

Ron: What I want to re-emphasize from my own experience is that one thing people do wrong is they start selling online and they think that's the only way they can do it. And they forget, just like I'm having success in my aerial photography course, don't be afraid to mix off line advertising with online because I bet now if I was just trying to sell my aerial photography course doing nothing but Internet advertising, I'd have a fraction of my sales. So, if you have a web site, don't be afraid to try magazines, postcards; because now a days people will come to a website. If you tell them to come to the web site for a special report or to learn more, they will come.

[Music]

Michael: This is a fantastic recording. It's a long one – about 90 minutes long but I've separated it into three parts. It's with Ron Ruiz and Ron has a website – a paid membership site – called www.businessfastlane.com. Paid membership sites are becoming very popular and have proved to become an extremely easy way to generate a ton of money provided you have the right content. I pick Ron's brain and try to extract every nugget, and every secret, and every trial, and every tribulation that he went through to develop his own successful paid membership site. We talked about his early days when he was selling a pay printing product without the internet and how the internet really changed everything for him. I think you'll really find this very informative. There's a lot of golden advice in this interview. Enjoy.

Ron: I grew up with parents who say you go to school, you get a job, you stick with that company for 40 years and you retire.

Michael: What did your parents do?

Ron: Well, actually, my dad didn't do anything white collar. He was a blue-collar worker but he just thought that's the way that it's done. I bought that – went to school and graduated in electronics and television. I worked in the industry for a while and what happened to me was like to a lot of people – I found that wasn't nearly as much fun as I thought it would be. I didn't want to keep on doing it.

Michael: How old are you now?

Ron: I'm not quite 50. So I was in my 20's – it didn't take me too long to be in the workforce until I decided I didn't want to keep doing this. I

wanted to look at something else, so I started reading every magazine, sent away for things, tried a lot of goofy things.

Michael: Were they money-making opportunities?

Ron: Money making opportunities while I was still working. Didn't have much success at them but it definitely gave me the bug. Finally I left my job. I went back to flying because I was also a pilot and got my flight instructor ratings and did some charter work as in the airline industry – it goes up and down constantly – you might end up being hired or fired – that's the way things are. They weren't hiring at the time so I kept on doing that, but I felt there's got to be something else, too. What really got the bug for me was some of these people would fly around – pay me \$12-\$15/hour back then – which was kind of fun in the beginning because you're getting paid to fly all around. I'm flying these people and got to know some of them and they were making a lot of money. I thought "Gee, if I can figure out what to do, I could be the one flying, still have fun, and be earning a lot more money than I am now." So that kind of added to my search. To make a long story short, years later I was always reading, trying to find something ... trying to find something, and I read an article in a magazine about a guy who was doing pretty well flying around taking pictures and selling the pictures. That should have dawned on me because I was already a pilot and had taken a little bit of photography and I enjoyed doing that, but I never thought of flying and taking pictures. Plus, it sounded like too much fun to me. You know, sometimes we think we really can't have fun and earn money at the same time. But that really intrigued me. What if I really could do that. I put my skepticism aside and I looked around and I ordered anything I could on aerial photography. There was very, very little. What I did find cost \$20, \$30 and when I got it, it would be this little booklet that I swear was about 5th, 6th generation copy down. It was really hard to read. But it gave me some of the basics.

Michael: Was this back in the '70's?

Ron: No, this was about 1985, around 15 years ago. I was determined. I wanted to be self-employed. I took what they gave me, went to the school of hard knocks, and learned a lot more and pretty soon I had my own aerial photography business. I was doing pretty well. I was able to buy my own airplane, which was a dream for me. Flying around the Napa Valley taking pictures – that was really fun.

Michael: So what were you taking pictures of? How do you – well, we'll get into it – but how do you make, generally, how do you make money with aerial photography?

Ron: Just to give you the quick version ... there's a couple of different ways to make money. One is to take pictures and go knock on doors and try to sell them, like take pictures of businesses and peoples residences, that type of thing. I tried that and after knocking on doors, being chased by dogs and not finding people home, I realized that was not what I wanted to do.

Michael: All right, so that didn't work.

Ron: No, some people make it work, but I didn't want to do that. What I did was custom jobs only. People want a picture of their home, their business, something to do with a piece of real estate for sale, something that's going to be developed. People call me and pay me to take the pictures so I did all custom work. By that point, I had become a student of Jay Abraham, Dan Kennedy and learned a lot of guerilla marketing techniques. I used postcards, I had people call in and get a free report. One of the things that worked out great and hardly cost me anything is I would take samples of my pictures and place them around town in certain areas where I thought people that might be interested in aerial photography would come. That worked out well. I got a lot of business that way. So, it actually turned out being a full-time business. After it was the full-time business for a while, it kind of stopped being fun again.

Michael: Yes, then it became work.

Ron: Then it became work.

Michael: Can I ask how much you would make on a customer?

Ron: I would charge about – of course it's grown since then – but I started out ... well, let me just back track a bit because here's a good marketing tip. When I got started, I called around and let's say – I don't remember the numbers exactly back that far - but let's say the people in my area were charging \$200 to \$300/hour. What I did because I was the new guy on the block, I thought, "Well, if I'm going to compete with these people, I need to charge a lot lower." So I sent out this special mailing to real estate people in my town. I told them I'd take the pictures for – I forgot the numbers – for like \$75. I didn't get a whole lot of response from them at first. But

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then after a little while I realized that people are probably saying “Hey, this guy’s so cheap he’s probably not very good.” So, from that point on, I raised my prices to be at least as much if not more than the people around me. That hasn’t really hurt me and I know I could lose some jobs, but I don’t care. I can get a better quality customer. Just to give you an idea, the prices I charge now are around \$400/hour with a 1-hour minimum. That covers me going up and taking the pictures. If they want to order any enlargements from those then that’s extra.

