

Living Legends Formula

With

Dan Kennedy

Questions & Answers Session

Nick: Cool. Who has the first question for Dan? Gerald, here you go man.

Guest: My question is, how are you capturing and measuring it, analyzing your profit? I'm thinking, and please talk us about different examples as possible. I'm thinking about the example you use about the guy that wears the black type hoody every year. How can you measure or analyze ...

Dan: Not very hard at all. You just have to be willing to do it. In his case, what helps make it simple, and he hasn't done enough in two years. As I said, he's basically now semi-retired, but he did it for twenty. You really, in his case, only have one marketing event. Let's say you have 300 people at it, you know what it cost you to do it. It has a total cost.

He was very good at getting a sponsor, so he mitigated his cost by about half every year. He's got a cost number. For the sake of conversation, let's say it's \$100,000. I'm hoping it's pretty well. I can't imagine spending on it. Let's say it's \$100,000.

Now, during the course of the year, X number of clients come who are referred by the people who are in that row, right? They are worth \$400,000 in total. Spend a hundred? Not 400, all right? Now, he has one of the drop list, so there's post cards. If goes to Athens, everybody gets a postcard that looks like it was semi-personal. There are some other costs. You could track all those costs against that.

You could also track each person because, obviously, some people refer for, some people eat the lasagna and never refer anybody. You could track their productivity by quantity, deciding who you want to invite and who you don't want to invite again.

Some people are going to refer in differential value, so I might refer six, you might refer one, but you refer a guy who just started \$100 million read and hire in summers for 20 days of work and my people are all cheap. You want to track that too.

As a general point about tracking in marketing, most people fail to do that kind of tracking. The differential values, tracking all the way through to the end. The mistakes often made with media. It's okay. My magazine ad produce 100 customers and cost X. My mailing only produce 50 and X times two. I'm not going to mail anymore and I'm going to do the magazine ad. You've got to track all the way through to what they bought, how much they spent, did they buy the second time; if there's retention involved, what's the retention look like. If there's a sanction involved, what percentage ascended? In your field or the field you're thinking about playing. My client there, most other things, we sort of revamp his free preview.

Like many get-rich-in-real-estate folks, there'll be three brief free previews in the 40 years... Leading up to a weekend, at the weekend the higher price pay you sold and a higher price, so you know the map, right?

Nobody in that industry does qualitative analysis. They only do quantitative analysis. Financial adviser communities almost as bad about those seminars, it's like how much would it cost us to put a butt on the seat? Wait a minute, all butts are not created equal. Even if they were created equal, by the time they reach 52, they're not equal. We've got to look at qualitative analysis, not just quantitative analysis. What happens if we spend twice as much but we triple the average investable assets value of somebody in the room? What happens in my real estate guys case if we spend twice as much but we now have 30% by the \$30,000 coaching program and 10% buy-in in 3,000 and the other way it was flip flopped? You've got to track all the way through to customer value not just the raw numbers on the front.

Guest: Let me add. It is a painful experience to do all the tracking. We found somebody that I would highly recommend you find somebody to do the tracking for you because it makes so much difference in where you spend your dollar once you found out it is working or it's not working, and you do not know unless you track.

In our case, we track not only all of you in terms of when you come in the door, but then what happens afterwards because we talk about the quality of the client, whether they're going to stick, whether they're going to be a part of your group, ongoing thing. It's just so important to know all about your leads. Also, it's important to know about your clients too.

Dan: If I may, so two other things, direct marketing boils down to two things, behavioral psych and math. That's what direct

marketing is. It's behavioral psychology and it's math, and the behavioral psych part is a hell of a lot more fun. The richest clients I've ever had know their math, and they work at it and they invest in knowing it and they're really good at it and they can't be easily stumped.

I have a client in the dental field, Jay Gyre, with the company called Scheduling Institute, wonderful business. Jade's team come twice a year and they're a pleasure to have for two reasons. One, somehow Jade manages to entirely staff his company with smart and incredibly good-looking young women.

Now, how he manages this combination, I don't know. My stock in the neighborhood goes up every time they come visit because there's eight Charlie's Angels coming in the door. They're a pleasure to be which is because I got to look at somebody all day, might as well look at them, right? A lot of my clients are ugly.

Secondly, they come to Cleveland. Here's their modus operandi for a consulting day—in addition to all the prep they've done leading up to it, they come in a day early, lock themselves in a hotel room and basically quiz each other to get prepared for everything they want to talk about with me during the day and they flatten out their numbers. Then they stay the day afterwards, lock themselves back in the hotel room and work on what we talked about during the day.

The math is critically important. Really, the only thing that can't be accurately tracked is when you do an intense multi-

step, multimedia campaign in a short period of time. If you look like at the seminar world which you're familiar with. If you look at our super conference and there's four postcards and nine emails and teleseminar, and it all happened in seven days and it all overlap, very hard to point the one postcard, okay? Even if you did track separately the data skewed, this people usually reference the thing they saw last, but really it all made a contribution.

Other than that situation, really, everything is trackable if somebody determines to track.

Guest: I'm going to ask you to make an illustration because I think it will be helpful. Tell us what your process is to prepare for creating a course like this. I know it's probably some of your book process and putting other book. This is stages you take to create the outlines and everything else.

Dan: Outlines gives me too much credit. Most of the time, there's a lead time There's months between the time that I've agreed to do X and I'm actually doing X. They will start with a box that says, Mondex, Florida legend, and things will get, and things will get thrown in the box, same as you just pointed out the book, same with most productization or customized seminars.

Guest: Other media.

Dan: Yeah, I see some. When fly in here I read the Wall Street Journal, which I no longer read every day. I read the Wall Street Journal throughout six things. Two of them are for clients. This will be, "Go to Vicky. Send this to Billy Bob,"

right? Four of them are for four different things that will go in four different boxes when I get home and they'll accumulate in that box.

Now, the next stage will be actually like preparing. Now, I will take the box and I will dump it out and I will make stocks of items that go together. They will then literally, in many cases, they'll write that thing. I'll say the book writes itself.

Generally speaking, a book with 20 stocks. If I got a 20 stocks, I can now sit down and write the book, and it really is writing itself. It may leave a hole. I need an example to support this point and I either got to go find it or somebody else has got to go fetch it.

There's also, of course, a big bank of content that pre-exist whatever the current thing is. There's not a lot of replication in here, but still there's ... I use the Warren example. The Warren example has been used somewhere else. It's in another product. I will review my content swipe files much the same as a copywriter would review his advertising swipe file.

Ultimately, I want to sit down with stocks that now literally write for me. For a presentation like this, I never script it, I write only the slides. For a book obviously, you write the whole thing out. Sometimes there's a research, so I will assign a research task to somebody and have them go do it and add things to my stocks.

Guest: Large to think about putting different projects together. I know that you follow a system with clips on a dial about

different things that you talk about. When I first heard about it, I thought, "That is very helpful to know that you could place certain things and go back to them all the time." Could you address that?

Dan: Yeah. You don't need that actually. That phrase is Hilbert's, by the way. Hilbert was a little loser about it, but it does demonstrate the point. I don't know at hurricane and all the other seminars. Were we doing a hot seat hurricane?

Guest: Yeah.

Dan: Okay. If you went to one of these Hilbert seminars, so Gary, me, John Carlton, if you know John's name, a copywriter, Jayce Ravel, who created entrepreneur magazine, there's this merry band of 20 or 25 misfits from the island of misfit marketers all gathered. If Hilbert was going to do a hot seat for you in your real estate deal, he would put different ones of us on stage with him than if he was going to do a hot seat for you about how to become Oprah or El Cartel or hot seat for you on that.

Carlton and I wrap there a lot. There'll be eight people on stools and Hilbert had a big all-easy chair and all this facing the audience. Now, you would stand literally with your back to us and tell the audience your quick story, who you are, what you do, whatever, and what your question issue project task is fine.

The very first one of this I'm at, I'm sitting on a stool next to John Carlton. If you don't know John, you should Google him. I don't know Gary real well. I know more of Gary than I

know Gary. It's like the first or second parts that we're out there telling their thing. I look over and Hilbert is snoring. He got his eyes closed. He's snoring. I lean over to Carlton and I go, "I think he's asleep." Carl goes, "He probably is. Don't worry about him." Hilbert is sitting there all time; he's got his cap pulled over his head... He's got his mic on!

The guy finishes. I don't remember what the thing was anymore, it doesn't matter. He shoots himself awake like a wet dog, and he stands up and he goes over to the east and he says, "Here's what I think you ought to do," he puts his head lying, puts a couple of fill in the blanks here, "What do you think Carlton?" and he said something, he puts up, and then in five minutes the guy has got the whole framework of first market campaign and off he goes. This was the most amazing thing I've ever seen.

I want to try and ask him. "What the hell?" he says, "People gave me way too much crap." He says, "I got about 16,000 clicks on the dial," he said, "They all work." I just get up. If I heard anything, I spin the dial in my head and whenever it stops, "That's what we prescribe."

This will interest you. I was part of a human potential personal development/get rich program that follow Dare to be Great, which is history you won't know, but you should. It's star. We did what was called Spin the Tape. It's a miracle demonstration, by the way.

