list to different offers - different segments of list.



Power Point #287

The Power Of "Outside-The-Box" Thinking

Too many marketers commit what I call "Marketing Incest": looking only at what everybody else in their industry does for inspiration and ideas. Usually, at best, incremental improvements come from inside; breakthroughs come from outside.

Also the "this is the way it's always been done" thinking is alive and well in many businesses. The very idea of "industry norms" is woefully restrictive.

It's exciting and often very profitable to deliberately and dramatically violate industry norms.

Disney did it: all other amusement parks had gate admissions plus per-ride/ticket charges, like a state or county fair. Club Med did it, with all-inclusive pricing, borrowed from the cruise ship industry. In very recent Issue of my newsletter, I wrote about how a Korean car company is reinventing the way new cars are priced and sold. Wal-Mart is getting into the bookstore-by-Internet business, competing with Amazon and B&N. These are all "outside-the-box" approaches with big payoffs.

I'm delighted to mention that, for my February 1998 Super Con-

ference, I've booked Mike Vance as one of the featured guest speakers. Mike is THE foremost "teacher" of outside-the-box thinking, based on his many years' experience working personally with Walt Disney. Top corporations invest huge sums in Mike's seminars and consulting, to get them outside the box in their industries. If there is a MUST HEAR speaker, I believe it is Mike Vance.

Notes

BONUS SECTION

**Recommended
Power Points
Reading List**

RECOMMENDED "POWER POINTS" READING LIST

Notes

Here are some of the books in my permanent and/or current reference libraries that I highly recommend reading, owning and using. (NOT in any order of preference. ESSENTIAL books boldfaced.)

Marketing

- 1) How To Write A Good Advertisement/Schwab'
- 2) Robert Collier Letter Book/Collier**
- 3) How To Make (At Least) \$1-Million In Mail-Order/ Joffee
- 4) How I Made \$1 -Million In Mail-Order/Cossman
- 5) Greatest Sales Letters Ever Written/Dartnell
- 6) Million Dollar Mailings/Hatch
- 7) Direct Marketing/Bob Stone
- 8) Dynamic Selling/Robert Trailins***
- 9) Complete Guide To Self-Publishing/Ross*
- 10) Big Marketing Ideas For Small Service Businesses/Ross
- 11) How To Succeed As An Independent Consultant/Holtz
- 12) Niche Selling/Brooks
- 13) Word-Of-Mouth Marketing/Wilson
- 14) Up The Loyalty Ladder/Raphel
- 15) 101 Ways To Promote Yourself/Pinskey
- 16) Maximum Money In Minimum Time/Halbert
- 17) True Believer/Hoffer
- 18) Popcorn Report/Faith Popcorn
- 19) What A Way To Live & Make A Living*****
- 20) The Direct Marketing Association's Complete Reference Library*****
- 21) Positioning: Battle For The Mind/Ries&Trout
- 22) Golden Mailbox/Nicholas (And Ted's entire Course)

Biographies/Autobiographies

- 23) Pizza Tiger/Monaghan
- 24) Iacocca/Lee Iacocca
- 25) Be My Guest/Conrad Hilton
- 26) What They Don't Teach You At Harvard Business School/McCormack
- 27) Secrets Of Millionaires/Sterne*
- 28) Success Forces/Sugarman
- 29) Secrets Of Closing The Sale/Ziglar

Business & Personal Success

- 30) The Success System That Never Fails/Stone
- 31) Think & Grow Rich/Hill
- 32) You Can Work Your Own Miracles/Hill
- 33) Grow Rich With Peace Of Mind/Hill
- 34) Psycho-Cybernetics/Maltz*
- 35) Psycho-Cybernetics 2000*
- 36) Winning Through Intimidation/Ringer
- 37) Seven Strategies For Success/Rohn
- 38) Up Your Own Organization/Dible
- 39) How To Be A Great Communicator/Qubein
- 40) The Millionaire Next Door/Stanley
- 41) The Trick To Money Is Having Some/Stuart Wilde

New

- 42) Zero Resistance Selling: How To Use The Famous Psycho-Cybernetics Techniques In Selling/Maltz, Kennedy, et al*
- 43) Real Time: Preparing For The Age Of The Never Satisfied Customer/McKenna

Audio

- 44) Anything And Everything by Earl Nightingale
- 45) Zero Resistance Living: The New Psycho-Cybernetics Course*****
- 46) The Newstrack Audio Series of Autobiographies
- 47) Anything and Everything by Jim Rohn
- 48) Anything and Everything by Foster Hibbard**
- 49) Adventures In Creative Thinking/Vance

*Available in bookstores or from our office

**Out-of-print. Used bookstores, library. Periodically offered via my newsletter.

***Out-of-print. Library or used bookstores only.

****Not known available anywhere. Occasionally offered via my newsletter.

*****Only provided to DMA Members. DMA, NYC.

*****For complete sales literature, fax your request with mailing address to the Psycho-Cybernetics Foundation at 602/269-3113.

There are 43 books here. You may have or be familiar with some and not familiar with others. If you pick 28 of them and read one every two weeks, it'll take you a year to work through that list. Some of the books are meant more to use as continual references rather than to be read, and I've underlined those. Although there are thousands of books in my library, these are among the most valuable and valued. I believe that working your way through this entire list will transform your life in ways you cannot even imagine.

DSK

NOTE: One of my old friends once paid his kids \$100.00 for each book report they prepared for him on books like Think and Grow Rich, Psycho-Cybernetics, others on this list, How To Win Friends And Influence People, Power Of Positive Thinking, etc. I think this is a very good idea and something you might want to do with your kids too. In fact, years ago, I got our daughter to read some of these books and listen to some of the Psycho-Cybernetics tapes with a similar (although admittedly cheaper) strategy. Oh. and here's something you can do for your kids: I'll pay \$10.00 for a book report on any of MY books by any boy or girl 16 years of age or under - and if I choose to publish or use it. I'll pay double. This offer is open only to kids whose parents purchased POWER POINTS and is good through 12/ 98.