

LIST CAPITAL

9 WAYS TO MAKE MORE MONEY FROM
REPEAT SALES TO YOUR LIST THAN YOU MAKE
FROM YOUR MAIN BUSINESS



BOB SERLING

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The strangest way to drink iced tea

It's a sunny, hot day and you've been working in the yard. Mowing grass, pulling weeds, watering plants to keep them from wilting.

After a few hours, you're beat. Your scalp is sweating, the sun has slightly burned your neck and your throat is dry and scratchy. So you head into the house for a tall, cool glass of iced tea.

First you have to put the ingredients together, which is really pretty simple. You brew the tea, two tea bags for each glass of tea. You slice some lemons or oranges into wedges.

Once the tea is brewed, you sweeten it if you'd like, then pour it over the ice cubes you've filled your tall glass with. Add a wedge of lemon or orange and you're ready to enjoy.

But then you do the *strangest thing*.

You see, there are about 12 ounces of tea in your glass. But you don't drink it all.

Instead, you drink just 2 ounces. Then you pour the rest down the drain!

Plus, your behavior gets even weirder. Because you're still thirsty, the next thing you do is brew another tall glass of iced tea and drink it in exactly the same manner. Sip 2 ounces, then pour the rest down the drain.

But here's the worst part of all. Not only did you do this today, but you've practiced exactly the same ritual for many years. And in all likelihood, you'll continue to do this for years to come.

So I have a simple question for you...

Is this really any way to drink iced tea?

Now, if you have even a shred of sanity, the obvious answer is, "Of course not!"

But here's the deal. While this is obviously the strangest way to drink iced tea, most people don't give a second thought to marketing this way.

You see, if you really want to quench your thirst, the most direct path is to simply drink more of the iced tea that you already have. Not to constantly keep brewing another batch, drinking a fraction of it, throwing the rest out and repeating the process over and over again.

And the same goes for marketing. If you really want to increase your sales and profits, the fastest, most reliable way to achieve this is to ***market more to the subscribers and customers you already have.***

There are two reasons why this is by far, the most productive way to substantially grow your sales and profits.

REASON #1 – It immediately overcomes the greatest obstacle to making a sale. I’m sure you’ve heard many times before that people always prefer to buy from a company that they know and trust. And it’s absolutely true.

People who don’t know you have been burned before, probably many times. So once you’ve earned their trust – either by nurturing them with great content or by actually selling them something that provides great value – it’s far easier to sell more to them than it is to convince a cold lead or prospect to take the risk of buying from you.

REASON #2 – It costs nothing and you have no risk to sell more to the members of your list. I’m sure I don’t have to tell you that paid advertising is expensive. And with the various platforms changing their algorithms almost weekly, it makes it extremely difficult to lock in advertising that performs consistently.

Which means that you invested substantially to build your list. So why not take full advantage of that investment?

When you market to your list, you have no ad cost whatsoever – you’ve already paid in time or money to add those subscribers to your list. And you have no risk other than the short time it takes to put together an email promotion and send it to your list.

For both of these reasons, you couldn’t ask for an easier or more profitable way to grow your sales.

Need more proof? Here’s why all sales are *not the same* ...and some are as much as 95% more profitable

I’m sure you’ve heard the saying, “The real profits are in your list”. And while that is totally accurate, for the reasons I’ve just shown you, most people just give this lip service. Instead of focusing more attention on selling more to their list (in addition to continuing to build their list), they focus exclusively on the next hack, funnel, technology, and a wide range of other shiny obstacles, all in search of landing more and more new customers.

Now, I don’t have to tell you how expensive and time-consuming that can be. But here’s an even better reason why you should be devoting a far greater portion of your marketing time to focusing on selling more to your list.

You see, according to Harvard Business Review, making repeat sales to existing customers is *25 times* less expensive than making sales to new prospects. Give that a minute to sink in – 25 times less expensive than making sales to new prospects!

Plus, according to that same study, repeat sales to existing customers are as much as 95% more profitable than sales made to cold prospects.

So with all of this unleashed potential, how do you go about making more sales to your existing list?

That's what you're about to discover with the 9 strategies I'm about to share with you.

So let's dig in!

List Capital Strategy #1 **The Results Repeater**

I'm a huge fan of generating a substantial win right out of the gate. Why tinker and test a lot of bells and whistles, when you can use a very simple process to create a significant – and often massive – uptick in sales? And that's exactly what **The Results Repeater** does for you.

Here's how it works.

Our first goal is to produce more sales for you. *Immediately.*

The best way to do this is to create an email offering your best-selling product or service to your list. The single product or service that has produced the *best results* for you in the past.

Thus, the name **The Results Repeater**.

But here's the rub. When I first present this strategy to new clients, many of them balk at it, saying, "I can't do that. My customers have already bought that product!"

But just the opposite is true. Because the best predictor of what people *will buy more of* is the *history of what they've already bought*.

And this goes for both your customers who have already bought your product and your subscribers who have not yet purchased it.

A practical example of this counter-intuitive strategy

A few years ago, I recommended this strategy to a new client who sold cameras and camera accessories. The first thing I asked this client, as I ask all clients, was, "What is your best-selling product?"

It turned out that their best-seller was an inexpensive digital camera. Yes, even in this age of smart phones with great cameras built in, these cheap pocket cameras are still hot sellers.

So I immediately recommended that we offer this exact same product to their full list, including all past customers and all subscribers who haven't bought anything.

Their answer shot out in a nanosecond, "We can't do that! Customers have already bought this and we'd look stupid offering it again!!"

To say they were mad at me is an understatement. In fact, they were so furious, I thought they were going to throw me out of the building.

“OK, but consider this”, I said. “While your existing customers might not want another camera for themselves, if they’re happy with their purchase, there’s a strong chance they would buy more for their family and friends.”

When my new client’s eyes lit up and they agreed to this point, I threw in, “Plus, I’m betting that many of your existing customers will buy another camera for themselves, because it’s always good to have a back-up. In my experience with dozens of clients, it’s nearly always the case that existing customers buy even more of the same product when you simply remind them to”.

“OK, I doubt it, but we’ll have to see about that,” my client said.

So they put together a quick email offering these inexpensive digital cameras to their entire list. And I had them include offers for a single camera, a bundle of three cameras, and a bundle of five cameras.

How well did this do? At the end of the week that we ran this simple campaign, my client sold 300% more for that week than they normally sell *in a month*. And because many of those sales were to customers who had previously bought these cameras, it proved that your existing customers will almost always be the best buyers of a product or service they’ve already bought.

You couldn’t ask for a simpler, more reliable way to increase your sales immediately

So let me repeat – THE best way to create a burst of sales, both to your customers and your subscribers who haven’t bought anything from you yet, is to create a simple offer for your best-selling product or service.

If you still have doubts about this, test it with just a small segment of your list. Just be sure to include a mix of customers who have bought from you in the past and subscribers who haven’t bought anything.

I can promise you that once you test this with a small segment of your list, you won’t have to take my word for it any longer. Your results will prove how effective this simple strategy really is and you’ll quickly want to get your offer out to the rest of your list.

Ready for more? Then let’s move on to the next Strategy.

List Capital Strategy #2 The Automated Results Repeater

So now that you've generated a substantial increase in sales, let's look at how you turn that into even more sales. And schedule in those sales to repeat on a regular basis.

If you're a fan of professional sports, whether it's football, baseball, soccer, basketball or hockey, then you know that teams have a certain set of plays that they run all the time. They start practicing these plays in pre-season. And in most sports, they continue to practice them throughout the season.

Sure, there are some improvised plays and a few of the set plays may be modified somewhat for certain situations. But for the most part, at least 80% of all the plays in all professional sports are set plays that are run again and again.

This formula has proven to work well for professional sports. And I've proven to my clients that the same formula works equally well for growing their sales on a scheduled, systematic basis.

So rather than reinventing the wheel, the single best way to guarantee steady sales growth is to *repeat your best-selling marketing campaign for your best-selling product or service multiple times every year.*

In other words, you're going to run your best set play over and over again, just like all professional sports teams do.