Michael: That sounds like a great business.

Ron: Well, I’ll tell you where it really gets lucrative is when you have 2 or 3 or 4 clients at the same. So now you’re going up for an hour or two and you’ve got 3 or 4 clients paying you \$400-\$500/hour and it’s really worth your time and it’s a lot of fun. I used to be a flight instructor and you make like \$10-\$12/hour and that was a lot of work. And although I enjoyed it, with this you can make a lot, lot more.

Michael: Do you bring someone up with you to do the photography?

Ron: No, that’s something you don’t ever want to do for a couple of reasons. One, in case you ever happen to have an accident or something, you’re opening yourself up to a lot of liabilities. The second reason is most people haven’t flown in light planes. You know, when you take pictures, you don’t do anything dangerous but you have to do a lot of turns and banks and that kind of stuff, and if someone is not used to that, they can start to feeling bad. And the third reason is from a business standpoint, sometimes I would literally take off from the airport, fly for 5, 10 minutes, circle a project maybe 2 or 3 times, be back on the ground 20, 25 minutes later and charge them \$400. You don’t want them to say “that was too easy”.

Michael: Yes, I mean you’re in a plane. It doesn’t take too long, does it. If you know what you’re doing and know where you’re going.

Ron: Right. So let me just keep on with my little journey here. During this time I thought I loved doing this, but I’d always wanted to sell something mail order. I always wanted to develop some kind of an informational product. I was always looking for that and then after a while, and after reading Jay Abraham, Dan Kennedy, it finally struck me, “Hey, I’ve got a niche market right here”. I was a pilot, I

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knew everything about pilots, I know that unless you fly for an airline, you don't make a lot of money, most pilots are interested in finding ways to make extra money doing what they love: Flying. Again I took a survey of what was out there and things hadn't changed – now this was about 1995, ten years later – and people were still selling these same little books that probably cost like \$25, \$35 at the most, booklets I'm calling them, and before they used to be 5th generation copy. Now they're about 9 or 10th generation copy. So it's still the same junk. I thought "I'm going to put together – instead of a booklet – a complete aerial photography course." I wanted stuff in it that I would have wanted when I got started. I started doing that – I made some videos, I talked about cameras and equipment, and ways to do it. I took all my press releases, my sales letters, and my postcards, and packaged it all up. I was pretty sure that there was a market for it just because I know how pilots think, and some of the ads for these \$25, \$35 books that had been in magazines for 10, 15, 20 years, so I knew there was some kind of a market. I just wanted to see if I could take them up to the next step and didn't want to deal with these guys who weren't willing to pay very much because I knew that pilots do have money, some of them may have their own airplane. If they could find a way to do a business and write off some of the expenses that would be great. I put together this course for \$200 to \$300 – I had a standard and a deluxe version.

Michael: It was going to teach someone with their own airplane how to . .

Ron: You didn't need to be a pilot. I just called it the Deluxe Aerial Photography course and the Standard Aerial.

Michael: OK – How to make money with Aerial Photography

Ron: My headline was "How to make \$500 in your spare time taking Aerial Photos." You didn't need to own your own plane or anything. You can go down here and rent a plane and a pilot.

Michael: OK, got you.

Ron: Anyway, the way I started selling that was I did the old model that was very popular at the time – and it still is – by taking out classified ads in some of the trade magazines that go out to pilots, you can take out ads that cost \$25, \$50/month and they're going out to the people you want to meet.

- Michael: Tell me about your first ad. What publication was it, do you remember?
- Ron: It was in a publication called "AOPA": Aircraft Owners and Pilots Association.
- Michael: Was it national?
- Ron: Yes. It has a subscriber rate of around 300,000 and the model I used had two lines: "Earn \$500 taking aerial photos in your spare time. Call this toll-free number for a free special report." They would call that number, they would get a 1 or 2-minute message from me, and then my special report was really about a 12 page sales letter.
- Michael: Did you write it?
- Ron: Yes. By that time I was already doing a lot of marketing, based on, again, being a student of Jay Abraham, Dan Kennedy. After they would receive that, I would have about 4 different follow ups after that.
- Michael: In the mail.
- Ron: Right, the entire thing was mail. It worked out well. It was a small niche market but at the price point I was charging, it didn't take that many sales to make it worthwhile.
- Michael: What were you charging for the course?
- Ron: Back then it was \$200 for the standard, and \$300 for the deluxe. That's something else – I always start adding these little things now that I recommend everyone do. Have a standard and deluxe version. I'll tell you, it just increases the sales of your deluxe so much. Still, today, my price points are higher, \$300 and \$400 now, but probably 90-95% of my sales are for the deluxe.
- Michael: Do you think you're better off with a standard and a deluxe, or three choices?
- Ron: I think three choices are probably better, although it depends in which direction you go. I went down to \$99 and found that that didn't work. I had very few sales. My next step is to go higher. In fact, I'm starting to hold some little boot camps and things now.

Michael: So this was your first niche information product.

Ron: This was my first one.

Michael: And you've been doing this for how many years now?

Ron: Since '95.

Michael: How many publications are you in?

Ron: I'm still only in about 3 or 4, but I'm expanding now to about 5 or 6. Let me just kind of back track a bit, Mike. That was working well. It went well for about a year and a half, two years. By that time, I wasn't getting quite as many sales as things do go. They kind of stabilize. I started adding it all up, and while it was working, it was very labor intensive and expensive to do the marketing. People would call in, I had to have the toll free number, and I had the leads transcribed.