The course itself was 720 hours on audio tapes. There's 720 audio tapes in this course. It brings somebody on the audience and they have a question and issue. A lot of it,

personal stuff, that's twice somewhat years ago, almost every one of the women entrepreneurs was my husband will support me. That was the number one theme of the female gender. They would come up with their thing. James would go, "Pick a tape." Seven hundred twenty cassettes stuck up on the table in little slop. Pick a tape. Everything on them, open the tape, pick a card, and she goes, "Pick a tape." The tape player hooked up to the big Guest, press fast forward and says, "Says stop whenever you want." It's like the "pick a card trick" for the cassette, right?

If I say stop, it stops. He says, "In the next three minutes," push play and we all listen to the tape. That was one after the other. It doesn't matter what tapes you pick and it doesn't matter where it stops. The answer is actually right because they're broad. The questions are broad. It's magic, all right? People are just dumbstruck. It's like a sidekick reading but it's done with more drama. They are dumbstruck. This is fabulous. Hilbert was right. We all really only have, I have more clicks. I'll claim more clicks than he had.

Still, there's a limited dial, right? Really, when you're presented with ... If it's a marketing problem, if it's a finance problem, there's a limited number of ... Right, you can cut cost, you can increase the number of transactions, you can increase the frequency of transaction, and we're done, right? There's only so many clicks on that dial. If you know what your clicks are, a, you can continually identify as soon as a problem is post to you by life, by circumstance, by

client, by an audience member. What thing should that fit in to?

You could take all new information that comes to you and fit it into the partitions of your dial so in an organized way, you are continually growing your knowledge and capability phase rather than acquiring and processing just massive random amounts of information.

Next question. You got the mic.

Guest: Mr. Kennedy, I want to thank you for taking a photo with me, give me your autograph and allowing me to post that picture with notation on Facebook. The notation I put in, that applies to you I put with Mr. Dan Kennedy, marketing guru and legend.

As soon as I posted that, I got a friend of mine, his name is John, send me back an email and he wants to ask a question. Now while I have about a hundred questions asked you, if I don't throw his question to you, I'm not going to get my money. I won the Super Bowl bet, so I've got to get my money. That being the case, I'm going to ask the question.

Basically, he asked, if ...

Dan: You bet the team or the over?

Guest: He bet on the over. Given what you are today, and if you have to repeat it all over again, I'm trying to rephrase this question. You have to repeat it all over again. Given what you note today, and you can even include today's

technology, what would you do differently, if anything, in order to bring you to today?

Dan: It's a very common question.

Guest: All right. We'll tell him that.

Dan: Yeah, but at least it's a good question. The more common, really, dumb question is like what one thing would you, because I get that a lot. This is common but it's an okay question. It's a good question.

The answer is hardly anything differently just faster, okay? The better version of the question is what wouldn't you do? A few blind alleys not pursued, a few mistakes not made would be more significant than doing anything differently because as arrogant as this sounds, I'm pretty pleased with what I did and have done and do, and I'm pretty pleased with the level of effectiveness that it provided. Not a lot different. Specific to the kind of the on the line portion of the question, I wouldn't do a lot. I would have it used for me just as I have at use for me. I still wouldn't touch it.

What it has done, its greatest virtue is it has made it easier for somebody to find you initially from a mention. Mentions now, like you just did, you posted a photograph and you said, "Here I am with Dan Kennedy, marketing legend and guru," okay, when I ... In the first 20 years of my career, if somebody saw that somehow, so you wouldn't have posted it there, but let's save you out of it and put it somewhere. For them now to immediately almost impulsively come to me and take a look, not possible. Maybe going to a

bookstore and maybe there's a book there by this guy. They've got to call you or write to you or fax you, finally ... I mean for ten years, we didn't fax, and ask you how do I get in touch with this.

Now, they can see that and they say, "Gee, that's a pretty smart guy. I never heard of this Kennedy guy. I'll type it in and see what the hell he's all about," right? That's the best thing of all. It has the effect. The reason you don't see an infomercial now - You see very little intellectual property infomercial, is because the bleed off effect takes too much of the money away from the primary sale. The bleed off for the personal power one was on was literally the bookstore. Somebody had to watch the show, be interested and say, "Gee, I'm really interested in that, but I don't want to spend \$399. The next time I'm at Barnes & Noble, I'll see if the guys got a book." That's the whole bleed. The bleed now is while he's watching the show, he says, "What the hell, I'll type in Tony Robbins and see what there is."

There's 500 hours of free video on YouTube, there's Amazon, there's eBay, so the bleed is horrendous, right, good for Tony, bad for middle man, bad for publisher, bad for production company, bad for everybody in the middle. None of that would really change much of what I did. I don't think that's ... It's probably not the answer your buddy was hoping for that there were some remarkable piece of wisdom gathered from experience, but it is ...

Guest: What wouldn't you do?

Dan: What wouldn't I do? This is a two sides of coin. I would not have taken as much off the table as early as I did, and I would have bought more customers even at rising prices, no greater return on investment, certainly in my system and ownership of another customer.

I would've gotten to the "I don't go, you come to be placed quicker." It doesn't require anything except the decision to do it on this stuff. I wouldn't have sweep as much as I swept. It was damaging to a marriage. It's damaging to my health and it was largely unnecessary. I wouldn't have swept as much as swept.

I would have been more selective about the things I say yes to. One of the entrepreneur problems is the tendency to say yes to every opportunity. Just because it can't be done doesn't mean you ought to be the ones to do it. You've been broke ... Half broke or really broke?

Guest: Broke.

Dan: No, but.. Spare change in the couch to get food broke. Car re-pawned kind of broke. If you've been that broke, there's a certain amount of I'm spinning in the eye of faith, fortune and God to say no when someone wants to give your buddy go to do something even if you don't want to go do it because all of that is in there. I would've worked on that more than I worked on.

The mechanics, the processes, I can't really tell you anything significant, one way or the other.

Nick: Rachelle, do you have a question?

- Dan:** By the way, if it makes you feel ... You lost that, the under? What makes you feel any better? I'm really good at it. I have that, if that makes you feel it. If you did, however, have seen that, so I watch.
- Guest:** First of all, I want to say that the 16 golden threads is fantastic, huge eye-opener for me, and this is something that I've been looking for for quite some time. Thank you. Thank you so much.
- Dan:** You're welcome. Be sure to match it with the five list you need to make.
- Guest:** Yes. I have a lot of homework to do. That's true. I will be working. My question really comes down to an area where we've been struggling ... I've gotten some wisdom from several different people and the guys gave me some ideas yesterday as far as really niching down my target market. With me being in the personal development industry, and I'm sure you're aware of this, you have to be very creative in the way that you're selling your product and how you're selling it to.
- Dan:** There are worse fields, but not many. I was at it in 1978 and '79. Creative is one way to say it. Another is if you are going to front in and sell personal growth or any combination thereof, there's only three ways that's ever been done. You ought to know that. One is by an extremely charismatic personality who either in the early years get it through massive amounts of manual labor and sell it or in the later years massive amounts of media, that would be Tony, for example.

Attached to multilevel and network marketing or we wrap, which is the method I prefer, where you deliver it but you don't sell it. The inherent problem with it is ... There's a two inherent problems, one is its Jell-O instead of a steak. It's very hard to hold down with a fork and cut pieces off. It's very hard to quantify. It's Morpheus. It's conceptual. The bigger problem, which you pointed out, is that it is in a sense, it is a pitch, it is its own pitch 22, right, which is why I switched out of it.

To invest in magnetic marketing, for example, you don't really have to have high opinion of yourself. You just have to believe that I got a box of west bank tools and buttons and fill in the blank templates here that you can make money with. To invest in personal growth, you actually have to have a reasonably high opinion of yourself because the only thing you're investing is you.

However, the person who most needs it is the person who has a low opinion of themselves. It is Morpheus and it is difficult. I've always delivered a lot of it. I stopped selling it in 1979 with a brief detour when I own all the rights to most of the stuff.

We deliver it all the time. If you take my monthly newsletter ... I tell people to do this as an exercise. Get yourself a bunch of highlighters. It's called the NoBS marketing letter and the main reason people come to us subscribers to get marketing stuff. Get yourself highlighters and make one entertainment, one opinion, one story, one personal growth and motivation and one marketing, different color for each one. Go through

the newsletter and mark everything, that's what you're going to find.

Marketing is the least of anything that's in that newsletter from me. There's a lot of personal growth motivation stuff. If I call that the NoBS personal growth letter, I would be starving. Pick back up where you were because I have other things to tell you. Go ahead with your question.

Guest: I'm lost, actually. I was really listening to what you're saying.

Dan: You niche it. It's useful for everybody. The entire population of America divides in to niches and subcultures. Niches are occupational vocational, professional business that's related to monetary compensation. That's a niche.

There are sub-niches of niches and subniches of subniches of sub-niches of some niches. Law is a niche. Elder law is a subniche of law, Alzheimer's family law is a sub-niche of elder law which is a sub-niche of law. Then there's sub-cultures. Partly Davidson owners are subcultures. The thing you told me about the association for people who have concealed carry permits and walk around with guns. That's a subculture. It could be you. It could be me. We could all be talking now.

The only thing that bonds us together is the fact that we don't want to walk around with a gun that we can get to and we think shooting ought to be like our first resort, which by in large I happen to before just for the record. I'm a big Darwinian guy.

There's niches and subcultures and then in every niche there's sub-niche, sub-niche, sub-niche, sub-niche and there's horizontal and vertical and the same in subcultures where I choose Harley Davidson owners, then there's Harley Davidson riders over the age of 50. There's women Harley Davidson riders. There's tattooed Harley Davidson. It divides that way, right?