Now, I know what you're thinking, you pessimist 😊.

You're thinking that doing this is sheer suicide. That your customers and subscribers will become tired, even angry, of seeing the same promotion multiple times every year.

However, I can quickly prove that this type of thinking is wrong by using the real-life experience of someone you are intimately familiar with – YOU.

So here's a quick exercise. Think about all the emails you received yesterday.

Just yesterday. Not a single email before that.

Now, how many of those emails do you remember?

If you're like most people, the answer is none. Zero, nada, zip.

And if this is your own personal experience, then why would you think that your subscribers would remember your emails? Especially if they're sent months apart.

The simple fact is that your subscribers will not remember your emails any more than you remember the emails you've received, even just yesterday.

Automating your Results Repeater

The fact is that the only people who pay attention to your email are the few who are truly interested in a given email. All your other subscribers ignore your email. And even those subscribers who are interested in your email quickly forget about it once they've read it and decide whether to take whatever action you've directed them to take.

So you can capitalize on this behavior – and more importantly on your understanding of what sells best to your customers and subscribers – by repeating the exact same email you sent to your list in Strategy #1.

At a minimum, I recommend that you re-send that email at least 4 times every year. And you should further test to see if it remains equally effective when you increase it to 6 and even 12 times every year.

Let me assure you again that you do not have to worry about people getting tired of seeing the same email multiple times every year. Because just like you, your subscribers forget the emails you've sent them by the next day.

So how well does this simple repeater process work?

One of my clients has been sending the same email to his list once every month for 8 years running. It never fails to get results and he never receives any complaints from his subscribers about seeing the same emails being repeated.

Most importantly, the first time he sent this email, his sales increased by \$60,000. Then, by repeating the same email a few months later, he duplicated those results.

Next, he gradually began to send the same email out more frequently, until he reached the level of sending it once every month. And every month, it continues to bring in more sales and profits like clockwork.

So let me close the discussion of this point by reminding you that when you automate this by scheduling the same email to be sent out at regular intervals multiple times every year, you're producing increased sales and profits with no additional cost and no additional effort to do this.

And that is a wonderful thing!

List Capital Strategy #3 **Email Transplant Framework**

Just as you have a product or service that sells best, you also have emails that outperform all others. This is really just another expression of the 80/20 rule in action. For nearly any function, 80% of the benefit will come from just 20% of the effort.

The problem is, that most people have no idea which of their emails outperform all others. And while this is a serious problem that causes your business to leak sales, it's also a problem that's easily fixable.

All it takes is these two steps in my **Email Transplant Framework**:

ETF Step 1 – Set up a simple system to track and identify your best-performing emails

ETF Step 2 – Transplant your best-performing emails by sending them again, as often as 12 times per year

Let's take a look at how you implement both of these steps.

EFT Step 1 – Set up a simple system to track and identify your best-performing emails

When I say “track and identify your best-performing emails” this can apply to a number of different objectives. For example, you might want to measure which emails create the most opt-ins for a new program you're offering.

Or you might want to track which emails cause the most people to reach out to request more information on a topic or program that you're promoting. Or which emails do the best job of getting the most people to whatever vehicle you use to make sales.

Now, one of the best aspects of this Strategy is that the tracking process is the same, regardless of what objective you want to track the results for. So let me give you an actual example of one of my own tracking efforts. As you're about to see, it really is as simple as I've said.

Making your life easier with a simple form of tracking

In this example, I'm tracking to determine which of my emails produced the most sales for one of my training programs. And, again, this process can be used to track any objective you want, without any modification.

I have a very simple system for tracking all the sales of any product or service and which emails produced those sales. And I strongly recommend that you start using it, without making it any more complicated than what I'm sharing here.

For every product or service I offer, I create a simple Word document with three columns. Each column tracks the critical statistics for each email I send. Here's an example of what it looks like for one of my training programs, "Sales Growth Simplified".

Sales Growth Simplified

Subject	Date	Sales
[NEW Workshop] Make more sales in 5 days than you normally make in a month	5/14	107
Case Study – \$98,800 in new sales from a near-dead list of 2,300	5/15	129
His sales doubled in just 8 hours – with this one serial email	5/17	84

A simple list like this gives me all the data I ever need to immediately identify which emails perform best for selling any product or service. As you can see in the list above, I can immediately see that the second email, with the subject line "Case Study – \$98,800 in new sales from a near-dead list of 2,300" outperformed the other two emails.

This method of tracking is simple, even primitive compared to what fancier tracking systems can do. But the simplicity of it is what makes it work so well, and I strongly recommend that you keep your own email tracking simple by using this basic tool.

ETF Step 2 – Transplant your best-performing emails by sending them again, as often as 12 times per year

Let's fast forward a few months. You've been using my simple tracking and measuring system to determine which of your emails outperform all others for producing the results you want. And you've clearly identified one or two winners.

The next Step is to "transplant" them forward and start sending out those emails again. Here are a couple guidelines that will help you get the best results possible.

Guideline #1: When you transplant an email forward, if at all possible, you should send the exact email that produced the best results, without making any changes to it.

Now, if there are timing elements or other considerations, then you may need to change a few words of a sentence or two. BUT – be very aware of not tampering with something that's already proven to work well. Because if you make too many changes, you're essentially starting from scratch.

Guideline #2: The one element I recommend you never change is your subject line. The entire purpose of a subject line is to get people to open your email and begin reading it.

If an email has performed well in the past, much of the credit goes to your subject line for getting your email opened and read. So if you tamper with a proven subject line, you run the risk of severely damaging your results.

How often should you send your best-performing emails?

There's an old piece of marketing advice that's as true today as it was when it was first spoken: "Every marketing campaign is a test".

What this means is just because something performed well at one time, there's no guarantee that it will perform as well again. Your results can vary dramatically if your market changes... if the economy shifts significantly in either direction... if new technologies displace what you were using... and for many other reasons.

So you always want to treat the initial transplant mailing of a best-performing email as a test. Which means starting by sending it out once, measuring your results, and only then determining if you should send it again.

That said, the majority of the time, you should see excellent results when you re-send your best performing emails.

Increasing your mailing schedule

Once you've determined that a transplant of a best-performing email produces excellent results, you'll want to schedule in sending it out on a regular basis.

If you're a cautious type of person, you can set up a schedule to send it to your list once each quarter. And your end goal should be to escalate this to sending it once each month, as long as it continues to perform well.

But here's a tip for accelerating your understanding of how well a transplanted email that you want to send out on a regular basis will perform.

Once my first transplant test of a top-performing email has proven to be successful, I like to re-send it *two weeks later*.

I know you might be thinking that this will upset some of your subscribers. That they'll have strong objections to receiving the same email again so soon.

But let me remind you of the little exercise we did a few minutes ago. If you try to recall the emails you received just yesterday, you rarely remember any of them. And the same thing goes for your subscribers and mine!

So you can take advantage of this and quickly test the repeat value of your successful transplant email by sending it again in two weeks.

Based on the results you produce with this second sending, you'll have a much better idea of whether to schedule this email to be sent once each quarter or once a month. Obviously, the better your results are from re-sending using this two-week window, the more frequent you'll want your mailing schedule to be.

A couple examples of the kind of results this simple Strategy produces

With what I've just shared here, you can see that it doesn't get much easier to make more sales to your list than by implementing this Strategy. And here are two examples of the type of results this Strategy produces.

For one of my own services, I have a transplanted email I've been sending out 2 to 4 times each year for the past 12 years. And it never fails to generate new clients for the service I'm offering.

Now, why have I advised you to send your transplant emails 4 to 12 times each year, but I only send this particular email 2 to 4 times?

It's because this lower number of mailings produces all the business I can handle for this service. So it wouldn't make sense to send it more often.

Here's a second example. A good client of mine who is a very smart marketer produced \$60,000 in additional sales on his first email transplant test.

So being a smart marketer, he immediately scheduled this same email to be sent once each month. After all, if it started to fatigue, he could always change the schedule.