Michael: And you were doing everything.

Ron: Even though I was using some outside companies, I was still doing a lot of the manual labor. By the time I added up the manual labor and the cost of the printing and the stamps and postage, and everything else, I decided "this worked, but I think I'm going to stop doing it" because by that time – now we're getting on to the Web – I thought there's a lot of other things that I can do. And I started doing some other Web things. So I just let that go. For about a year or two though, every once in a while, I would get a call. "Hey, I read your ad ... I want to do this." And I'd say "sorry", because by that time I had taken all of my supplies and put them in the garage and everything. I just didn't want to be bothered with it. After probably two years of that, actually about three years of that, it started to dawn on me: I'm having such success on the Web doing some marketing, I know how to make web pages, I know how to do a whole lot of things now. I wonder if I could sell a \$300, \$400 product from a web page without having to do all the manual labor. I'm going to find out. So, basically what I did was I took the sales letter that I used to mail out, set up a web page, and took the same – in fact I said I was going to do this but you know I got involved in a bunch of other things and I never quite got around to it. But, OK, I've got to do this. So I registered a domain name, I took out 2 or 3 classified ads, and I didn't do anything else, except I knew it was

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going to be about two months before the ads came out. I kind of forgot about it. I was going on vacation in a week and though I know these ads are going to come out while I'm gone, I've got to get something out. So, I literally took my old sales letter, threw it up on a web page. I didn't take any time at all to do it, to make corrections. There were mistakes and some of the layout was weird and everything, but the classified ad said, "Earn \$500/hour taking aerial photos. Read report, go to ... and I gave them a website address. That's the only thing I changed. I gave them a simple way to order it from the website. I got it up literally a day before I went out of town. I got back from my trip and I had two orders. I couldn't believe it. My ad cost me about \$50 and I had \$500 in orders.

Michael: It was all automatic.

Ron: I didn't do a thing. I didn't have to mail anything, print anything, pay for an 800 number, nothing. So I thought, "hey, I think there is something there." I took the time then to really do the website, to add some photographs. I have follow ups on it now. In fact, the other wonderful thing – and if you have a website and aren't doing it, you are missing the boat – is to throw up an auto responder so that if people don't buy, they get a pop-up window that says "for a free mini-course, leave your name and e-mail address", and everyday or during the course of the next month or so, they get something automatically – I teach them different things about the aerial photography business, I send them testimonials, ways they can make money. So instead of me having to physically copy, pay for the shipping and remember to send these things out through the mail – it happens automatically.

Michael: The auto-responder. It's incredible.

Ron: It's incredible. You know, what's so funny is I write some – well I try to write them all – but especially some of them where they can't tell if it's coming from me – that I'm writing them an email directly – or coming from the auto-responder.

Michael: Ron, that is the true test of a good auto-responder letter and that happens to me all the time. They respond to you like you just sent them a personal letter.

Ron: It's fun, isn't it?

Michael: It really is.

Ron: In fact, I have one that says, “John, I don’t understand. You subscribed to my free mini-course, I’ve explained to you all about the different parts of aerial photography, I’ve shown you the opportunities that are there, I’ve sent you everything that I know, I encourage you to call me or write me if you have any questions. I’ve been watching for your order and it still hasn’t come in. What is wrong, John? Is there anything else I can do.” That works so well. I get these e-mails back. “Ron, thanks for writing, but I’ve got to tell you no”, and they’ll tell me why they don’t think they can do it now, which gives me the opportunity to sell them, or they tell me that they’ve lost their job or their dog died, or something. But it’s great. It keeps the correspondence going.

Michael: It is fantastic. I agree. Ron, I’m at your website. I’m looking at it and absolutely one very important thing is you capture – you give them an opportunity for a free mini-course and you capture that person’s name and e-mail address and then you’re able to communicate with them. How long of an auto-responder sequence have you set up on this?

Ron: You know, I get these ones – the other day I got one for a year – some day I’ll do that. I’m probably up to about 12. To make a long story short on this, I’m selling at least as many months more courses than I was with about 15% of the expense I used to have and 50% of the work I used to have, selling as many courses or more as I used to doing the old manual way.

Michael: Can I ask you, how many dollars worth of courses have you sold since you started this?

Ron: I don’t want to go into details, but it has been at least \$100,000.

Michael: 100 – that’s wonderful. That’s great. OK, so this is your first baby and it’s an ongoing project and something that you’re passionate about. That’s great. That’s been going on for almost 15 years?

Ron: Well, from the time I started taking aerial photos to the time I started selling the course, yes, then the time period has been 15 years. I’m about ready to take the next step but I haven’t just because of time . . . I sent an e-mail to my customers and said I’m thinking of having some live in-house aerial photography kind of like a boot camp. Even if they are already doing well – and I know quite a lot of these students have because the tell me – I know some of

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them just want that boot camp hands on experience. I sent one out about a month ago just to test the waters and I got quite a number who have said they would be willing to spend \$1000 or \$2000 to come and spend a day or two doing this. So I think in the near future I will start to do that also.

Michael: That's great. So, since you have this pretty much on auto-pilot, you were exploring other internet marketing type ventures and what led you up to this Business Fast Lane website?

Ron: Well the two things that I've learned, and I've always loved reading how other people are doing. I love reading their stories, how they became successful, mistakes and successful things they did. I used to subscribe to a newsletter – do you remember George Haylings? For over 50 years he sent out newsletters to people telling unusual ways people were making money. I subscribed to his newsletter.