Golf. There's right-handed golfers, left-handed golfers. Duffers, avid golfers who play five or more times a month. There's country club golfers, public course golfers, et cetera, et cetera, et cetera.

The closer you get to a hit where we call it message to market match, where you are for that precise person. The closer you get to a hit, the easier everything else becomes. Selection targeting all that stuff is a point. You can take the same thing and niche it in subculture at 16 different ways if you want to, and you'll be fine.

The generic, which is where I live most of the time, although I've had three niche businesses myself and most of clients in niche is the hardest because everybody thinks their circumstances are different, their life is different, their business is different. They have to build that objection to your advice. Whereas when it's precision, all those objections go away, so my Get Rich Real Estate client. All get rich in real estate guys, who's their market? Anybody, right? They've got a wallet and a pulse, they're my market, put them in a preview, drive them through a web thing. Oh yeah, yeah. I'm really complicating his life enormously by creating 20 verticals, they look like 20 different businesses.

We got his whole story, everything about real estate investing for dentists who are 50 years of age and up and during the time that they will retire. Then we got it for engineers. Then we got it for husband and wife couples who live in rural areas, because I could reach them by mail. I can reach them by Farm Bureau journals.

I'm cutting that business up and I'm matching testimonials and stories and reasons why because there are different reasons why. The story I tell him is this is a perfect second business for you. The second business within a business public is you know how to do math. This business is all about math. In fact, Phil does everything else for you. All you got to be able to do is a math, right? I'm going to contractors. The guy builds decks, fixture house, kitchen, a remodel, you won't hear me say the word math in any of that copy. I'm saying this is the perfect business for you because you got guys working for you, you got dead time and you know how to fix it. You can buy stuff, fix it and sell it.

You can do the same with personal growth. There's different reasons why different people at different times of their lives are interested in ... We'll call it personal growth. The second thing is you and I can call it personal growth but you want your own proprietary language for it, the last thing in the world you want to do is every time somebody would introduce me as a motivational Guest, I would just want to kill them.

First of all, that's not what I do. I do but it's not what I sound. Secondly, you could just feel you're a glad of the room, "Oh no, not another one of us." I was actually

introduced that way. The National Association of ... I can't remember what it was .The guy says, "I don't know why we got this guy here. It's another one of these motivational Guests. Let me read his introduction for you." Ten minutes I've got to fix that, which the first fix was, as I recall, there's five reasons why you got one to be. The first is you need help to recover from him.

Your vice president of sales say, "I'm the antidote to everything he's doing here." You set fire to one, you got a hundred. You can niche it. You could subculture it. More importantly, you can wrap it so another way to think about it is it's soft, okay? It's pudding. We can wrap it in a hard shell chocolate so we can pull a hard wrapper around it. When we sell practice development, for example, what's being sold is 12 dynamics that create practice growth and better profitability, and whatever. That's the hard wrapping around. Without telling him that's what we're doing, we've got to fix doc's head because the reason is practice and growing is huge, right? He's got price issues. He's got staff issues. He's got practices steam issues. I can't sell that to him. He won't buy it. I can deliver it, but I sort to got to sneak up on him.

Guest: How do you determine that market because it is so broad because you were just giving that example and it could be on shore?

Dan: Yeah. Here's the deal, that's a long complicated answer that I won't give you here. I will give you the synthesis of the answer. The synthesis of the answer is the better your reason for appearing somewhere, the more successful you

will be. Here's most people's reasons for appearing. They want to make some money and they've got something to sell.

I'm here because the baby needs a new pair of shoes and I got some personal growth and I think you guys might be good customers for it and that's what most people's logic about all this. You need a real reason to be somewhere, right? It can be you help one and you got the testimonial of the century and they're in a niche. That can be a reason for being here because I already went to school on Susie. Susie will tell you. I fixed Susie, okay? Her business is striving. She's working half as many hours. Her marriage is back together. Her kids are functional. The dog knows her when she comes home, everything, Hunky-dory was Susie, the real estate agent.

I thought how selfish just to do this for Susie. Here I am to do it for any real estate agent who's got this. It could be that. It can be some affinity. I've chosen to work with X because daddy was an X, mommy was an X, and Aunt Bertha was an X. X drug me out of a burning car to save my life, and I've dedicated myself. My mission is making every plumber in America happy and rich. You need a reason why. The better your reason for being somewhere, the better your results. It can be affinity. It can be result. Now there's a long answer, but that's the synthesis of the answer.

She has a great lost story about herself personally too. Weight loss is a subset of personal growth unless it's pills and potions. If it's not pills and potions, it's a subset of personal growth. Weight Watchers, a lot of people don't

know the history of Weight Watchers. If you're in Weight Watchers, you should track it down, Jean Nidetch's autobiography, the woman that started Weight Watchers. Weight Watchers actually grew out of maximum Psycho Cybernetics, which I eventually own. Jean taught Psyche Cybernetics classes for people who are overweight in our house. That's where Weight Watchers came.

Weight is a subset of personal growth so we can do one of two things. We can now narrow personal growth to weight and we could put it behind weight and expand it out behind weight or we can broaden weight to weight, health, wellness, vitality, energy and we could put all the personal growth behind that.

Nick: Good. Who's next? Patrick? Grab the mic.

Guest: It's actually a two-pronged question. The first one is, was there a defining moment within your career that you said, "I did it. I'm successful. I'm a legend"?

Dan: Today. I can't point you a moment. I can tell you the sea change and it was relatively roaming, not late. It just got better. It was when good customers or clients were seeking me out instead of me having to go get them all. I came in the advertising business, but I came in the sales culture. Eat what you kill today. Prospect. Convince people who have no visible interest in what it is that you have that they have to be interested.

Pretty much that's how everybody teaches sales people to sell, by the way. Most sales training today is still, everybody

is your prospect, it's up to you to convince some finer reason that they're interested, et cetera. Hardly, anybody teaches just ... Why don't you just find people with a burning interest in what you've got to start?

That sea change, I didn't have to hunt. People were pursuing me. They were raising the question. How can you help me? How do you work? What is this relationship look like? That really was big change. A big benefit was beginning to understand price elasticity, not a dealing product service from price that they don't have to be hooked together, the standard formulas.

In the real advertising world, which is why I started in advertising, the compensation then was, and largely still is, a formula. It's a 15% commission on the media. Theoretically, no money made on anything else. Most industries have that. Commercial art printing industry where I'm hook to that. You've got software, then you have calculators. Here's the cost. Turn the dial. It's supposed to be at two and a half times mark up.

Almost every industry and every field has formally at price site. They have available hours ranges. Here's the range of a visual line that tells other desk, "Here's the range of what a visual line case so far," which Donna Blyth ignores. Retail. Keystone, right? Garden mattress, sauna mattress for 8,000 bucks if you can actually can drive down the street and buy for 3,000. Holly Holliday has 5,000. It's value added. It's about that. That's the discovery that I was not bound by pricing norms, by industry norms. Very important thing.

Somebody said at the beginning that you go to an event, you go to a thing like this, a meeting like this or you go to a bigger seminar, you go to educational super conference. A lot of people have this idea that they ought to come out of there with 400 pages and they determine value based on quantity. It's the same reason ... It's the way people think that we eat at the Golden Corral, right? It's \$4.98. It's a mountain of food, right, which is how poor people think, by the way. It's how poor people think about information too, whereas it's often one thing that is of such value. The first Hilbert seminar worked that way.

As an aside, he wasn't pitching. He wasn't explaining anything. He was just answering a question. I was at a work. I wasn't really there as a student, but I was in the room the whole time. I have never heard this before. It certainly had never occurred to me before when you said that you've got \$25,000 and a royalty of 5% of the gross revenues to do an ad. That's the total amount of time it was devoted and it was in the context of some other conversation.

However, I had spun out four times like the chicken, the exorcist... okay, because I knew authors got royalties. I understood that. It never occurred to me that a copywriter could ask for a royalty, probably never would have occurred to me or God knows how long, but I got it instantly. Let's say 25 gees. If the guy sells a million dollars, then you get 5% of their weight, right? If they have work for ten years, that's a check coming in the mail every month. I get that. I used to tell that story. I was that boy. I got it instantly. If I got nothing else out of the three days, miraculous.

It's like something from over here, something from over here, something from over here and you eventually stitch it into a process of methodology and approach that works for you.

Guest: Good answer. You answered the second question of how you create your own school of thought to want to reach that status of where you are today.

Dan: First of all, I think everybody starts basically as a complete emulator/thief. Every Guest starts telling somebody else's jokes. I don't know of anybody that started that way. Me included. I think every copywriter starts by copying a copywriter whose methodology appeals to them. I think every author starts by copying someone's style and a goodly number of people stay there and they never progress, and most of the time their income reflects it.

Then you begin to, "Okay, this thing that this person is about or is doing or is announcing, that makes sense to me this doesn't," and "Oh look, here is somebody doing this." You arrive at a system that is your own. A set of principles that is your own, so you model many to arrive at your own rather than modeling one, right? If you look at the guy he lost bag to, if you look at an athletic person, if you look at Russell Wilson ... That's nice. If you break down Russell Wilson as a quarterback, you've got some of the scrambling ... You've got a little Colin Kaepernick in there, but it's so much better Colin Kaepernick who isn't funny because you also got the pocket passer, right? You've got pieces of five different approaches to playing quarterback that he has managed to meld together, learn, understand, and then find what works

for him, whereas you see other guys who are literally copycats of guys.