Eight years later, he's still sending out that identical email once each month. And every month, it continues to produce a significant number of sales that he wouldn't have seen without this.

Wrap up. If you want to create an immediate spike in your sales – a spike that can be maintained for years on end – there's nothing easier to implement than this Strategy.

Give it a try and you'll become a believer for life!

List Capital Strategy #4 Single Action Website

So let me start this Strategy by being very frank...

When it comes to marketing with web sites, 99% of all businesses get it wrong. Dead wrong.

If you doubt what I'm saying, just open your browser, go to your "Favorites" and click on any link you want. What do you see?

Nearly always, you'll see an ocean of choices.

Choice after choice after choice after choice.

I call this the "cafeteria model" for web sites. On these types of sites, the choices you'll see go something like this:

- See every product we've ever offered – click here.
- Read 407 articles on how great our products are – click here.
- Browse 238 FAQs that will bore you to tears – click here.
- To see a picture of our CEO fishing in Alaska – click here.
- View five pictures of our VP of Finance shaking hands with the mayor, city council members, and eating chicken at the Kiwanis Club brunch – click here.
- Want to join our list – click here.
- Read our glorious company history – click here.
- View every press release we've ever issued over our 28 years in business – click here.
- And on and on and on and on.

So what does this avalanche of choice cause your prospects to do? Unfortunately, for the most part, it causes them to do NOTHING.

Too many choices forces people to consider far too many options. And when you add in that most people are busier than ever, too many options cause them to say, literally or figuratively, "I'll get back to this later".

But later never comes.

Another major danger of “cafeteria style” web sites

A second significant danger with these “everything but the kitchen sink” web sites is they cause you to completely relinquish control of the buying decision to your prospect.

This is a massive mistake.

You would *never* relinquish control like this in an email, video sales letter, web sales page, space ad, or a sales letter. Yet the conventional design of websites drops all of the power of the buying process right into the lap of your prospect.

Consequently, the numbers for prospects who actually buy from websites are horrendous. Most industry statistics show that conversion of website visitors to sales clocks in at between $\frac{1}{4}$ and $\frac{1}{2}$ of 1%.

That’s absolutely dismal. And it doesn’t have to happen.

A new, much more effective model – Single Action Websites

Fortunately, there’s a much better way to regain control of the selling process and convert far more of the visitors to your website into paying customers or clients. I call this format a **Single Action Website** – which I’ll refer to as a **SAW** for short.

What the term “Single Action Website” really means though, is that the purpose of your *home page* is to get your prospects to take one action – and one action only.

There are a number of different actions you may want your prospects to take, and you have to decide which is the most advantageous action for your specific business situation. For example, some of the desirable actions to consider are:

1. Subscribe to an ezine
2. Request a white paper (or special report, or some other type of lead magnet)
3. Fill out a form requesting that someone contact them
4. Call a phone number for a free consultation
5. Take a demo or request an online or in-person demo

While there are more potential actions than just these five, this short list shows you a number of critical, primary actions most companies would benefit from having their prospects

take. But remember, the bottom line is that you must decide on *a single action only* and create the copy on your home page to focus on that action alone.

Why use a Single Action Website?

Let me ask you an intriguing question...

If you had to pay \$100 for every person who visits your website, what would your number one goal be? And I mean *every* person, regardless of how long they stay on your website and which pages they view.

If you had to pay this substantial amount for every visitor to your website, I can guarantee you that your goal would be VERY different from what you're doing now.

You wouldn't waste time on any of the dozens of options that are presented on conventional websites. You wouldn't clutter your home page with so many choices that your prospect's mind fogs over.

Instead, you'd focus all your attention on *capturing the contact information* of as many people as you possibly can

Because once someone leaves your website without giving you their contact information, you have no way to follow up with them. You've lost them forever.

Which means you've wasted that figurative \$100 per person forever.

And here's the real lesson from this example...

When you look at how you interact with the visitors to your website this way – as if you are paying a hefty fee for each visitor – it reveals a critical point. Regardless of what it costs you to get people to visit your website, if you don't capture their contact information immediately, you've lost the ability to market to them forever.

And once you understand this, you realize that the only thing the home page of your website should do is get as many visitors as possible to take a *single action*. And that single action is to use one of the mechanisms above to capture your prospect's contact information.

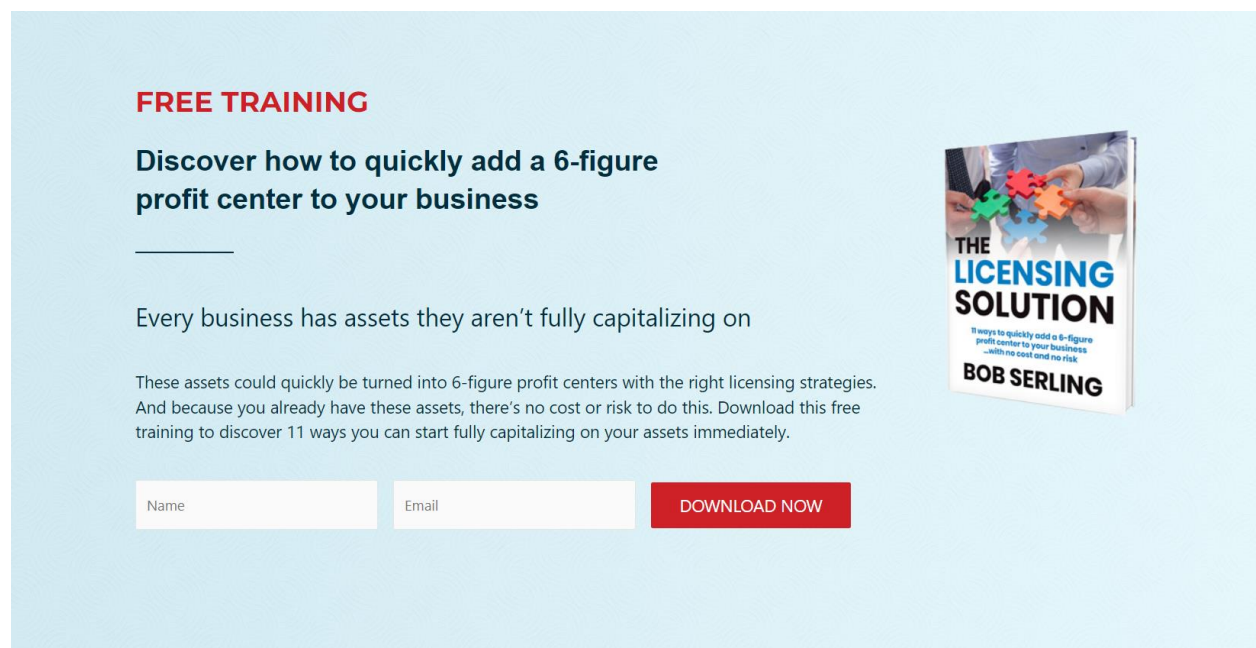
So let's take a look at an actual **Single Action Website** and how it captures the contact information of as many of your website visitors as possible.

How a SAW avoids dangerous distractions and captures the contact information of as many prospects as possible

The graphic below shows you the home page of one of my own sites, LicensingLab.com. It's designed with one purpose only – to capture the contact information of as many people as possible by offering a free report.

In clear, direct language, it invites prospects to discover how to make additional sales in a unique way. And all they have to “trade” to get this is their name and email address.

So let's look at each of the components that make up this highly effective **SAW**.



At the top of the page in red is an explicit offer of “FREE TRAINING”. This immediately identifies the purpose of the page and lets a website visitor know exactly what’s coming next.

This is followed by the headline, which tells the prospect there’s a unique way to add a 6-figure profit center to their business. Since this is a benefit that every business owner would like to have, it leads them directly to the next sentence.

The next sentence and the paragraph that follows it presents the value proposition – that the prospect can discover 11 ways to quickly turn the assets they already have into 6-figure profits centers by using the proper licensing strategies.

This final block ends with a specific call to action, directing the prospect to “download this free training”. Then, all the prospect has to do is enter their name and email address to immediately download this material.