Michael: How do you spell his last name?

Ron: HAYLINGS. He's about 90 years old now and he stopped doing it about 5 years ago. I learned from him, and just in my own interest reading success stories of what other people were doing. That's how I got started doing aerial photography. I realized that if that guy can do it, I'll learn from him and I can do it, too. When I set up my own informational product, I modeled what Jeff Paul was doing, what Dan Kennedy was doing. I followed what they were doing, I knew I didn't have to reinvent the wheel, I applied it to what I wanted to do – use it in my own niche. So, I'm a big fan of that. You don't have to come up with a million dollar invention. I developed a paid newsletter and I started – it was the same thing based on the old newsletter by George Haylings – to research unusual ways people were making money. I did that for about a year and half – started doing that but I didn't do a lot of advertising with it. I was still kind of testing the waters. I got up to where I had maybe three or four hundred subscribers. I enjoyed doing the paid newsletter, but again, I started running into this problem of this is a lot of work. I didn't have enough volume to be able to have someone else do a lot of the manual labor. I loved writing the stories, researching them, and things, but it was a lot of manual labor.

Michael: How much were you selling a paid subscription for?

Ron: Anywhere from \$97 to \$197. After doing that a while – I thought there has to be a better way. I'm a student. Part of the reason I do this is that I learn from other people. I started reading about these paid membership sites. Up until a few years ago, everyone thought the model to making a million dollars on the internet was to come up with some crazy idea, get other people to fund you, don't worry about making a profit, give everything away and somehow you're going to make all your money through advertising. We all know that didn't work. That's why all the big companies are out of business now – that's what they were trying to do.

I read a story. Monique, she had a free online newsletter just like everyone else was doing and selling some products and she was doing all right, but eventually thought "I wonder if people would pay for this, would pay for what I'm offering. She had – I don't remember exactly what she sold, but it was something like she had a private membership site where you had to have a password and once you got on it you had access to all these resources for people who would write articles and things and she had resources for where you could get published. That was her paid membership site. She started doing this, did a lot of trial and error, and within a while – I don't remember the exact numbers but she had 1000 people paying \$10, \$15 a month.

Michael: That's not bad.

Ron: No, that's not bad at all. Again, I'm a student of these things I learn. I joke that if I had to survive on my own originality I would starve because I'm not good at coming up with my own new ideas but I'm pretty good at taking what people are doing. So if I wonder if I can convert my paid written newsletter that I mail out to a website. That's kind of a horror story because the idea is simple but making it work is very complex. The reason it is complex is to have a membership site where people are willing to pay money and to keep track . . . again, you want this to be on auto-pilot and in order to do that it takes some very sophisticated software. At the time it was like \$7000, \$10,000. I didn't want to invest in that because I didn't even know if it would work. So I started doing it myself and you start bringing in all these other companies like iBill and ClickBank, and there's all these different companies who do provide some good services in that they will take care of all the billing for you, they'll assign the passwords, they'll do a lot of the stuff, which is really great. It frees you from doing all that. Well, at first I didn't do that. Talk about manual labor. Someone would sign

up, you'd have to come up with their password, look it up, send it back to them, every time I wanted to change the website because you have to keep fresh content on it, I'd have to make a new web page and things. It was a lot of work. Frankly, it took me about a year to realize that I liked the concept – it's great doing it on line, but it's too much work. There's too many pitfalls unless you have the right software. If you don't keep a lot of this stuff in-house, like you start using some of these other companies – let's say you use one of these companies who take care of the enrollment for you, the passwords, when it's time to re-bill them when it's time to renew, that's great. But let's say that their customer service starts going downhill. One company I started with was great for six months; they were bought out by someone else. You are almost literally locked in to them. You have no control. And what's even worse, let's say that you work really hard on getting a membership site going and the most wonderful thing about it is the recurring billing. It's the stability of a job without having a job. You get that constant income. And you know, nowadays, it's probably better than a job. The problem is, let's say you work real hard. You've got a thousand people paying you \$15 a month, so you're making \$15,000 a month. All of a sudden that third party service you use to take care of the accounting, the billing, everything – they go bust, they change their service, you don't want to use them anymore. Guess what? You have a lot of your customer information, but you don't have credit card numbers. So, if you wanted to change and you sent an e-mail out to your customers, you would literally be saying I'm having a change here, can you please re-subscribe.

Michael: You'd never get it.

Ron: You're lucky to get 20% of those people to sign up. So I started running a membership site – which I'll talk a little bit more about in a minute – on the Business Fast Lane website, basically what I do is research unusual ways people are making money, unusual marketing methods, and success stories. I find these and I write about them. I tell how it's done, I give some of my personal insights on how I think it can be expanded, how it can be applied to other things, that type of thing. That's what I do on my site.

Michael: How many different ideas are on you site right now?

Ron: Over 250 case studies or articles and things right now.

Michael: Do you do all the writing for them yourself?