Colin Kaepernick to me looks like Randall Cunningham. Michael Vick looks like Randall Cunningham. They're like clones and maybe a little faster, but basically they adopt, right? I think the sophisticated person winds up remodeling many into a formula that fits them. They're always looking.

I tell that story about trump. We have trump on a program for a client of mine. I didn't have him for GKIC, we him for our client. He and I had about 5 million conversation which I guess was long enough for him to determine in his mind, "This guy is not a moron," which then prompted SB3 questions, and the most interesting one of the three was what three books are you reading at?

The cool thing about the question is, first of all, it presupposes ... I'm reading three books at the same time. Not a lot of people would be smart enough to ask that question, right? It also tells you he's probably reading three books at the same time, by the way, as an aside. It tells you that he's figured out, because he's only going to have a very brief conversation with somebody. Here's a concise succinct way to see if maybe they know about something I don't know about that I should.

If they mention something, now, I tell my assistant, "Go get it for me." Or maybe he says, "Go get me the three paragraphs and buy it from Amazon and I'll decide whether I want, and I don't know what his methodology is beyond that. I have a dinner with Somers White the other night. It

was one of our exchanges. It's what the book that you think could be important or useful to me that you've read in the past year that I might not know about.

You're always looking for one more thing. I've told people, "I have a lot of books." I read a lot of books. I've thrown out a hundred times more when I got. I may have kept three pages out of them. I'm a web chunk, right? That's solved. You're always looking for the next little thing.

Guest: The fastest way to become the dean is eventually the school of thought.

Dan: By the way, they all made it up. Everybody that's all in Hamburg, we send in their kid to Harvard. Eight guys figured out how to make money. That's what that is.

Guest: Thanks, Nick and Jack, for putting this on. It's been awesome. Dan, thanks for coming. I appreciate you getting out of Cleveland.

Anyway, I have one quick question here. You've helped so many successful entrepreneurs. What's the one thing that they have done that you've seen if you have to pick one to all of them that you have helped to be successful?

Dan: That's one of the bad questions.

Guest: Way to go.

Dan: I'm going to answer it, but first let me tell you why it's such a bad question. It is. I'm going to be even nastier. We have young entrepreneurs program, a super conference that you guys seen. Little kids, you can bring an eight-year-old all the

way up. I did Q&A three years ago. They haven't asked me to do Q&A stance. I cautioned everybody. First of all, some of the parents were in the room, not many. I said, "If a kid asks me a question, I'm going to give the kid a straight answer. If that is your father is an idiot, then here's the five reasons why." That's the answer he's getting. If you want to get him out of the room, get him out of the room because I'm going to deal with them in an honest man.

It was like a nine-year-old kid that asked, "What's the one thing" question and I jumped out the kid's throat. I told him it was a stupid question. I probably shouldn't.

You've just enunciated. In broader terms, this is the question of the poor. All people who stay empowered asked. They believe that on thing exist and they ask all the time some version of the "one thing" question. If they look to the heavens and they say, "Why me?" what they really mean is what's the one thing I've done that has brought this catastrophe upon me? They want one answer to everyone of their problem, right? That's what they want. A lot of failure in life comes from the last four simple answers to complex problems and complex opportunities.

In most cases, there isn't one, right? In a micro example, if you say, "Tell me the one thing that makes an infomercial successful versus an infomercial that's not successful," there is no one thing. Now, there's a format. It's pretty important to have an offer. It's more like a list of 500 things and you've got to get about 300 of them right. You have to get them all, but you've got to have about 300 of them working or you're all screwed on.

Anytime somebody ask a variation of the "one thing" simple solution to complex problem or complex opportunity, question, if they do get an answer, they get a bad answer because for me to answer it, the way you want it answered, and I will leave out more than I will say. If I'm not careful, you'll think I gave you a full and complete answer and you may very well act in a way that is detrimental to you. That's why it's a bad question.

Having said that, I'll give nearly the answer that you wanted to have before I just said all that stuff you didn't want to hear. You can lump it all under defiance. Now, there's 500 kinds of defiance, and you probably need about 300 of them to get it out. If you want a single word to describe all of the differences between the one presenter and the rest of the pyramid. It is that they defy just about everything, other's expectations, industry norms, accepted ways of doing things, pure disapproval and criticism, on and on and on and on and on. If you take this place that we sit in and you take this, one of the reasons that exist, if not, the most profound of all the reasons that exist is the long list of things you won't chose to define from micro to macro.

I was worried about Iger. The CEO before Iger was there, if you don't know. Michael was here for an hour. He's a great CEO until he became a bad CEO, which by the way I heard. In my management book, one of my key principles is they all go lame. We know in a bar, they're all going to go away. It's not a question of "if" it's a question of "am," same with people, same with relationships. Iger was a great CEO until he was a bad CEO. Iger, I was worried because Iger's bottom

line reputation guy, right? I thought he started to see the effects of that thinking. I haven't seen it.

Iger tells a story that, "Would you go to Magic Kingdom?" If you go over to Magic Kingdom, there's the circle park before you get to main street and the big horses are there and the directors. The fence around it is white extensions, post with white chain in between. Are you with me when I'm describing? They paint that every night. They time the painting to the weather forecast so they can paint it as late in the night, meaning as early in the morning, 3 am, 4 am as possible against park opening so that it is the least blemish at the start of everyday.

If they could cut it to five am, that's when they paint it. They paint it every night. As a metaphor, by the way, for 5 million other things they do, real grasp, we could put a turf out here. Why would anybody give a shit? They're not on it. They're not walking on it. If we took every place that ... You know somebody is coming into his office saying, "If we just painted that every other night, we'd save half a million dollars a year. If we didn't power wash the windows on main street, nobody is way up there. Nobody work out anyway. We could power wash them once a week and only power wash the ones down here every night and we'd save another half million. You know that goes on all the time.

Eisner told a story of the bean counter coming in. By the way, great business book is Bob Latchis' book, hard guys versus the encounters. It's thin. It's fun to read. Get it. Eisner tells a story of the bean counter coming in with his list. He spent weeks on this, all of the stuff we could stop doing and

do less of, and only do every third day and over here we could've asked our turfs with a real grass and nobody will ever see. It all adds up and look at how much it affects us. Eisner says, "You'd be right anywhere but here and your fire."

Not a lot of companies would get that that's so important to who they are and what they do. He's right. In many other places, the guy would be right. He's just not right here, so you really got to have a handle on what's right for you and your market and apply it to everything you do.

Oh yeah, we've got time.

Guest: Great. Couple of questions. One, the whole concept of free content that has the taking off of everything these days, what is enough? What makes sense? How do you manage that?

Dan: There's not a lot of hookers given free samples. That hasn't really changed in that business over the years or the decade over the centuries. I would say, generally, they're smarter than most of us about that. Where the whole free content movement came from is from people who can't sell. That's where it came from. It is the equivalent of the sales guy in the field who has a desk drawer of files cards all mark ending and he goes around and visit everybody and take some cookies and some take something in lunch but they never turned into accounts. He still think he's doing something, but he's not. A lot of this free content is that. It's people that are timid, they're fearful, they obsess over metrics that don't matter and they're afraid to mess up those metrics. Oh my

god, I sent out an offer and I had 20% of my email list unsubscribed.

Generally speaking, if they're going to unsubscribe because you send them an offer, what good are they to you? I don't understand. If you got a restaurant and everyday 80 people come in and don't order anything and sit around and don't eat and stay for three hours, where should you be about losing them if you put in a door charge? What hell good are they anyway? Right? Now, then you free sample them? Yeah, a little, right? Would there be fields, open business fields cookies in the mall and nobody was coming in and buying cookies. She sends somebody out with a tray of cookies to stand at the mall and give you a taste of a cookie.

However, she didn't give you a dozen to take home for free and tell you to come back tomorrow and get some more because they'd be bankrupt. To say three free things and then no more and that's how we operate an entire industry or an entire business. It isn't that clear cut, but there are certainly too much of it.

What's the purpose of free content? Let's address it this way. The dispensing of free content can only do several things for us. One, it can serve as an attraction magnet, right? Come and get this great free stuff. I got free stuff—my wealth manager's ads. It's free book, free DVD. Now, the criteria, if you don't meet the criteria, please, if you still want the book, go to Amazon and buy it. We'd appreciate it if you didn't get it from us because we're about giving it to somebody who might fill our criteria, somebody will do this. It could be an attraction magnet and very often free

content, or other free stuff can work as an attraction magnet.

Secondly, it can serve as demonstration. It's a way to demonstrate. He's smart. He knows his shit. Makes sense. He sound philosophically compatible with me. It's a form of demonstration. The third thing it can do is it can create trust because I was willing to let you see some for free and not just a pinch; and b, because in the course of the free communication we establish philosophical compatibility, et cetera. Those are the only three things you can do.

As soon as it has had an opportunity to do those three things, there's no point doing more of it. It's pointless. All it does is push back the ultimate determination of whether or not this person is going to be valuable to us or not. The further we push it back, the more we actually damage our ability to get money from them, so we're teaching them the wrong thing about this relationship and my client work. Almost every new relationship starts with a base day of consulting it back in form. You come to me as diagnostic and know the script.

Years ago, I used to say, one of the three things happens at the end of the day, so you either get what you needed during the day and you're happy and we hug each other and, two, there's something else you want me to do and we figured that out during the course of the day. It's where you think I wasted your time. At the end of the day, you reject that. I stopped doing the third thing like a decade ago because I don't have to. I did it at one time.