What ISN'T on this page is just as important as what is

As you can see, this home page strictly adheres to my advice to offer a single action only. There are no other options available on this page. So a prospect either takes the plunge to request the free ebook or they don't.

At the same time, what ISN'T presented on this page is also critical. There is no navigation whatsoever.

There are no blog posts, no free articles, no "About Us" information, no "Contact Us" method, no free videos, no company history... nothing but the single option to request the free lead magnet.

So there are zero distractions. There are zero opportunities to go chasing down a rabbit hole with the good intention of circling back to request the free lead magnet, but never doing so.

There is one option and one option only. If you're interested in this topic – which it's highly likely that you are or why did you come to this page in the first place – then you accept the invitation and opt-in to receive the free lead magnet.

Clean.

Simple.

And deadly effective.

How effective? The majority of my clients produce an immediate increase of 30% to 70% more people joining their list. And if your conversion rates remain the same, then you'll also increase your sales by 30% to 70%.

I've even had multiple clients increase their opt-ins by more than 300%. And the best result ever, but certainly out of the ordinary, was a client who produced a whopping 2,200% increase in the number of people joining his list.

Even at the low end of a 30% increase in opt-ins, using a **Single Action Website** is a winning proposition. Because now you control the sales conversation.

You can now direct your subscribers to precisely the next step you want them to take. And when done properly by delivering exceptional value at each step, an immediate and sustained increase in your sales is practically automatic.

List Capital Strategy #5 **Fire Your Customers**

Are you a fan of professional baseball? Even if you aren't, the way a baseball team is constructed illustrates a powerful principle that will help you make more sales to your prospects and customers.

Baseball is a pretty simple game. It's played like this:

- A tall, strong guy stands on a little dirt hill, fires a tiny round ball straight at another strong guy standing 60 feet away
- At 90 miles per hour the tiny round ball takes 4/10 of one second to reach the second guy
- The second guy then tries to pulverize the tiny round ball by smashing it with a round, tapered-barrel stick
- If the second guy does manage to hit the tiny ball with the round, tapered-barrel stick, he then attempts to run around 4 bases planted in the ground in the shape of a diamond
- If the runner manages to make it around all 4 bases, either on his own or when another guy on his team hits the tiny round ball with a round tapered-barrel stick, then a run is scored
- Each run is the equivalent of one point
- Whichever team has the most runs after an interminably long period of time wins the game

Now, if you followed my painstakingly accurate description of what's often called "The National Passtime" here in the U.S., then you probably think that professional baseball teams are composed of a bunch of throwers and a bunch of hitters. But actually, the composition of a team is more complex than that.

Why? Because there's money involved – and by that, I mean truck loads and boat loads of money.

Any time there's a ton of money involved in something, you'll quickly see that all that money is never distributed evenly. There's a lot less of it directed to the bottom and far more of it directed to the top.

So for a baseball team, what that means is you actually have three categories of players:

- Utility players
- Starters
- Stars

Utility players are considered “good” but not great in terms of their skills. They can usually play multiple positions and are used to fill in when the starting players are injured or need to rest. The typical utility player’s salary starts at \$740,000 per year.

Next come the **Starters**. Starters are players who are so good at what they do, that they start every game at the same position – pitcher, catcher, outfielder and so on. At this level, the salaries jump significantly. On average, starters make at least \$4.5 million per year.

While \$4.5 million per year isn’t exactly chump change, it pales in comparison to what **Stars** earn. Stars are the players who are so exceptionally skilled that their hitting, fielding, or throwing is directly responsible for winning many games.

More importantly, their ability to win games attracts fans to the ballpark. Lots and lots of paying fans who spend hundreds of dollars each time they go to a game. So their salaries reflect their ability to bring those paying fans to the ballpark, with most Stars making from \$20 million to \$70 million per year.

Re-thinking how you view your customers

Your customers – or to be more accurate, your prospects and customers – are very similar in composition to a baseball team. Rather than just one big pool of prospects and customers, your list is actually made up of these three categories:

- Prospects
- Customers
- Multi-buyers

And just as with a baseball team, the money that flows into your business is unbalanced and unevenly distributed across these categories. Here’s what the true revenue profile of your prospects and customers looks like.

Prospects are those people who have joined your list but haven’t bought anything. However, there’s a substantial difference in the quality of prospects on your list as well as the type of new prospects you try to attract.

So while all prospects are technically valued at zero, some prospects are more valuable because they have far greater potential to become paying customers. But to keep it simple, let's assume that the revenue you generate from prospects is zero.

Customers are people who have actually bought something from you. Some categories of customers are far better for your business than others. That might be because they are the people who have the greatest want or need for your product, or they're easiest to target, or they're the least expensive to attract.

The important point to recognize is that it is as much as 10 times easier to make additional sales to customers than it is to make a new sale to prospects. This is a perfect example of how to profit from the assets you already have over and over again.

You've invested a lot of time and money in attracting and selling to these customers. Yet this asset lies dormant in the majority of businesses because you've shifted the responsibility for the customer buying from you again *to the customer* rather than taking that responsibility yourself.

This isn't intentional. It's just that most businesses think that their customers will automatically buy from them again without any prompting. But think about your own buying behavior. Unless you're actively prompted by a business to buy more of the product you originally purchased, or buy another related product, you rarely buy anything else.

So one of the core principles of being able to continually profit from the customers you've invested so much to acquire is that you need to consistently offer them more products and services. But you must do this in a way that's being of service to your customers, not just for the purpose of making more sales. All it takes is a simple message, something like:

I really appreciate that you purchased our Blue Widget recently and I hope it's exceeded all your widget needs. I also thought you might like to know about our Red Widget Putty that's the perfect complement to our Blue Widgets.

Because it's made with a proprietary blend specifically designed for use with our Blue Widgets, our Red Widget Putty is guaranteed to maintain its holding power at least 3 times longer than conventional putties – and cut your work time nearly in half. To prove to you how much faster and easier this makes your repair jobs, I'd like to offer you a 15% discount on your first order.

To take advantage of this discount, just use the special discount code "BigThanks". And if you aren't 110% happy with how well our Red Widget Putty works, just return it for a full refund.

You can send offers like this to your customers as often as once every month. Plus, when you carefully select the products and services you offer this way and you're being of true

service to your customers, they appreciate you even more, tell their friends and family about you, and make many more purchases than if you left it up to them to buy on their own.

One more point on this. When you use this simple method to sell more of your products or services to your customers, it costs you nothing and you have no risk.

That's because you already have your customers' contact information and you can easily email them. And this is another reason why selling more to your existing customers is exponentially more profitable than trying to attract more prospects and convert them to paying customers.

How to market less and sell more by firing your customers

Here's a simple, but extremely powerful principle that will help you exponentially increase the sales of your products or services. Get this one thing right and being successful in every aspect of your marketing gets substantially easier:

Everything you do with your marketing starts with targeting the right customer

This simple principle must be the guiding factor that drives all your marketing. If not, your marketing is doomed to be ineffective or fail completely. I know that's a strong statement, but as you're about to see, it is absolutely true – and critical to your success.

Let me give you an example that will illustrate this in real world terms. There's a yoga studio in my area that caters primarily to women. A lot of women are uncomfortable with the idea of stretching into somewhat revealing poses in full view of men in the class.

So the majority of the classes this studio offers are female only classes and they also offer a small number of co-ed classes. Because of this, 90% of their customers are female.

Now, here's the first point where their marketing goes wrong. Each month, this yoga studio sends out monthly mailers to every household in my area. But since they already know that 90% of their customers will continue to be women, a high percentage of their mailers automatically get tossed in the trash.

That's like cutting up hundred dollar bills and putting them through a shredder!

This just doesn't have to happen. For just a few dollars more, the yoga studio could rent a list consisting *only of females who live in the area*. And they could fine tune it even more by paying a slightly higher fee to target only those females who fall within a specified age range.

Simply by doing this – and essentially “firing” their male customers – they would save 40% or more on their mailing costs. Physical mailings take time and money to implement properly

and it makes no sense to throw away a large chunk of your mailing budget when simple targeting solutions are readily available to solve the problem.