- Ron: Most of them. I do have a section that I call my “expert section” where I have a few other people on there.
- Michael: That’s a lot of work, too – what you put into it. The writing, the editing and all that.
- Ron: Yes, it’s work, but it’s really not a lot of work because if you have the right software – which I’ll talk about more in a few minutes – it’s really just finding stories. How do I find the stories? It’s kind of like when you buy a new car, all of a sudden you see that same car all over the road. You develop a mindset. Same thing with this. I’m always going to look out for these stories anyway. Any time I find one, I copy it, put it in file. So it really does not take up a lot of work and I’ve become a fair writer now so I doesn’t take me very long when I do these stories. I condense them, do some rewriting and then I add my own, but it isn’t like writing each article from scratch. What this research has done is it has helped me to find all kinds of unusual ways people are making money, and marketing methods, and things, which I help my members to use. And I use them myself. I’m constantly running into a new tool or new marketing method, or new way to generate publicity – lots of things that I’m learning from people that I write about which I also apply.
- Michael: Isn’t it wonderful to be able to do this and never to waste a minute because all the work you’re doing is just like a treasure hunt. And you’re learning something every time. When I do these interviews, I am learning from you just as if I wasn’t working and I would pick your brain. It’s fun, isn’t it?
- Ron: It’s terrific. One of my old friends and mentor – people call him a guru. He says, “No, I’m not a guru, I’m a student. I just learn all the time.” And that’s the way that I feel, too.
- Michael: You told me when you first started you were having all kinds of problems with the management of this site. How did you solve those problems and is it streamlined now?
- Ron: Yes, I had two choices at the time. It was getting to the point where I was either going to pack it in and stop doing it, or I was going to say “OK, I know this works. I know I want to do it and go to the next level.” I decided to keep it up and the next level was to invest in having my own software developed that would take care of everything. Based on all my frustrations in trying to run a

membership site for over a year, and really getting to the point where I was literally spending so much time doing the maintenance and administration that I wasn't doing any marketing. From my original 300 or 400 subscribers it went down, way, way down. I was hardly getting in anyone new. If I could, I'd like to come back to that in a minute.

Michael: Sure.

Ron: And I'll tell you a little bit more about the software.

Michael: Tell me about the research. Can you just give me, without giving away all your secrets, can you tell me one method of ways that you found really interesting money making stories and some of the really cool things that you learned about.

Ron: OK, sure. One I want to re-emphasize from my own experiences, is that one thing that people do wrong is they start selling on line and they think that that's the only way they can do it. And they forget, that just like I'm having success in my revived aerial photography course, don't be afraid to mix offline advertising with online. Because I bet now if I was just trying to sell my aerial photography course doing nothing but internet advertising and spending all day with the search engines and trying to figure out what they're doing and trying to get more traffic, I'd have a fraction of my sales. So if you've got a website, don't be afraid to try magazines and postcards, because nowadays people will come to a website. If you tell them to come to a website for a special report or to learn more, they will come.

Michael: And not only that. I'm just thinking so many people have offline businesses that would never even go to an online business and you could contact them and license the right market their product exclusively on line.

Ron: Oh, yes. Very, very few people know how to market online. They don't realize the things that you and I know. Like set up your website, find a way to capture a name, put them on an auto responder, make them a special offer. All these things will increase their offline sales; and if you do have a website, look for ways offline. Some of my favorite stories or ideas are things like I love free and low cost publicity, free and low cost marketing. That's just one of my passions because it's something that I always try to do, and while I haven't had super success like some of the people I

researched do, I still love it and it just shows you what's out there. My friend, Mike van Norton, is a publicity genius. Here's his story to show what is capable. Several years ago, there was a big debate in Dallas over renaming their football stadium. As you probably know, people in Dallas are huge football fans and they love the Cowboys. At that time, their old coach, Tom Landry, had just passed away. There was a big debate in the state on whether they should rename the stadium after him. That wouldn't be huge news here in California, but in Texas it was big news. My friend Mike, and a friend of his, quickly registered a name—tomlandrystadium.com—and set up a petition on the site and people could vote yes or no, whether to rename the stadium. He wrote a press release in about ten minutes, faxed it out to all the major radio, television and newspapers around Texas. Within hours, they were picked up on radio stations; they started appearing in newspapers, on all the local television stations, even on ESPN. They ended up getting millions of people to see their site. Within about 2 weeks, they ended up with 70,000 people who came to their site to vote. Of that 70,000, actually there were beyond 70,000, 50,000 or 60,000 subscribed for free offers. So within two weeks, he went from nothing – a website that didn't even exist – to having millions of dollars in publicity to creating a mailing list of 70,000 people all within as little as three weeks.

Michael: That's exciting. Did he put the list on the rental market?

Ron: I don't know what he did after that but they made quite a bit of money for a long time just e-mailing people offers from them.

Michael: That's exciting. The power of the media; it is amazing. If you use your creativity and you piggyback on a hot story, you can do that. Did you get my CD-ROM? Did you listen to any of the stuff on PR?

Ron: I listened to quite a bit. I don't know if . . . go ahead.

Michael: The PR Doctor. We talked about that. He was pretty sharp and a real serious Paul Pertenian(?) student. That was one of the most interesting things I learned from him was the idea of piggybacking on hot stories. It's totally doable.

Ron: Hot stories . . . I've got quite a few stories on that. Right now there's a lot of news about Martha Stewart and her problems. Several people have set up websites now. There's one guy who set one up called savemarttha.com. I think this is great what he's

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done. I don't know if he's a fan or not, but he really came up with a great idea. For every big celebrity that's in the media that's getting raked over the coals every night, most have a large fan base. Same thing with Martha Stewart.

Michael: I think I've heard about that on CNN – saveMartha.