I rarely do a free phone call, but I will do that under certain circumstances, like the dorm guy who was referred. Fifteen minutes on the phone. No more, right? You don't get a second free call; you don't get a third free call. I don't send them a box of stuff for free. The next step now is book a day; give me \$19,000 and fifteen minutes I demonstrated. I gave him four things he could go do without me that would help his business. I ask him smart questions. He'd have to be a dummy not to recognize that I was asking smart one. I did adequate demonstration and I did some things that should create trust. I don't need to do anymore.

If I do more, I'm not going to further my case and I don't anymore in 15 minutes to do it. I need to ask him five questions. I need to say five smart things. I need to drop five names. That's what I need to do. Now, you're either in or you're out. You've got to decide where there's no benefit to you to go further. A lot of what you see online, again, is people who are afraid to not have a big haystack. Their quantity guy is not qualitative guy, right? They don't want anybody to drop off of any list. They don't want to offend anybody. They just want to keep build ... Unless you're building a really big one, that you're going to see to some big dumb company just because you got 5 million. It just makes no sense.

I could sell over the guy last year; some of you would know him, very famous name in the Internet marketing space. He's got over 4 million people in all of his digital list. When you analyze his business carefully, all of the money last year came from 610 of them. Now, he will tell you he's got a list

of 4 million people. No, he doesn't. He's got a list of 620 people. The rest of it is all bullshit. It's just nonsense. Yeah, they'll come back and need a second pie for free and a third pie for free and a fourth pie for free. After half a slice, you know if you like the pie or not. Now it's time to pay for pie.

Guest: Thank you. I have another question. Newsletters. Yours has gotten so it's multiple pages and multiple contributors.

Dan: It's really wrapped around.

Guest: It's all wrapped around you.

Dan: It's wrapped around an eight-pager that is very similar to the original that is all me.

Guest: You see a whole range of newsletters out there. Have you tracked what works better than others in terms of generating that commitment, that lead, if you need one article, if you need three articles?

Dan: Yeah, I could tell you two. Anytime you see, you observe a successful company or successful individual doing X, Y, and Z. Before you model it, it's important to try and figure out what their agenda is and in what ranking their agenda items are versus your agenda. The big broad example I always give her. If you see a big company doing something, especially if they're public, and you got their agenda, getting a customer and making a sale is like number 22 and number 23 on the list. They got Wall Street to worry about, their board to worry about, the media to worry about, they got stock price value to worry about, they've got brand they're worrying about and then their ad agency has its own agenda. We

want to win awards. Oh, by the way, it'd be nice if we sell something," right?

If you're in a business where I live, where we've got to sell something today to cover the check we wrote yesterday, see, our agenda doesn't match up well with their agenda. If we copy them, we're going to get killed. Agendas matter. If you take a long look, if you go back now and look at what you're just asked about specifically, my newsletter, if you take a long look, so if you look at the current version, you'll look at the version immediately preceded it during the Bill years when Bill Glazer see it now owned by private equity fund, et cetera. You look at it before the Bill years. You will see mild evolution during the Bill years.

You will see radical change that has happened now. Understand they have a very different agenda that either I had or Bill had, and they must serve that agenda and they sacrifice certain efficacy of some things in order to meet an agenda with items on it that didn't exist before. What I'm saying is from your definition of effectiveness, what they're doing may not be the most effective. It may even be stupid. It's easy to look at it and say it's stupid.

If you had their agenda, you would almost have to do what they are doing, like to the multi-author thing. To own a company that is almost totally dependent on one person's content is a very dangerous thing to do. A, I could get hit by a truck; b, I could become a drug addict. Bieber, he was great until he's not, right?

It's a very dangerous thing to do. You now have to figure out how you're going to change that dependents and the justice league of America approach rather than the "all we got is superman" approach, is one of only a handful of ways you can possible approach it, okay? Is that the best way to build one? No. Not at all, but it may be the only choice you have in a certain circumstance to now sustain.

Does that help?

Guest: That helps.

Dan: Now, just quickly to your other question. First of all, the best thing you can ever do is make sure it's print. The worst thing you can ever do is go digital. Digital is an option. Is it a questionable okay? As a substitute, big mistake, even when people tell you that's what they want. The going and fetching is a different experience than the package are right. It is a totally different experience. That's number one.

Number two is the value proposition is disintegrated. If you talk to a young person who like file shares. They get something for \$0.99 from the Apple store and somehow they give it to their friends. They don't think they're stealing and they don't even think they should have to pay the \$0.99 because "it doesn't cost anything." If it's digitally delivered, it doesn't cost anything except for the 50 years of experience and the intellectual ... It doesn't cost anything. You actually destroy your own value proposition by doing it.

Again, let's take Disney. Money is no object. They can spend anything. They can spend money they want. They can access

to the smartest online people in the planet. Who wouldn't want to work for Disney? They do everything online brilliantly. When we booked our family vacation, that is part of this trip. We are vacation club owners, so we already own a timeshare. You can't sell us a timeshare. We already got one, which means you're not getting the hotel revenue. You're only getting the other revenues. Carla booked it by phone because she didn't want to do it online. She made a restaurant reservation online. They force you to do stuff online and now you're going to get the magic band. If you don't know about the magic, now everything is on the magic band, then yeah, yeah, okay.

However, we get a box delivered to us, like the shocking of things, you guys are good. A nice box and it's got a DVD in it of The Incredibles showing how to do the band thing and how great your vacation is going to be now that you do that. It's got a guide book and it's got five physical objects in it in this box because we just book the vacation. Why don't they just deliver it all digitally? They could. It's a DVD. Go watch this. It's a webcast. You want to watch the bands, go to dipshit.com and click bam. All right? Why don't they do that? Because they're smart, that's why, right? Not because they don't want to, I assure you I know Iger is doing that. We send out 6.2 million DVDs if we could and somebody says, "Yeah, but" ... The main thing I would tell you is hard deliverables. There will be a day, but we are a long way away. That's the main thing I would do.

Guest: ...the rest of us, not you. The rest of us are getting 304 emails a day and all we're trying to do is the majority of

what I get is personal correspondence because it's just the right thing for the projectors is that we have the meeting, whatever. Everything else, Amazon Flyers, unless it has a great affinity for...

Dan: Oh, but even that. Yeah. Even if I have a great affinity to save it and regulator; if not, just put them to it. The majority is when it gets personal correspondence. The other hand of my mailbox, I was asking rooms of hundreds of people. How many of you get regular correspondence from friends in your mailbox? Some of them didn't raise hand, but that's it, right? I said, "Look, you're not getting that, a good newsletter, and I quote you said ... You can send me my commission later. A good newsletter is equivalent is seeing a cup of coffee with a good friend and sharing stories. That's personal correspondence. The same type of correspondence that was fallen to the bottom of an email inbox rise at the top of the mailbox because it is the most valuable thing they get. People seem to makes sense there.

Guest: I don't want to hug the microphone. I do have a couple of other questions, but if somebody does I can pass it around and you can come back.

Dan: We'll come back.

Guest: Can I ask one question? Then you can go back. I'm sorry. I was going to say, "Gayle, you're really good?" I was like, "Yes."

Blogs, the whole thing about blogs and getting that out there versus newsletters.

Dan: Same problem.

Guest: I thought a lot of this. I'm just trying to sense as I take a couple of...

Dan: We'll start backward. He's got his problem is there's a crop load of them and the average person is being asked to pay attention to a crop load of them. How do they pick? If they're busy today, so it's not disruptive. It doesn't show up and demand we pay attention, right?

Right now, I don't know, there's probably 50 different Disney blogs and none of us are looking to them. If somebody's face is heading the door and says, "Bill is on fire. You've got to get out," we're all paying attention. The person on the door is infinitely more effective than the dumb blogs. It's got that problem.

It's basically a fetch. It says to the reader customer, whatever, you've got to go fetch stuff for me. I don't bring you anything, I don't give you anything, you've got to go fetch it. How would you feel about the lunch they bought you today if they give you each a coupon and turn you lose for an hour and say you're walking through the rain through the food court where you could get anything you wanted for under ten bucks versus having a lunch brought outside. It's got that problem.

Look, if for no other reason than this, this moves all the way back right at your defining moment. The first like success guy I ever listened to was Earl Agner. The thing that left out at me of all of the intellectual, stages secretly the field, and

whatever the program behind the lead the field was. I went through all of them.

If you were setting out to do something, whatever that something is and you don't know what to do, all you have to do to start well is look around what everybody else is doing and don't do it because the majority is always wrong, especially about money. The stats are, the income pyramid and the wolf pyramid, they haven't changed in America since the Social Security Administration started keeping track of statistics the year I was born in 1954. It's 1%, 4%, 15%, 80%, and nobody is going to change it, by the way.

Since 1954 think of everything that's happened that could affect it—technology, the Internet, barriers to education, gone; barriers to start of business, gone. You're going to go to the library to work something up. You got it right here, right? If you don't have one of that, you can go to the library and you serve for free, right?

You can go to one-on-one and you could put together a perfectly respectable website to sell shit for \$9.95. If you smoke one pack of cigarettes a month, you got the money. All the stuff that should have changed these numbers and all of us, all of us—Nick, Brian, Tony, Dan, all of us, the numbers are still the same. The only change is in the 80%, how many are toward the bottom and how many are toward the top of the 80. That's the only change. The rest of it is all the same.