Next step. This yoga studio could cut their costs even more and increase their membership roll by targeting at an even deeper level in order to fire even more of their customers.

One way to do this would be to conduct a survey with a drawing for a valuable gift for everyone who completes the survey form. The survey form would ask a few questions about the types of classes, yoga clothing and accessories the members prefer and their age and occupation.

This information – while extremely simple as I’ve promised – is worth its weight in gold. It would reveal which types of classes to increase and which to eliminate. The preferred classes could also be featured in their marketing materials and would draw even more paying customers without a penny of additional expense and no additional effort.

This survey would also identify which types of clothing and accessories their customers are most interested in. This would allow the yoga studio to stock and feature more of those items, including many items they may not be currently offering. And they’d make room for this additional stock by eliminating (or *firing*) the items they currently carry that are of little interest to their customers.

As we dig just a bit deeper into what this survey would reveal, it gets even better. It would also reveal the predominant age range of customers, how far they travel to attend classes, and possibly show specific occupations that make up large sections of the yoga studio’s membership.

These age ranges, geographic information and occupations could then be used to target at a much deeper level for the yoga studio’s mailings. And other age ranges, geographic areas and occupations could be eliminated completely.

By firing those customers who are significantly less interested in what this yoga studio offers and replacing them with customers who are likely to become raving fans, this simple strategy would decrease the overall costs of the yoga studio’s marketing and grow their sales substantially.

Few businesses fire their customers in this way out of fear that they’ll lose some business by doing so. But the fact is, the more your business appeals to a well-defined segment of your market and the more you can deeply connect with the wants and needs of that segment, the easier it is to market more effectively, selling more of your products or services and reducing your costs at the same time.

List Capital Strategy #6 **Disqualify as Many Prospects as You Can**

Another principle that's critical to fully capitalizing on your list is that you must thoroughly qualify the prospects you market to. No surprise there.

But at the same time, you also want to actively *disqualify* large segments of prospects and stop marketing to them entirely. I realize that this is difficult to do for some people, actually for many people. Because when you eliminate 25% to 75% of your prospects, the question that always nags at you is, "Am I throwing away a tremendous amount of money?"

But you're not.

By applying this form of disqualification, you're actually multiplying your sales and significantly reducing your efforts to do so.

Now, admittedly, this Strategy comes as a shock to most people. But I'm about to clearly demonstrate to you here why *disqualifying* is as important – and possibly even more important – than qualifying your prospects. And I'll do this with real life examples that you can easily understand and apply immediately, rather than with some textbook theory.

So let's take a deeper look at exactly how you apply this Strategy in your day-to-day business to effectively sell more of your products by eliminating large segments of prospects.

Selling more by marketing to *fewer* prospects

At the risk of repeating myself, the fact is that you can sell far more of your products or services by marketing to fewer prospects. And by this, I mean by clearly defining exactly which categories of prospects you target, and equally important, which categories of prospects you avoid.

Now, let me make one thing completely clear right from the start. You are not avoiding certain categories of prospects because they are necessarily good or bad. A category that isn't useful for your business could be a star performer for another business. You are avoiding these categories of prospects solely because they don't meet the specific criteria of the kind of prospects that are the most advantageous for your business to market to.

Why should you do this? Because when you tightly define *exactly* who the narrow prospect segment (or segments) is that you want to target and the broader segments you want to avoid, you can market much more effectively to those targeted segment.

This produces two very important results. First, this type of intentional *qualifying and disqualifying* allows you to target your ideal prospects more effectively, avoids wasting the time

of people who are not qualified, and eliminates time and effort you would normally be wasting on prospects who are not a great fit for what you're offering.

Second, when you don't specifically qualify and disqualify your prospects, you end up with a high percentage of customers who are a mismatch for your products or services. These customers aren't going to be happy. They will complain more, return more, and possibly give you negative feedback in online forums and review sites. And that's never a good thing.

So with this in mind, let's take a look at some real world examples of the immense benefit you gain by qualifying and disqualifying prospect categories.

Two examples of building billion-dollar companies by eliminating large categories of prospects

Example 1 – Bain Capital. I recently read a story about Bill Bain that is a perfect example of selling more by marketing to fewer prospects. Now, for anyone who doesn't know who Bill Bain is, he's the Bain in the Bain Capital Group.

Many people know of Bain Capital primarily because of Mitt Romney. Romney worked for Bain Capital for years and during Romney's campaign for President of the United States, Bain came to be well known to much of the public. However, Bain has been one of the largest consulting companies in the world for decades.

So here's the story. Bill Bain originally worked for the Boston Consulting Group (BGC) which at the time was the largest consulting firm in the world. Management had divided BGC up into four teams and Bill Bain was one of the four team leaders.

Now, right from the start, Bill Bain's team dramatically outperformed all three of the other teams. In fact, Bain was very frustrated with the progress of the other teams and he offered multiple times to train them in his methods, but the leadership of BGC shut him down each time. As a result of this, he left and created Bain Capital and the Bain Consulting Group.

So what exactly did Bill Bain do differently than the other three team leaders to become so successful, first at the Boston Consulting Group and then at Bain Capital?

It was really very simple. He targeted *only* the highest-spending type of prospects that BGC had, which was likely no more than 5% of the total customer base.

He then created programs to deliver so much value to these high-spending prospects that they wouldn't think of working with anyone else. Every service his team offered was based on providing much greater value and developing deep relationships that truly helped his clients and ensured that they couldn't be poached by his rivals.

Simply by targeting an extremely narrow segment of prospects – using a prospect segment that represented just 5% of the types of clients BGC normally worked with and eliminating all other segments – Bill Bain’s team completely dominated the Boston Consulting Group. And after that, he created a billion-dollar company of his own, Bain Capital, just by using this single disqualification strategy alone.

Not only did this allow him to build his company far faster and easier than if he would have used the conventional approach, but it also reduced his marketing expense immensely. Plus, because Bain Capital caters only to this narrow prospect segment, they can provide clients with in-depth, personalized service that keeps them using Bain’s services year after year. And keeping the same clients for dozens of years rather than just a couple is another way to profit again and again from your list.

Example 2 – Dollar Stores. Benefitting from tightly targeted prospect categories isn’t reserved for high-ticket products and services alone. Here’s another excellent example, this time in the low-price category.

By targeting a carefully defined category of prospects – bargain hunters – dollar type stores have become a billion-dollar industry. I’m sure you’ve seen one or more of these stores in your own area. They feature thousands of products, all priced at \$1 or less.

Just so you’re clear, it’s important to understand that bargain hunters come from all income levels. There are highly successful dollar stores in neighborhoods of every economic level. In a neighborhood near me where the price of an average single-family home exceeds \$850,000, the dollar store there has been doing a booming business for well over 15 years.

So the targeted prospect category in this case is bargain hunters, not low-income people. And this category has proven to be a very lucrative winner.

How to sell more of your own products or services by eliminating large categories of prospects

Applying this strategy to any business is actually very easy. One of the best ways to do this is to look for opportunities that aren’t being fulfilled, keeping in mind that these opportunities come from narrowing your focus substantially, not from expanding it.

For example, when I lived in Los Angeles, there was a dentist who offered services only at night. His target market was people in the television and movie industry who worked long hours, usually 14 to 16-hour days.

These people were rarely able to make an appointment during the day, but they still needed dental work. And by catering to this narrowly defined category of customers, this dentist created a booming practice while other dentists, particularly those newly graduated from dental colleges, were having a difficult time making a go of it.

Here's another example. In the suburb of San Diego I live in, because we're so attuned to healthy living, there's a gym or fitness center on every other corner. And nearly every month, one or more of these establishments shuts its doors forever.

Why does this happen? Primarily because they're trying to be all things to all people. And even worse, they all market exactly the same way. In fact, you could take one fitness center's advertising and replace the name on it with another fitness center's name, and you could hardly tell the difference. Consequently, the turnover in this industry is astronomical.