Ron: He set up a site. He's got stories about her. Why it's unfair what they're doing. He has a discussion board on there. He's got different things and if you're a Martha Stewart fan, that's where you want to go. You can get caps, t-shirts, and hats that say "save Martha". And like you said, he's been on all the media, he's generating tons of traffic, lots of sales. To show you how that can be done on a smaller scale, one of my members of the www.businessfastlane.com took this idea about free publicity in a way that I thought was very clever. She didn't worry about any national story. She kept looking for a product that she could like. Something she thought was unusual, something she thought would be a good one. She found a product in a catalog – some kind of little whistle, it was supposed to be a very loud whistle – to give to her mom because her mom was getting up in age and she thought if her mom ever fell or there was a crime in that area ... and her mom lived alone, that if she had a whistle it would be a good thing. What she did was she actually bought it and liked it and she followed just the way we explained how to do it in some of the articles on the website: contact the manufacturer, ask if you could buy them wholesale or be a distributor – 99% of the time they say sure – and wrote a press release and she started mailing it out. The way she did the press release is that she wrote it so all the sales would come through her. She started getting some write-ups in newspapers but she got her big break when she was contacted by *Parade Magazine*. That's the one that comes once a week on Sundays and it goes out to something like 28 million people. She got this brief write up in there, and to make a long story short, over the next 90 days she got something like \$40 or \$50 thousand in sales just from that. That was a couple of years ago, and when I talked to her she said she still gets sales from that.

Michael: There's no doubt. I mean one little ad in *Parade* or one of the big national *Good Housekeeping* magazines can make you hundreds of thousands of dollars. And she's talking about a little whistle, she's probably only making 50% markup on it. That may sell for \$7 or \$12.

- Ron: Yes, and one thing she learned from that after she had that success, we started talking and I said sell something that you get a higher price point and something you'd have repeat sales. So that's what she's done now. She's had some other successes doing the same thing with some other products.
- Michael: That's great. I think that's really important. On my site, about the most inexpensive thing I sell is around \$300. It's such a pleasure to sell something for \$300 and pocket \$250 or almost \$300 if it's my own information product or split it with someone rather than dealing with 10 other customers for products worth \$30. Because you and I both know your time is the most valuable thing. Dealing with 10 people is a lot more time-consuming – there's 10 more problems, there's 10 more e-mails – it's 10 times more time out of your life. You know who really hits this home, and I'm sure you've heard this, is Bill Myers. I think he's influenced my way of thinking about how to set your life style up and value your time when you're choosing a product or business.
- Ron: Yes, very, very much so. Isn't it funny, Mike – have you ever run across this? Seems like the more money people spend the nicer they are.
- Michael: Absolutely.
- Ron: You sell something for \$5 and they'll expect the world and demand a refund. It's just amazing sometimes. Sometimes you have to shake your head.
- Michael: Do you listen to Jim Rohn? You know, Jim Rohn and his weekend seminar. He talks about it. Can you give us the secret one idea of how you do research in finding really cool stories?
- Ron: Google has something. Google.com, the big search engine, they have a service to know when articles are written on a certain topic. You can type in the topic and they will let you know that.
- Michael: Wow, that's great! That's like a clipping service.
- Ron: Yes, it is. Think of it. Clipping services, which used to cost so much money . . .

- Michael: Well, Burrelle ... I have an interview on my CD with a sales rep from Burrelle's clipping service. It's \$3000/year. And Google will do that for you for free.
- Ron: Google will do it and there's a couple other companies. Look up on-line clippings. Just do a search and you'll find others. You'll find some that are very reasonable - \$10, \$15, \$20 a month.
- Michael: Ron, that one idea has just been worth the whole conversation.
- Ron: I'm glad because one of the terrific things about the information age is being able to research information quickly and easily.
- Michael: So you find interesting stories, and then you add to them, and then you put them on your site. For people who want to save the hassle of doing that they can just go to your site. Before we talk about your site, let's get back to some of the problems you were having – which you explained – and you decided you needed to solve these problems if you were going to continue with this membership site. You designed your own software. Did you hire someone to do it for you?
- Ron: Yes. I'm a fairly technical person when it comes to setting up websites and I'd say I'm above average because I've done so much, but when it comes to programming, no.
- Michael: How did you find someone to do this?
- Ron: Well, I'll tell you how you can find people to write software for you. There are two services online; one's called elance.com the other one is called QuickLance.com. You put these up for bid. You say, I want to create software that will do this and you explain what you want. I'll just tell you a few cautions. It's a great resource and sometimes it's much less expensive to have software written than you think.
- Michael: Right, you've got people writing them from all over the world who are working for \$200/month rather than \$200/hour.
- Ron: Of course you know you have to use caution. I would always suggest before you hire someone to do any project, have them do something like a \$50 project. Very small and see how they do. The biggest danger in investing in software for which you hire someone – and this is true whether you're having it done by a guy

around the corner or a guy around the world – is the software doesn't work, or they have bad customer service, or they don't get back to you.

Michael: And some other advice would be when you post your project you want to post it privately so the whole world doesn't see.

Ron: Good advice. I certainly recommend that. So, really what I found was I took all the problems I was having and just to name them off quickly . . . I was totally sold on membership sites. I think anyone whether they have a hobby, a niche, if they're a writer, or an author, if they have a name and a certain topic, a membership site or paid subscription site, is something everyone should consider. I just talked a moment ago; you can make a lot of money on the Internet. The big problem is to keep a good cash flow. That's so hard and I know membership sites are the best thing that I've ever done knowing that I've got a steady cash flow coming in – every month a certain drop in, a certain amount join, but it isn't like they are all going to go away at the same time. If you set it up right, and you've got your back up and everything, you reduce the chances of having some kind of a major disaster. Usually running third party companies that again, are good they do have some benefits because they keep you from needing merchant accounts and that type of thing, but you've got to realize that the more third party people you involve, the more potential for problems. Last year at this time I went away on vacation, came back and I had all these emails from people saying, "I tried to enroll and I couldn't. What happened?" I checked with my third party service and they had changed something. So, to enroll you had to do some minor coding thing. But I didn't know it. And they didn't tell me until after it was done. So, for about a week, people were trying to enroll and they couldn't do it. That's the type of thing where you're out murky. The other thing, too, is if you don't set this up right, the membership site can be a full time job just trying to keep new context, keep track of the customers, assigning passwords. I know a few people who are doing it where they only charge once a year. There are a lot of pricing structures that you can use; monthly, quarterly. They're actually doing their subscription through a manual merchant account where they have to punch in the numbers. And instead, if you get the right software, it just happens for you automatically every day.