Therefore, depending upon your perspective, at least 80% to 99% are wrong about money. Therefore, they're wrong about what produces money. If I see everybody doing blogs,

I don't need research data to tell me not to do blogs. I get it. Now, having said that, in the media world, ideally you want to use every media there is as long as it pays for itself, right? You only got so much time. You only have so much energy. You only have so much intangible resources. Therefore you've got to rank them, you've got to prioritize them, you've got to clamp them.

All the way back to his point, how am I more likely to have impact with you this week? By posting to my blog or by FedEx arriving at your door with something in it.

Guest: Or even your weekly fax.

Dan: Or my weekly fax, yeah. The answer to the FedEx is immediately what we can't afford to send the FedEx to 4 million people. Yeah, but he's only got 620 real customers. The rest of it is nonsense, right? That's not the question she asked. Let's not do blog. Let's do billboards.

Guest: Okay.

Dan: Yeah, I can make a case for maintaining billboards in a ten-mile radius around my dental practice or at the entrances and exits of the affluent community that I do my other marketing in to. If I have to start to make choices, then that thing is going to rank lower than others.

To your point, a lot of media is used because we don't convert to capture prospect soon enough. Therefore, we have to keep communicating to them through open media versus closed media. The other thing kind of to your point is has your business matures and becomes more

sophisticated? You wait spending and media used differently even within customers, let alone within prospects. We may for the same purpose, we're going to sell a year supply of this to our customer. Some may get a FedEx box with a talking tea bag in it, that has a battery in it when you open a box. Some may get a Tyvek envelope with a picture of a tea bag in it, some may get FedEx one day, some may get FedEx in three days, some may get mail, some may get only email, some may get told to go watch it online, others may get set on a DVD, all based on selective segmentation, okay? Same with prospects now.

The one thing I won't agree with ... By the way, we don't have to agree on everything, as I used to tell Zig, if we agree on everything, one of us is unnecessary. You'll never get me to advocate media that can't be measured in money because we can't figure out how to organize people who will give us money and communicate with them, right?

Guest: You've obviously worked with a lot of dentist, very successful dentist and understand a lot of our incomes, personal one-on-one touch. With practice in an area that's not very densely populated, median income is about \$38,000 per family and there's no real high end to that. If someone with a six figure income would be a real rarity in our area. The question is we have a geographic ceiling to what we're trying to accomplish or any barrier self-inflicted like inability to close it. Are there limits to what we can do just because of the population that we have?

Dan: I'll say a couple of things. First of all, do we have a marker? Cool. Here's everybody's reality, so there are real limits. I

can't go play quarterback next year in the NFL, nobody will have me. Now, I could, so I here ... Most people make this box much tighter, our self-imposed limits. What I said is actually a self-imposed limit because I could buy an NFL team and I could make myself starting quarterback. Jerry Jones is doing stuff almost as dumb.

Here's where most people live is right here, and they tend to make the dotted line a solid line by their own decision and belief systems and affirmations and gradually it solidifies and solidifies and solidifies, right? All the opportunity is here. That's where all the opportunity is, right? Let's take your money contention that are income is 38k a year and there's no six figure or there is rare as hen's teeth people to be. Let's just take that one.

First of all, I better not see anything on the road but a Kia. I damn well better not see a great big Yukon SUV driving down the road. I better see Kia if I come visit you. If I see anything other than a Kia, I'm going to kick your ass because they should all be driving Kia and there should really only be one store, two at the most, Wal-Mart and Cole's. That's it. Maybe a Costco. There shouldn't be anything better than Olive Garden. Olive Garden and down, nothing above.

Guest: Not far off.

Dan: What do you drive?

Guest: Subaru.

Dan: If we get in your Subaru and we drive around, I better not see anything better than Olive Garden and I better not see

anything but a Kia. I'm going to bet this is a bad number. I bet I could prove to you it's a bad number. People do this to them all different ways because all the people in this area only buy by price. Only 20% of the people buy by price in a recession. A good economy is only 5% of the people buy by price. Everybody has a limiting secular religion about also to the aspects of their business and their personal life, which they cling to just as if it was a religion, religion.

I'll give you a micro example. We have a device called an Appointment No Sale Letter, you should have it. Even if you're the greatest case presentation guy on the planet, you still don't get 100%. I did a lot of work with the hearing aid company called Miracle. They have 1200 offices. They sell hearing aids, 4,000 buck average sales if it's just one; 8,000 if it's two. The person got to come in. They go through six different diagnostic tests. They're there for about an hour. They're supposed to bring a spouse or a friend with them.

It turns out that the closing average is below half. I'm going, "How could that be?" There's no entertainment value in coming down here and go through this. The person either came voluntarily or go drugged by the one that's with him because they can't hear and they're constantly saying, "What did he say? What did they say?" They got the television volume turned up so loud that the neighbors are complaining, et cetera. They go through an hour of diagnostic test. They walk out of here without buying? How can this be? It's one step away from a 50% closing rate at the ER. The guy comes in with a rake stuck in his head.

Chances are you could get him to fill out the form and go at the back and lay down. How can this be?

I hear everything. My offices are all in an area where nobody has any mind, "Oh, we're getting killed by Berta. People just can't make a decision." I said, "Okay. What do we do with the ones who don't buy?" Answer is nothing. You've got to buy in every business. You get one or two answers that question. You either get, we don't do nothing or Berta calls and then she has time. Those are the two answers you get. I got a news for you. Berta never has time.

I say, "Why aren't we doing anything?" because they came in, they got an hour of diagnostics, there are best sales guys who did his best dog and pony show. If they weren't going to buy, then they're aren't going to buy secular religion.

Now, here's how strong this religion is. Franchise owner pipes up. She's at small town croppy market in Alabama. She said, "That's not true for us." She said, "We have these three letters we've sent because I saw you speak in 1812," and one them Peter Lovance and we have these three letters that we sent and we send them 15 days apart, just like you say, and it got started and you said, "Go along." She says, 20% of the people who don't buy come in from those letters and buy. There you go. If you've got letters, I make them a little better and I also go them too much because we give everybody. Nine out of ten franchise owners still don't use them because they are secular religion trumps fax.

It's like everywhere. I run into it all the time. You could put fax in front of them and their secular religion trumps their

fax. Money is often one of these things, sum version of, everybody in my area don't have money, et cetera. In Metairie, Louisiana, which is outside of New Orleans, we have a long-time member. He owns a martial arts academy there. At different times over the years, there's been as many as eight competitors. Metairie is more prosperous than New Orleans. It's a suburb essentially, but it ain't rich. I'm betting it's like that number, right?

He is five times the price of his competitor. It doesn't matter the place is packed. People are bringing their kids, they have mortgage in their houses, they're doing whatever hell they're going to do to put their kids at these classes. I always say you go to this. Where are you from?

Guest: Upstate New York.

Dan: If you go back there, just do one thing for me, go find the worst trailer park, the worst, where you would go to buy myth.

Guest: Some place called Wiggle Town.

Dan: Yeah, but one is worse than others. Go find the worse trailer park. Trailers will be leaning to one side. There'll be no screen door. There'll be direct TV satellites stuck on every damn one because people find the money for what they want.

Now, if you're right though, if all of this is true, then I have another piece of news for you, all across America, one of the few things the federal government got right. This is a benefit from your taxpayer.

I used to live at Phoenix. I moved from Ohio to Phoenix after the Blizzards of 1977 and '78. I used to fly in commercial and I travel a lot. I was always flying home to Phoenix and fly in first class evidently. Here is the conversation, again and again. As we're coming in to Arizona, he says, "Are you flying on vacation or are you flying home?" I said, "I'm flying home. I live here," "Oh, you live here." I got ten minutes of "you live in paradise." I live in the shit damn place, flat New York, Minneapolis, Minnesota, Kuala Lumpur, Cleveland, wherever. I live in the shit damn place, "Oh, you live in paradise." I'd say here's the deal the federal government took all our money and they had this in green metal signs and they put them up on poles all over America in a shitty shit damn place. There's a green sign that tells you how to get out of town.

You don't Regan to come say, "Tear down this wall," there ain't no wall. You could drive right out of there. If you don't have a car, you can hitch hike out of it. You can get out. If you really are in a really bad place, you're young, you're not 90... Move.

Second thing about this, you assume you have a geographic limit. Cancer centers of America have four locations. They get patients from all across America. Charlie Morton who I mentioned to you, 30% of his business is from out of state. They fly in to see their dentist. I fly in for hygiene. I am such a bad dental patient. Honest to God, you've never had anybody in your office like me. I'm a danger to everyone around me the entire time I am there. There's topical and there's anesthetic and there's earphones and there's

everything just to clean my teeth. I fly to Richmond to get my teeth clean. You would think I'm the only one. It turns out, I'm not.

Geographic boundaries are not real either. You've got to have a reason, so you got to have a Wesbank process, you've got to do something. All of these kinds of limit ... I attack you but I really mean it for everybody. Minimum wage work is figuring out all of the ways you can defend them. That's a minimum wage job. You can take the dumbest person there. Go out to that trailer park and get them and give me your list of things you can't do and tell them to make a list of many reasons why you can't go as possible. They'll be able to do that job. Therefore, that ain't a job for you or me.

The job for you or me is figuring out how we can bust through that limit. That's the high money job. That's it. You just find it in every field, in every business over and over and over again. It's perfectly understandable. The longer you're at something, the more you tend to build up a belief system about it and about your customers. I have one, he was a chiropractor. A chiropractor tell me that they've been treating this person for \$5 a visit, when at that time their deal was \$35 a visit. They shouldn't have been pricing by the visit, anyway, but that's another conversation.