But what would happen if one of these fitness centers eliminated huge categories of prospects and tightly targeted just one category? Their sales would go through the roof, resulting in a larger membership, entirely stable cash flow, and the opportunity for expansion.

For example, how about a fitness center that caters only to people over 50 years old, promising more flexibility, better balance, and fewer injuries while still being able to do the things they love.

Or what about classes for women only? Similar to the example of the yoga studio above, one of the big problems of any fitness center or gym is that women don't like to be stared at by men, especially if they're in compromising positions. So by targeting this category of prospects only, a fitness center could own that market, never again having to worry about making their rent or making monthly payroll.

As I said, the fact is that you can apply this Strategy to any business. Computer stores for high school and college students only... dog training for large or difficult breeds only... a wine specialty web site for high-end wines only... a wine specialty web site featuring all wines priced no higher than \$15, but tasting like a \$50 bottle.

These examples could go on and on for dozens of pages. And they apply equally to being able to sell more to narrowly defined categories of prospects both online or offline. All it takes is understanding this simple, but powerful Strategy, then applying it to see substantial and continual growth in your sales and profits.

List Capital Strategy #7 Focus Flipping

Here's another example of how substantial gains can be made from simple changes. Using one of these simple changes – called Focus Flipping – one of my clients was able to increase their profits by a massive 714%.

So let's take a look at exactly how this was done.

Focus Flipping is based on changing the focus of your marketing from the feature you currently promote the most prominently to a different feature. And it usually involves beefing up the new feature as well.

Here's the most important point. While Focus Flipping can be done by relying on your own instincts, the most effective way to apply it is based on the feedback you get from surveying your clients.

In this case, the product being sold was a training program for sales professionals. The main feature was a 3-day immersion training that would arm the participants with the skills and tools they needed to substantially increase the number of sales they closed each month.

There were also a number of secondary features such as workbooks, call scripts, role playing scenarios, software, monthly conference calls, and 12 months of support with a personal coach.

So our first step was to conduct a survey with my client's existing customers to determine which features they liked most and which they weren't as enthusiastic about. One of the questions we use to discover which feature is liked the most is worded differently than just asking, "Which feature do you like the most?"

That's because this type of generic question elicits generic responses, such as "All of them". And generic responses aren't of any use to you.

So the question I use to replace the generic version is, "Which feature of this product would you miss the most if it was eliminated?" This is a far more specific way of stating the question and it always produces more relevant answers than asking which feature your customers like best.

In addition to being less generic, it eliminates the tendency that most people have to say what they think you want to hear. So the answers you get will be of far greater value.

When I included this question in the survey, my client was certain that the majority of customers would say the 3-day immersion training since that was the component she and her team put the most time and attention into creating.

But they were in for a surprise. The survey revealed that the component her customers would miss most – and therefore valued the most – was the 12 months of support with a personal coach.

To my client's credit, based on this discovery, she decided to change the entire focus of her promotional piece to positioning the program as a "12-month coaching and personal training program", kicked off by a 3-day immersion training. The training itself was still a feature of the program, but the major emphasis throughout the promotional materials was that this is a comprehensive, 12-month program with personal coaching and support every step of the way.

In addition, we made two other modifications to the program. First, my client had set an aggressive goal of increasing the tuition to \$5,000 rather than the \$700 she had been charging.

Part of this increase was based on the value her customers put on the 12-month support component. The other part was based on the assumption that if we featured this component so prominently, the program members would use it more frequently which would increase the cost of providing this service.

Next, we upgraded the support component to follow a specific schedule designed to produce a higher level of follow through and results. This schedule increased the amount of support each program member received, but not so significantly that it was a burden.

Finally, we gave this updated version of the program a new name. It didn't make sense to offer a program with a \$5,000 enrollment fee when another program using the same name was promoted at a fee of \$700 just a month earlier. With that, our changes were complete.

As a result of these few improvements and shift in focus, this new version of the program sold out at \$5,000 per seat. Previously, it had sold out at the \$700 price.

So while the number of sales stayed the same, the revenue was far greater as this was a 714% increase in the cost of the program. In addition, my client was able to maintain this increase for the full four to five years that they continued to offer the program, before retiring it in favor of a new program.

Let me wrap up the coverage of this Strategy by assuring you that Focus Flipping can be applied to practically any product or service. And I'd strongly recommend that you devote some time to looking at flipping the focus on different features of your own product or service. With gains like this, or even a fraction of this, it's well worth your time.

List Capital Strategy #8 **Divide to Multiply**

Do your customers ever ask questions like, “I offer general dentistry, but the example you gave for your lead generation service is for an oral surgeon. How do I know it will work for my business?”

Even though this example may sound a bit far-fetched, it’s an actual question that one of my clients received from a prospect. And over the years, I’ve heard hundreds of similar questions.

Fortunately, questions like this are actually an invitation to make a minor improvement to your product that can generate substantially more sales. As the name of this strategy implies, the way you do this is to divide your product (or service) up into a number of more tightly focused offerings.

For example, let’s take a look at the way the majority of real estate agents promote their services. Take a look at the promotional materials the real estate agents in your area use to try to attract new buyers and sellers. You’ll find their promotions in your mail box and your local newspaper.

The common theme in these promotions – nearly 100% of the time – is that they are one of the top agents in your area. This is a completely generic approach that attempts to appeal to every potential buyer possible. And that’s why so many real estate agents fail or settle for making just a mediocre living.

But let’s take a look at what would happen if you’re a real estate agent and decide to use the **Divide to Multiply** strategy. The first thing you would do would be to conduct a short analysis of the existing market in your local area.

What kind of people are looking to buy or sell a house or building? Is it young families, empty nesters, retirees, people looking to downsize, people looking to upgrade to a luxury home, family members looking to relocate their elderly relatives, apartment building owners who appeal to lower income families, apartment building owners who appeal to wealthy families, apartment building owners who appeal to students – and so on.

Armed with this knowledge, you can now **Divide to Multiply**. For example, you may position your real estate business to provide services only to families who are looking to relocate elderly relatives.

The copy for this would be targeted to these families only and it would look something like this:

**Compassionate assistance in all your real estate needs
for your elderly relatives**

I specialize in helping you find the right home for your elderly relative. Or in selling your relative's home and making the transition as stress-free as possible.

This is the only work I do – helping elderly folks and their families with any real estate need in a compassionate way that respects your relative's unique needs. I'd love to help you and your relative find the ideal home or sell their existing home. Just call me at (000) 123-4567 for a complimentary review and recommendations for your specific situation.

This message could be run as an ad in a local weekly newspaper or as a targeted mailing to specific cities or zip codes. When you use the **Divide to Multiply** strategy to narrow the focus of your product or service, you can now speak directly to your target market's needs rather than throwing mud at the wall and hoping it sticks somewhere.

Also, when you use this strategy, you build a reputation as a specialist in the area you choose to focus on. People will almost always choose a specialist who understands their unique situation and needs over a generalist who is trying to be all things to all people. And that translates to more sales and more referrals.

Dividing one product into 82 multiplied products

How many versions of product can be developed by applying the **Divide to Multiply** strategy? Here's a fascinating example that demonstrates how expansive the results of using this strategy can be.

Paul Hartunian was a well-known publicity expert who built his reputation by using publicity to become known as "The Man Who Really Sold the Brooklyn Bridge". When he heard that the last remaining section of the Brooklyn Bridge that was made out of wood was being replaced by steel spans, he immediately called the company contracted to do the work and asked if he could buy the old wood that had been removed.

The foreman told him, "Heck, buy it? If you'll haul it away you can have it." So Paul hired a hauling service to pick up the wood and deliver it to a mill he had hired to cut the wood into extremely thin, one-inch square wafers.

He then had these wafers mounted on a cardboard plaque with a glossy design that featured the message, "Your personal ownership of the real Brooklyn Bridge". Then he sent press releases all over the United States announcing that the Brooklyn Bridge was now for sale.

Because this landmark was beloved by the residents of New York and New Jersey, as well as people all over the world, his Brooklyn Bridge offer sold out in record time, earning him hundreds of thousands of dollars and the notoriety of being, “The Man Who Really Sold the Brooklyn Bridge”. Paul then parlayed this notoriety to sell millions of dollars worth of his program that trained business owners to do their own in-house publicity.