Michael: So, your software pretty much solves all these problems?

Ron: Yes.

Michael: And it's your proprietary software?

Ron: Yes.

Michael: Have you looked at other membership software out there and nothing comes close?

Ron: Nothing comes close. I did this for two reasons. One, I have some unique things. I wanted to make a membership site better either how to sell more of it or make it easier to use. I did find some, but again, it was very expensive to buy.

Michael: How expensive?

Ron: At that time it was at least \$7,500 to \$20,000.

Michael: What did it cost you to develop yours?

Ron: I don't want to say that. I'll just say this. I put a significant amount of money into it and it's taken me a long time. If you do undertake a software project, especially something of this size, magnitude, there are so many complex issues about it. It's taken me about a year. So, even though I was doing the actual work by having someone else do it, it's taken me about a year. I've been using it myself for about three months now on my site. And it's working great. It's given me time to get out the bugs and things. And within another month, I am going to start to sell this software.

Michael: That's great. I know what the real time consuming thing is, and tell me if I'm right. It's once you see the problems in expressing your ideas and communicating to your software developer what those problems are and then him fixing it and you checking it and it's not right. It's that communication between the two of you.

Ron: Exactly.

Michael: It's brutal. I'm doing it right now with my www.hardtofindad.com site right now. And the guy is across the world. I should just pick up the phone and call him, but you do it by email and emails are time consuming and a lot of effort.

Ron: Exactly. My programmer's around the world, too. And I'll have to say that knowing what I know now, I realize the process could have been 100 times worse. Fortunately I did get some good help; they are good. They read my mind more times than not when I'm trying to express something to them again. It's never been by phone. It's all through email. But, yes, it's very time consuming. When they do something a certain way and I say no, no, I didn't want that. You take all the time to explain it. They get a day and they have to email back. Plus I'm kind of a perfectionist. I keeping finding little tweaks and little changes that I want to make to make it better. It's kind of an ongoing thing.

Michael: Of course, it's always going to be ongoing. That's great. So, what is someone going to find inside Business Fast Lane?

Ron: On the Business Fast Lane what I try to do is have a wide variety of things. You are smarter, I think, to have a membership site on a sub-niche topic. Just go on the basic surface level. Yet you're always better to find a sub-topic and dig deep on that topic. That's where you're going to make the most money.

Michael: So, what's your sub-topic?

Ron: That's what I'm saying. Mine is basically unusual ways people are making money.

Michael: What you are saying is you would niche more next time.

Ron: Definitely. In a way it's good and in a way it's bad. Someone comes to the site and becomes a member; they can read stories on people that have made millions of dollars online to making an extra hundred dollars a week online. Not just online, I have businesses where people start a business and don't know what a computer is. They have a few hundred dollars to a million dollars per year without touching a computer. People who have invented things, unusual marketing ideas you can use for your own projects and stories about kids that are making a lot of money.

Michael: Kid entrepreneurs.

Ron: Yes, kid entrepreneurs. People over 80 years old that are making a lot of money. I have some that are maybe not making a huge amount of money, but the story is still inspirational. By the time you get through reading it, that's great. Gives you the power to want to

do things. And every time I do this, I try to add a lot of my own things to it where you can see the actual web sites of people with other ideas of how this can be done. Or if it's being done somewhere across the country from you, how you might be able to do it your own area. I also have a lot of resources on there. Here's one if you haven't heard, www.cafepress.com. You can literally set up your own online store for almost no money. It's used to be free, but now it maybe some little nominal amount of money. But they will print t-shirts, coffee mugs, bumper stickers plus a zillion other little things with your logo, your saying; almost anything you want on it. It takes you a few minutes to set up the site with the pictures. They'll do the ordering, absolutely everything. They're going to charge you more money for each one than if you just went to a local store.

Michael: If I wanted to do t-shirts and mugs and stuff for www.hardtfindseminars.com, they'll do everything and I get to link a page from my site to all the products I have?

Ron: Yes.

Michael: That's a great idea.

Ron: It is great. Let's take our topic of publicity for current events. This is such a fantastic age. I look back ten years ago and how we used to do this. It was so much harder. You can find a current topic, set up a site, send out a press release and in a matter of hours or days have people come to your site and they can have a whole product line on there.

Michael: That is exciting. That really is. You just look in the newspaper and see what hot topics. It's like Save Martha. You could have a web site Save Martha dot com and have products instantly ready to sell.

Ron: Just what this guy did. That's my big mantra. You don't have to reinvent the wheel.

Michael: All you need is one good idea.

Ron: One good idea and the way to find that is to either the research yourself or join a site like mine where you're constantly getting a steady flow of new ideas; what other people are doing. I stay away from all multi-level marketing, scams, chain letters. I just want real stuff on there and that's what I've done. I know someone is doing it out there somewhere.

Michael: I'm at the Cafepress site. This is wonderful. I'm going to check this out.

Ron: You should. It's great.

Michael: Tell me this. How much is access to your site?

Ron: It's \$17 a month. You can cancel any time you want.

Michael: How are you doing now? How many members do you have now?