They treat this woman for, I don't know, eight months, nine months for \$5 a visit because she had convinced him she had no money. Husband left... she has three kids to take care. I don't need to tell you the story. She is a great salesperson because she convinced this doctor that she had

no money and he's a good guy with a lot of compassion, and so he's treating this woman for \$5.

One day his staff person comes in and says, "Betty is out in the waiting room. You should see the car Betty just pulled up." Betty pulled up in a brand new sports car. I don't remember the name, but a nice sports car. He thinks maybe a guy, maybe she's got a guy. That's the way he ask the question. "My staff saw you driving," "Oh, no, no, I got that for myself, on my own." He says, "How did you do that?" "I traded in the clunker that I had and I got that." "If you don't mind my asking, how much is the payment?" "\$339 a month." He said, "That's the last time I treated anybody for \$5. He said it's also the last time I believe anything, anybody ever told me about money.

I say with the fluent people all the time, they tell me, "I can't afford \$200,000 for a marketing program," and then they will go blow it on something else. I think you've got a question. Every assumption, every belief you have, every everything, especially when it comes to price, to the secular religion about your business. My advancement is Dean of Disney University joined recently. Good guy of Google. Vance tells us great story about big corporation shows up and do consulting and he says to the CEO, "What's your biggest problem?" CEO described his biggest problem. Vance says, "Who's working on it?" the guy says, "Nobody." Vance says, "Why is it nobody working on it if it's your biggest problem?" he says, "It can't be solved, so we're working on problems we can solve." There's a lot of them, government,

corporate, small business, personal ... Oh, you can't solve that one, so we'll just work on something else.

There's a solution for every single problem. You want to pass that mic?

Guest: We have a copy of the story selling book in the back for everybody here – in chapter two and chapter three we cover, they now going to find the facts to match, and we all do the same thing.

Guest: Thank you to DNA team and also to Dan Kennedy for taking time to be with us today. It's a dream come, so I believe one day I will tell my story too. I have one quick question, and the question is what are the three things that you will recommend in marketing to leverage to sell more or to reassure targets ordinance?

Dan: Do you want to get more specific? In what business, to what audience?

Guest: Most specially to media or entertainment industry.

Dan: Selling them what?

Guest: Selling them content product, most specially ... Let me look for a key word. To buy into my program.

Dan: I'll say two things that might be helpful. One is ... I'm not attempting to be cruel and I recognize there's a language issue. How many of you remember the TV show Miami Vice? Okay. Miami Vice was sold to the network by its producer by him writing on the back of a napkin or a restaurant, MTV cops. The show concept was MTV, Music Television, because

it was the first dramatic show that had long music sequences in it with no dialogue and it was pretty. It was really music videos and cops, that's what it was.

If you can't clearly enunciate what you're about and what your core proposition is almost that succinctly, you are ahead of yourself thinking about how you can sell it and who you can sell it to, first I could say. Second I'm going to say to you is the basic premise is fraud. Here's a different premise. The premise of your question is the premise just about everybody's premise. The starting position is always, "I have a wagon with stuff in it. I have store, I have a dental practice, I got a cart, I got a garage full of stuff, I got a library full of content, I got a head full of ideas, I got a wagon full of stuff and I want to sell it. How can I sell it? That's where everybody starts, every business owner wakes up in the morning, that's their starting position is, "I got stuff, I want to sell it, how can I sell it?" It's a wrong premise, so nobody. In Hollywood, or anyplace else, wants your content or for that matter, anybody else's content.

The truth of the matter is incidentally mostly they hate content and they hate everybody that produces content. Publishers hate their authors. Movie studios hate the writers, they hate the actors, they hate them all. They don't want them. They want other things. They want lots of seats in theaters. They want subscribers to web content. They want money. We can make a list of things they want. None of them are content, any more than ... I never really wanted a dog. I have kids but I didn't want them as an adult, but I do

want somebody who's always happy to see me. This pretty eliminates a human, all right?

I do want somebody that can actually be told, "Go sit in the car and leave me alone" right? Try that and then work with a human in marriage. There's a lot of things I want that the dog can deliver, but I don't want a dog. I got a dog because of this other stuff. The right premise is really, "Who can give me money and what do they want?" Now, how can I craft package described and customized what I do and have to offer so that it matches with what they want? This is sea change stuff because pretty much everybody pitches everybody else from the first position, not the second. Hardly any consultant offer, so here's ... Almost everybody comes to me with a preconceived notion. In many cases, they want a better ad. It's the last thing they need. They want a better ad. Really, they don't want a better ad, they just don't know how to enunciate what they really want. We spend a lot of time talking about what do you really want. Do you want more customers or do you want more profit? Do you want more outlets? Do you want ten offices instead of one or do you just want \$10 million in the bank by the time you turn 60? What is it that you really want?

Now, if we could figure that out, maybe I do have some stuff that can be calibrated in a way that it appeals to what you really want. Almost everybody starts from the other premise. In his business, all the financial guys are trying to sell. Don't run out of money before you drop dead, safe investing and the layer beneath that is we're going to sell you stocks, bonds, annuities, convertible IRA or Roth.

Obama got up there in a speech the other night and try to sell a new financial product. He's got an IRA for people who only have \$5, right? It's really a savings bond. We already got this product. It's a savings bond, just print them again.

He's selling products. That's what he's doing. They don't even get it. Last guy that really got it was Reagan, all right? He sold him the shining city on the hill and pride and he had sell stuff. This guy is like a financial services guy all of a sudden, had a lot of bad product. I'm sitting there, "Geez."

You need to start from a different place. It's really what you need to do. You need to start from who it is you want to deal with and now what do they really want. I come to Disney, somebody asked me, "What rides have you gone?" I didn't come here and never gone on track. I think it's very simple. Here's why I come here, I come here because they don't hassle me and rarely say no to me. That's what I want. I don't care if it's a beach, a forest, snow. I don't give a crap about that. I just don't want to be hassled. I don't want somebody who tell me no. "Can I have ice tea?" "No, we don't have ice tea." "I've been on Morton's for Christ's sake, a month ago." "We only have mango ice tea." Really? I got to be an asshole, right? I'm with people I shouldn't.

The waiter is so dumb, so I call him back over and order hot tea. He brings me hot tea. I then have him go get me a glass of ice. I say, "Now, let me show you what your mama didn't. This is how you make ice tea. The ice tea, no mangoes. Watch." Right? I'm still on Continental Airlines first class all the time because they used to constantly say, "No, we don't have ice tea on board."

By the way, if you haven't seen the timeshare presentation, please go while you're here. It's one of the great sales presentations of all time because they just know people are going to buy. If you've ever been in any other timeshare presentation, it's nothing like this one. These guys are like comatose.

The guy says to me, "It's brilliant." We're five minutes into this thing and he's, "Wait a minute, why do you come here anyway?" I told him I come here because they don't give me any shit. When I asked him something, I know you know and it doesn't exist, then here's 52 reasons why you didn't have it. That's why I come. He said, "We could skip a lot of this then." We could save some time because there's a bunch of stuff you don't really care about, right? Let's just get to the numbers. Fine. Let's just get to the numbers, right? Here are my questions, am I going to be treated any different on the vacation club side than I am on the hotel side? If I am, I'm going to stay in the hotel. Absolutely not.

If somebody says no to you, I want you to call me on my cellphone. Here's my cellphone number. Fine. I'm buying, because we've got to where I want. I don't care, a three-bedroom, two-bedroom, at this property, that property, I don't give a shit. The next person want something else, right? You've got to get to what a group of people now really want. I can't be micro helpful to you, but I can be macro helpful to you. You start from this different position.

In hearing aid business, they're all selling made in America, platinum technology and all that stuff and they're all wrong. What's the number one thing you think? Sweet Spot say 69

years old. A 69-year-old who's willing to admit they got serious hearing problems. Man or woman, what do you think the number one thing is they want? No. My father used to say, "At a certain age, son, you will prefer a piece of pie."

Now, to anybody in the room, I don't know the answer of the question is you because you're closest to the demo with your clients. If anybody ought to get this ... Think about this, 69-year-old guy or woman, don't make any difference, hearing troubles, they're 69. What's the number one thing in life they want? I'll give you a hint. It's something they don't want.

Guest: They don't run out money.

Dan: They don't want to be stuck in a nursing home.

Number one, overriding motivation above all else. If they can be made to understand that their adult children are most likely to stick in a nursing home ... They think they're adult. If they can't hear, they seem to other people to be adult. Therefore, this is not about this thing in your ear. It's about them not stick in you in a nursing home. Bingo. This exist in every business. There are some outcome people want that has nothing to do, whatsoever, with the mechanical device or the service, right?

Disney got the animatrons built originally by the guy that did it because he sent his people over there and convince the guy to do it and they came back empty handed and he said, "You idiots." Don't tell them what I want. Go over there

and find out what he wants in a life that he can't get. Come back to what he wants, whatever the number was. I don't know, \$20 million to build this research center, or whatever. Disney says, "We can give them that." Now, let's get him to give me what I want and we'll go raise 20 million for him. That's one-on-one selling, group selling, doesn't make any difference, what do they really want? That's the get.