Fast forward a few years and Paul was confronted with a problem that was limiting the sales of his introductory product, a low-cost manual titled “Power Publicity”. His staff reported that they were flooded with emails with messages similar to what I mentioned above, “I’m a fitness trainer – how do I know this will work for my specific business?” Or, “I’m an accountant. How do I know this will work for my specific business?”

After pondering this for some time, Paul had come up with a number of solutions, but none that would truly solve the problem. Finally, he hit on the ultimate solution – why not give everyone exactly what they were asking for?

Since 95% of the information in his manual applied to every business, he decided to customize the remaining 5% for each type of business where he received multiple requests. This was easy to do simply by going through the manual and highlighting the few spots where the text would need to be customized. He also marked the spots in the sample press release that came with the manual for where it would need to be customized.

Now he had a template for quickly customizing his publicity manual to address the exact needs of any industry. Next, he made a list of all the industries that had requested a specialized version and hired a freelance writer with publicity experience to create the customized versions.

As a result of this, after the initial effort, he had about 40 specialized versions of his “Power Publicity” manual. There was “Power Publicity for Accountants”, “Power Publicity for Veterinarians”, “Power Publicity for Business Coaches”, “Power Publicity for Ebay Sellers” – and on and on.

As of the last count, Paul had 82 different versions of the “Power Publicity” manual. The content of all 82 manuals is nearly the same. Just 5% of it is customized for each specific market.

The results of this superb example of applying the **Divide to Multiply** strategy have been well worth the minimal effort. By creating these customized versions, Paul has multiplied the sales of this manual by more than 10 times, earning him millions of dollars in additional sales he would never have seen without this strategy.

List Capital Strategy #9 Simplified Joint Ventures

Of all the assets your business has, of all the assets you've invested significant time and money to create, there is one asset that's value outdistances every other asset you have. And as you now know, that asset is your list. In fact, when managed properly, your list is an unlimited source of additional sales and exceptional growth.

There are three unique traits that give your list the immense value that no other asset can match:

List Trait #1: A list is always much more than just a list. Used properly, it is a *distribution center* for dozens of products and services you aren't currently offering to your customers

List Trait #2: Customers who buy *any product* are not just customers for that product alone. They also have a strong interest in dozens of related products and services

List Trait #3: It's only natural for a company with a quality list to then become a *distribution center* for many of those other products and services. And this can be done with no cost or risk involved, and absolutely no downside

Now, while this sounds intriguing, at the same time, I'm aware that it also appears to be complicated. But in actual practice, it's really quite easy to turn your list into a powerful *distribution center* used to sell dozens of products and services to your customers.

So let's start by taking a quick look at the psychology of buying behavior that makes this Strategy so easy to put into action.

The proven psychology of how people buy

Think about any purchase you've recently made, say a new big screen TV. Once you've purchased that TV or shown strong interest in purchasing it, you immediately start thinking about many other products and services that compliment your purchase.

- You may want a streaming service to watch all your favorite shows and movies...
- A modem booster to stream those shows more quickly and smoothly...
- A universal remote to control all your equipment and get rid of those 3 or 4 other remotes...
- Surround-sound speakers...
- You may want a new recliner...

- A new television stand or console...
- A pizza maker for enjoying events and big games...
- You may also want to convert a room in your house into a home theatre...
- And much, much more

Sound familiar? I hope so, because this is the exact thought process that kicks in for most people the minute they've made the decision to buy any product or service. And understanding this buying psychology should begin to make it much clearer why a quality list can be used as a powerful distribution center for many associated products and services.

So now the question becomes, "Where are all those products and services going to come from?" Because you're already overloaded with things to do and there's no way you could possibly expand into all those areas.

Fortunately, the answer is quite simple. You tap directly into all this buying power by offering the products and services of *other companies* to your list.

You see, it's a given that your prospects and customers are going to buy many of the related products and services that you don't offer. So why wouldn't you want to get a cut of those sales simply by offering other companies' products to your list?

And the vehicle you use for doing this is **Simplified Joint Ventures**.

Harnessing the unlimited selling power of Simplified Joint Ventures

Joint ventures give you the opportunity to offer a nearly unlimited number of products and services to your list. So let me give you a quick overview of how joint ventures work, the problems you encounter with conventional joint ventures, and how to eliminate all of those problems and generate substantial profits with **Simplified Joint Ventures**.

The conventional method for using joint ventures is to either find a company that will sell your product to their list for a share of the profits or to set up a reciprocal agreement where both companies offer the other's product to their list and split the profits.

However, there are two inherent problems with the conventional approach that kill most joint venture deals before they have a chance to get off the ground. In the first method, where you ask another company to sell your product to their list, it's very difficult to get other companies to do this, particularly companies who don't already know you.

First, most companies think that offering another company's product to their list will dilute their own sales. While that is not true, it's a difficult roadblock to overcome.

Second, if another company doesn't know you, they can't accurately determine whether you have a quality product and that you're a trustworthy partner. So right there, your potentially lucrative deal is dead, before it ever has a chance to make it to the starting gate.

In the second method of using joint ventures, which involves setting up a reciprocal agreement where both companies promote each other's products, a number of difficulties occur right away. There is often a disparity in the size of each company's list. And in my experience a company with a list of 35,000 people is not going to want to partner with another company whose list size is 4,000 people.

This is probably the most difficult factor to overcome in setting up reciprocal deals for joint ventures. Trying to find companies whose lists are of nearly the same size is not only difficult, it's often impossible.

Then there's the question of who mails first – and what happens if the second company never mails at all. I've seen the bickering over this detail derail potential joint venture deals so many times, I've lost track of the count.

Another stumbling block is getting both mailings scheduled in a timely manner, especially if one or both companies have new product offerings that demand their full attention and completely fill their promotional schedule for a number of months.

For these reasons, many people consider joint ventures to be highly problematic and too difficult and time-consuming to deal with. But as you're about to see, there's a simple solution to all these problems.

Turning your list into a distribution center using Simplified Joint Ventures

My proprietary approach to joint ventures eliminates *all* the problems of conventional joint ventures with one stroke of the brush. I call this approach a **Simplified Joint Venture**.

A few years ago, out of frustration with the constant problems I encountered trying to set up joint ventures for my clients, I decided to see if I could come up with a way of eliminating many or all of these problems and make joint ventures easy, pleasurable and highly profitable.

While it took many months to come up with the solution, as you'll see it's extremely simple. I developed this solution when I applied a "marketing less to make more sales" philosophy to joint ventures.

What I realized was that the most important component of a joint venture is a component I've already mentioned – that used properly a quality list is actually a powerful *distribution*

center for many other products and services. So by reducing the moving parts of a conventional joint venture down to the most important component, I realized that the real value in a joint venture resides in what I call the **List Side**, which would be you and your list.

Also, because the majority of the value is in the **List Side**, the importance of the **Product Side** is negligible in comparison. And there are always hundreds and even thousands of options you can choose from for the **Product Side** of the deal – which are the companies that have complimentary products or services to offer to your list.

Next, the real breakthrough came in realizing that there is little or no value in asking the **Product Side** for a reciprocal promotion. The real value to your business, which is immense, is in lining up a number of deals to sell other companies' products to your list *without any other complications to the deal*. And that means without asking them to offer your product to their list at all.

This eliminates all the hassle over list size differences, whether one side will be cheated if the other side doesn't mail, scheduling conflicts and many other problems that are inherent in the conventional approach to joint ventures. Plus, it makes it really easy to close the deals as quickly as possible.

Remember, your real goal is to turn your list into a distribution center by offering your prospects and customers a variety of products and services that they're already highly interested in. So instead of trying to broker a complicated reciprocal deal, you eliminate all the potential problems by approaching potential **Product Side** partners with a much simpler proposal that looks something like this:

We sell lightweight fishing rods to our customers and have a subscriber list of 22,000 fishing enthusiasts. 7,800 of those subscribers are customers who have bought our fishing rods.