Ron: Well, I don't give numbers, but I can say that since I've changed over to my new site, the membership has at least doubled if not more. It's probably gone up to three times.

Michael: What's your favorite way in promoting this site?

Ron: My favorite way is joint venture. For doing almost anything, it's the quickest, fastest way that you can increase your sales to a membership site or your sales period. All you need to do is if you have a quality product, as you know, just find people who are already dealing with the customers, the prospects, which you want to go after, offer to do a joint venture.

Michael: Can you give me an example of one successful joint venture that you did to help promote your site?

Ron: Yes. I did one with a person who had mailing list. But he just put a little blurb in it and I got something like 50 new subscribers over night.

Michael: Fifty of them?

Ron: Yes.

Michael: Fifty. So, you called him on the phone and you introduced yourself. You said my name is Ron Ruiz. I have a web site Business Fast Lane and I'm selling something that is similar. Would you like to do a deal? Is that basically what you did?

Ron: In this case I didn't even have to because we had corresponded over the years. Here's another guy. I love the Internet. This guy lives in Australia. So, I just told him what I was doing and asked him

if he wanted to offer to his list and he said sure. Give him my 50% of the membership as long as they renew and my software takes care of all the billing and keeps track of all the numbers.

Michael: That's great. There's an advantage to a membership site. Is it true that when people sign up and because you have their payment information and many people are too lazy to unsubscribe, is that one of the benefits of a membership site?

Ron: Amen. When I was using the old way and trying to sell using a third party service, back then I was testing constantly. And that what's nice about having your own software because I can test any price point. I can test any trial period. I charge however much I want whether it's every day or by the year. But back then I couldn't. And so I was always trying to test. And one price I had was \$25 a month. And when I changed over to my new system, I decided to drop it down to \$17. Some of these people have been paying me \$25 a month for a long. So, I wanted to be fair to them. So, I sent them out two email telling them I appreciated them being customer. Now you can subscribe for less money. And I still have five or six people paying me \$25 a month. This has been going on for two years now. Once you get people on, that is one of the advantages. I'm that way. I subscribe to a bunch of them myself because I learned something from them. And many times I said it's a good service but I don't know if I want to keep doing it and I don't think about it again.

Michael: With your own research, what's the average amount of time you can keep a subscriber? Have you come up with an average?

Ron: I've heard people say three months. I found that I'm doing a lot better than that now. I can't say that for sure because it has only been three months now. But I can tell you this. I'm getting a much better feedback from people now than I was before. So, I'm very encouraged. A lot of time when you do joint ventures, sometimes the quality of the people coming they may not stay as long. Some people have told me on their joint ventures they've done like 70% drop out after the first month. My experience is substantially lower than this, much, much, much lower. So, I'm encouraged by that. Until I did a membership site, I was 100% sold on selling expensive products. And I still sold a lot of them. But on the membership site, I decided to take a whole different tact. I want the ability and I want the cash flow that comes with large numbers. And that's why, in fact, for a while before, I was selling my membership at \$197 a year

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and I'd have like a standard and a select. And I'll probably do that again. But for now, I'm just trying to build up massive numbers of members to get the cash flow. If you aren't used to people buying something from you and then they drop out a week later, you start taking it personally. And with something like this, you just can't do it.

Michael: Are your customers receiving a monthly statement from you?

Ron: No. I don't want to do that; remind them.

Michael: How often do they hear from you and does that keep you from contacting them because you're afraid that once they're reminded, they may drop out?

Ron: I want to build the business on quality. And besides quality, as you know, the \$15, \$17 or \$25 a month or \$300 a quarter or however much you're charging them, really what you're getting is a well-qualified customer. So, yes, I contact these people often and offer to sell some other things. Yes, every time you send something out to your people, I do it about once a week, every two weeks. I send them out an email. I'm putting three or four new stories, case studies, on every week on the site. And so I know every time I do it, I run the risk of some people saying, "Oh, yeah, that's that thing I don't ever go to. So, I think I'll cancel it." And that does happen. But you're just developing a customer and I try to make them some kind of an offer, too.

Michael: Let's say you're there. It's your site. I go online. Let's talk about how streamlined this is now, when it once wasn't. So, I go online. I fill the form out. What do you have to do once I fill that form out with my credit card all that? There's not a thing you have to do, is there?

Ron: Nothing.

Michael: You get an email that I've joined, right?

Ron: Exactly right. And you are re-billed every month or whatever time period. It's all automatic. If something happened to your credit card where it has expired or something, you get an email saying your membership is about to expire and if you don't give us a new credit card then you will not have access.

Michael: Are you doing all the credit card processing in-house?

Ron: Yes. And that's another thing I learned. Don't use a third party. I do it all myself. On my merchant service I get two emails; one saying a new customer has signed up and another from my merchant server saying that the credit card has been charged. I have integrated my software with one of the two bigger named merchant accounts out there. And I've got at least one person who is a representative of one of the companies. And they can set you up with your merchant account. He says he gets success about 99% of the time where it's no money up front.

Michael: Do you offer a discount if someone signs up for a year?

Ron: I have done that in the past. Basically what I have done for my subscribers who stuck with me throughout this entire time, I offer them a discount. I will be offering a discount for people who want to subscribe for a year. But I have not done it yet.

Michael: This has been a great talk. I've learned a ton. I think you have given some great information. This is fantastic.

Ron: Good. I enjoyed it.

Michael: I want to thank you for listening to www.hardtfindseminars.com. If you want to get in touch with any of the people we interview, please contact Michael at www.hardtfindseminars.com by email. You can email Michael@MichaelSenoff.com or you can call (858) 274-7851.

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