I'd like to sell your most popular fishing lure to our list. Would you be interested?

This is radically different than the complex mess that's created with the conventional approach to joint ventures. Now you are *not* requesting a complex arrangement. You are *not* even asking the other company to sell your fishing rods.

Instead, you're simply offering them a way to make a lot more guaranteed sales. Put another way, you're giving them money for free. And that's why this **Simplified Joint Venture** strategy works so well.

After all, what company wouldn't want more sales of their product with almost no work on their part? The only thing a **Product Side** partner has to do is provide you with the sales copy they already use to sell their own product, which takes all of 5 minutes.

All you have to do is email your list of prospects and customers about the special offer you've lined up for them and provide a link to the **Product Side** partner's web site to place their order.

Each side collects 50% of the profits for every sale that's made. Each side makes a lot more money that they would not see without this deal. And all the friction that's normally associated with conventional joint ventures is completely eliminated with my **Simplified Joint Venture** strategy.

Plus, when you create joint ventures this way, there's never any cost or risk on your part and there's absolutely no downside. All you're doing is sending out an email to your list.

Your partner takes all the orders, processes the credit cards, fulfills the orders, is responsible for any customer service needed, and then pays you your share of the profits. So your costs are zero and your risk is zero. You couldn't ask for a much sweeter deal than that!

The hidden value of leveraging the power of Simplified Joint Ventures

One of the main reasons many companies avoid joint ventures is that they're concerned that their prospects and customers will have a negative reaction to receiving promotions for other products. But nothing could be further from the truth.

As always, the determining factor is the added value that you bring to your subscribers. As long as you're bringing real value to your subscribers, rather than being offended, they will actually appreciate you even more.

Think of it this way. Let's say you've hired a contractor to remodel your kitchen and the work is well under way, right on schedule. Another need that you have is to upgrade all the electrical work in your garage, which is a service the contractor who is remodeling your kitchen doesn't offer.

However, since you're happy with the work your kitchen contractor is doing, it's only natural to ask them to recommend a good electrician. And when they do, you appreciate it because it's saved you time and you have the confidence of knowing you're making a good decision without having to do a lot of research on your own.

That's exactly what happens when you recommend quality products and services to your list. Because the people on your list already trust you or they wouldn't still be on your list, they appreciate that you've cut down a lot of time and effort they'd have to spend researching many of the products and services they would be buying anyway. And they feel confident that the vendors and products you're recommending will be of excellent quality.

So you've now become a trusted resource for many types of products and services rather than just a source of more sales of your own products. And not only will this increase your profits substantially with just a small investment of time and no additional cost, but your customers will greatly appreciate the added value you provide for them.

A final thought – why don't more businesses market this way?

So now that you've seen the immense value of being able to turn subscribers, products and marketing you already have into a nearly unlimited stream of repeat income, you may be wondering why the vast majority of businesses don't practice this.

After all, with everything you stand to gain, plus the bonus of being able to realize these gains with less cost and effort, you'd think that every business would want to take advantage of the **List Capital** approach.

But the reason so few businesses market this way gets back to a critical point I mentioned earlier in this material. The answer is that it's really a function of the times we live in, where online marketing has gained the false reputation of being free.

Now, you can certainly reach people inexpensively and often for free online, but anything you do always comes with an "opportunity cost", meaning that time and effort you devote to one initiative is time and effort you can't invest somewhere else.

More importantly, even if online marketing is relatively inexpensive, it's still incredibly wasteful if you aren't properly measuring and leveraging who your best customers are, what your most profitable products are, and which marketing pieces return far better results for less time and effort. And if you aren't fully capitalizing on every opportunity to use your list to achieve these gains.

I had the good fortune of starting my career in marketing as a direct response copywriter and consultant in the pre-Internet days of direct response marketing. During those times, you paid real money for every aspect of your marketing. And you often paid through the nose for certain components in an effort to squeeze out every last drop of response and profit.

For example, in renting lists, the more money you paid for a list by taking multiple "selects" (demographic and psychographic characteristics of prospects) that were highly relevant and trimmed your market down to be very tightly focused, the more successful you'd be.

But most importantly, when you paid for every aspect of your marketing, you were forced to be much more thoughtful about what you did before you did it. What you quickly learned to do was to rigorously eliminate any aspect of your marketing that didn't work the instant you identified it as not working. And, of course, this applied equally to your customers, products or services, and marketing pieces.

Now, because it was more expensive to market this way, it also carried an almost built-in demand that you carefully think through what you were doing or you'd lose your shirt. And at the same time, you optimized your profits and every marketing opportunity that came your way by doing this. Which always meant maximizing the opportunities to sell more to your list.

So let me leave you with a powerful recommendation

If you really want to improve your marketing, take your marketing on a trip back in time to 30 years ago.

There is no free Internet. There is no send key you can use to contact tens of thousands of people for free in the next few minutes. You have to pay through the nose for every message you send out.

You can no longer be promiscuous and send out massive amounts of free emails, post free videos, or get free search engine listings. Because when you're forced to spend your own money on every form of marketing you use, you can no longer be so careless or you'll go broke very quickly.

So here's my recommendation to you:

Treat your marketing as if you're paying for everything for just 30 days. And be certain to track the results of everything you do.

If you do act like you have to pay serious money for every aspect of your marketing for just 30 days, the returns you produce will be infinitely greater. Because when you act as if the only tools you have are the ability to write a compelling letter, negotiate an expensive list rental, and spend your own hard-earned money printing your letter, then paying for the postage to mail it in order to get people to send you money, things change drastically.

Why? Because you'll now experience the invaluable wisdom of improving how you treat your list and the tangible results this produces.

If you do this for just 30 days as I've suggested, I can promise you'll get far better results than with anything else you could do with your marketing.

Do this and you'll begin to experience the ability to profit over and over again from the customers, products and marketing you already have. All by leveraging the many ways to capitalize on your list.

And once you experience these results for yourself, I'm betting you'll be hooked and you'll never turn back.

About Bob Serling



Bob Serling is a 35-year marketing veteran and the founder of LicensingLab. His innovative take on marketing has helped thousands of businesses and entrepreneurs produce exceptional results.

Bob has been the monthly marketing columnist for Success Magazine... invented a skateboard toy featuring Tony Hawk's branding that was sold in toy stores and department stores all over the world... co-created and licensed advanced assessment software currently being used by many Fortune 500 companies... created a one-and-a-half page prospecting letter for a client that landed an agreement for a \$25 million project by being sent to just one prospect – then licensed that same letter to 14 different industries... and much more.

He's perhaps best known for having pioneered the use of generating substantial, ongoing sales and passive revenue by leveraging the assets you already have in your business – especially your list and your relationship with the people on that list. Because your list is an asset you already have but aren't fully capitalizing on, his strategies let you quickly create new sales and profit centers with no additional cost or risk.

Bob's clients find that leveraging their list this way not only increases their profits, but balances cash flow so there's a steady, reliable stream of income every month.

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The 9 strategies covered in this material are just a portion of the 23 strategies Bob Serling has developed for making more money from your list and the other assets you already have than you make from your main business. In keeping with his philosophy presented here, Bob's complete set of strategies focus on innovative, yet practical ways to maximize the number of sales you make to your list.

Just some of what these strategies can do for your business includes:

- Convert a much higher percentage of prospects to paying customers
- Create substantial, sustained increases in sales that continue month after month
- Increase the profit margin on some of your products or services to as high as 95%
- Turn one-shot sales into loyal customers who buy from you for life
- Set up Strategic Partnerships that generate substantial sales and build your list at the same time
- Create simple, automated systems that make more money from repeat sales to your customers than you make from your main product or service
- Plus more

Also, because all of Bob's strategies leverage the email list that you *already have*, there's never any cost or risk to implement them.

If you'd like help capitalizing on any of the areas covered in this material or Bob's complete set of sales growth strategies, he offers companies that have annual sales of \$500,000 or more a free **Sales Growth Review**.

You can request your complimentary **Sales Growth Review** by contacting Bob here:

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