Guest: My question revolves around, last night we had a lot of great conversation about how people can keep creating output, right? You're doing X number of newsletters, books. One of my favorite quotes of yours is you need input in order to have output, right? I love it if you could talk about your input process because you're reading magazines, trade journals, books, and not just marketing stuff. My favorite thing when we are at your home, at the office was looking at all the books on there and it's a variety, right?

Dan: You only downstairs.

Guest: Right. It was still pretty sweet. I did order the one book, the comic book, ads from comic book.

Dan: Mailer Mystery...

Guest: One of the coolest books I've ever gotten. I saw that on the shelf and I ordered it in your office. Fantastic. That's a secret. Input process and not just input Vanity Fair. I know you read in some other magazines. Talk about the why and which books. It's great for the group to hear.

Dan: How you process it all is one question. The what is another, right? I work in about ten different business product service

industry categories a lot. I have a lot of clients in healthcare, private practice world and clients who are gurus to those industries, so through them.

I have to read those trade journals. I have to dynamic chiropractic. I have to read dental economics. I have to read that stuff. That doesn't mean I read every word or read every article. That's how you process another question. I have to get that, okay? I have to get the cosmetic and skin care industry stuff. If for no other reason, then Guthy-Renker. I have these industries in which I am only an indirect participant that I want to stay current in. Then you have sort of the general business finance category, right? Forbes, Fortune, Wall Street Journal, Investor's Business Daily, that kind of stuff.

Entertainment industry stuff for two reasons; one, I invest in entertainment industry stocks. Beyond that, I consider my business in part entertainment, so variety, Hollywood reporter, book publishes weekly, there's trade journals, the marketing trade journals. There's a big stock. In any given period of time there are maybe 150 of them coming in every month. Some paid a lot of them free, by the way. Trade journals, a lot of them are free.

Then there's an overlap from an entertainment as pop cultures. I joked earlier and there's a bunch I don't know, but there's a bunch I do. I never have watched any number of shows, but I could tell you what they are and what they're about. I haven't paid attention to the news about them. There's all that stuff.

Now, I stay out of all of the online communication that wraps around that, okay? I will if somebody pull stuff and give it to me, which is helpful. Fortunately, a lot of our members do that. I have a whole influence stuff from members. I limit myself off a lot. Then books, there's, again, the stuff that fits those categories, which has to be paid attention to. There's the general business, finance, trend, whole category, new book, et cetera. There's stuff that now interest me.

I'm feeding an eclectic mix so that I continue to be interesting to readers and subscribers. I need that to be a broad horizontal thing to pick and choose from. Then I'm trying to stay ahead of clients and be smarter about their business than they are, and know more about what's going on currently in their industry than they do. I'm feeding that.

Then I am feeding serendipity. Vanity fair is a good example, most of Vanity Fair is irrelevant to me. Every once in a while, and I used to do ... Through commercial and was flying a lot. I used to go to the airport in magazines I never read and I start to fly with the pilot's side and I walk off the flight with eight pages and I go through a lot of stuff. I do that.

I have that very so often, track down to the minds of noble newsstand and hit stuff that I don't modern real world magazine or should I have looked at that in seven months I'll take that. God knows what the clerk magazine is because I got Cosmopolitan and I got the Dalai Lama Magazine and I got the Ku Klux Klan magazine and I got. God knows what they think. I've got some comic books. Typically Barnes &

Noble store with me is an interesting experience in and of itself.

They're big now, a pile of stuff coming in. There's also a paid research I spent 30, 40, 50 grand a year on paper. The processing of it is scheme pick. A lot of it is, until something catches my eye, then I will usually whip it out sometimes post a note. Now it goes into a "going to read this part," in an absolutely physical answer. Eighty percent of all these reaches me once a week on Friday. I tall goes to Vicky at the Phoenix office and I get one box of balance a week. I get the old first class mail, everything, it's all sorted and stuff and it comes in a big giant box on Friday. That's either Friday night or Sunday night in fax.

They're scheme and pick and get rid of the rest. That's the first cut, if you will, and then there's stuff that's going to be copied to go to clients. Every private client has a drawer with their name on it. I threw shit in it. Every month or so I send them a pilot stuff. That's sort of a mechanism. There's the newsletter boxes. Oh, this is affluent. This goes in the marketing to fluent box, kind of what I described to you before. If you went my back and my swipe file room, there's one whole wall of nothing but assigned boxes. There's the marketing letter box, the marketing, the affluent box, the info letter box, the look over your shoulder box, the marketing new services box, the next book box, whatever.

Coming out of this process pile is stuff now that I have read, I have highlighted, I have marked, and now it goes into these boxes, these trays to be subsequently used and dealt with. Small percentage of all that has permanent file status, so the

rest of it gets used one way or another and junked. Is that okay?

Guest: I have the most important question of the day, so I've noticed that.

Dan: Good for you.

Guest: Yes, this is just genius. I've noticed that you're a huge fan of comic books and you're a huge fan of Disney, so my question is, what do you think of Disney buying Marvel.

Dan: I thought it was brilliant. My statement about it is extremely instructive, and it's relevant to what we're talking about. First of all, Disney is routinely accused of overpaying for assets. Eisner was and Iger's been. They scream bloody murder about the Marvel deal and he basically made all the money back with two movies.

Then the latest thing they screened about was the George Lucas deal which the bargain ... Bargain of the century overpaid by its merits. Trump says, "All my best deals I overpaid for," because he knew synergistically ... First of all, he hangs his name on. It is immediately worth 20% more than it was. He knew one way or another how he was going to be able to greatly exceeded value.

If you watch Shark Tank, there's an ongoing argument between the bullheaded Kevin O'Leary who I like a lot and everybody else. The argument is about evaluation. It's not about the way he structures a deal, it's about evaluation. If you're watching it all, O'Leary is always now, "How do you get that evaluation?" You only did \$300,00 worth of sales

and you're valuing the company based on what you're asking me to put in. That's 6.8 million. Are you crazy? In your industry, the evaluation formula is X.

The other folks are more imaginative in their approach. That thing will out earn its evaluation. I don't care about its evaluation, I care about its worth. Iger is very much of the same school. We can grossly overpay for things because we know what we're going to do to change their value. Their present value doesn't matter. It's their value after we get it that matters.

The thing he said about Marvel was instructive. Somebody said to him, it was in the interview on Variety, I think, you're buying characters. There really is no other asset here. You're buying characters. You already got six bazillion characters. Iger said, "You can never have too many characters," and he's right. If you look at just what they've been able to do since they got it and they barely begun, just look at all their distribution channels, look at all the different ways they could have. They do. Now they got a little spidy baby for little children. They got a non-threatening spider team. They got the original Spiderman. They got the adult Spiderman. I thought it was brilliant.

I've often overpaid. I am more interested in their ability to create value than in the value of what they're buying. Wall Street is a great critique of theirs and they've been wrong every single time. They try out the same criticisms every single time. It's amazing that they haven't figured this out, but I thought it was a great atmosphere.

Now, did you see the Netflix deal? That was great. He was taking a bunch of Marvel characters like they're dead. Nobody cares about them. They haven't been seen since 1940. There's a pink canary; characters nobody gives a shit about. They've licensed them to Netflix for original programming. They got \$100 million for this deal. All they gave them was the rights for original programming in Netflix.

Let's say Netflix turns one of them and doesn't sound popular. Great. They got all the other distribution. If Netflix doesn't turn any other man to anything popular, they got \$100 million. They took trash. They went to the waste basket, the Marvel waste basket. That's what they did. They went to the Marvel waste basket. I believe not necessarily with Netflix but he had it on his list when he did the acquisition. Waste basket, 100 million, okay? He had a big list of all the waste they were going to turn this into money. They tipped the waste basket upside down and they took \$100 million of it. Trump tells us great story about Mar-a-Lago when they bought Mar-a-Lago, the big resort in Florida, grossly overpaid for. George once tells a story about what Trump does. It's in Ross' book. This place is full of authentic original antique furniture. That's what it's furnished with. Louie the third and Louie the fourteenth had sex animated. The place is bloated with this shit, right?

He brings in a team company that makes replicas of all of it. It takes out and sells them, the replica is in place. The place looks the same. We covered 20% of the purchase price from the furniture. That's smart stuff.

Guest: I got a question. I'm curious. I'm going through creating a legend thing. If you do that, you become very visible to the public eye, at least if you have a target audience and it never fails because we're imperfect, sometimes things go wrong, things like Tony Robbins who over the years had given quite a bit of advice in family life, he trades in his wife for a younger model. You take Michael Gerber, brilliant mind, he doesn't pay attention, his ex-wife, his GM turned on him, he's out of his company. It can happen to anyone.

My question is, what do you suggest to damage control when those things happen? Do you still keep walking and alienate them?

Dan: Try not to sleep with the prime minister of candidate's wife while you're still married, Tony. It make the news in Canada. It was big news in Canada. Here's the three things that I would say; one is you are absolutely right that there is risk inherent in making yourself a face of your thing. First, depending upon how flawed you think you are or wish to be, be careful what categories you pick to play in.

For example, it's another reason that I left personal development after two years because I didn't want to be in the position of having to walk that talk perfectly. Of course, today, it's far worse because of the scrutiny and everybody has got a damn camera and microphone.

I think you have to pick and choose where you play. If you take Tony, we'll choose Tony since you brought him up. The personal development stuff is dangerous enough. The marriage family stuff, high degree of danger. Now, know thy

self. Really? Are you sure? When I Carla and I got divorced, because she's very visible in the business, rattle with a lot of people. It rattled them more about their own vulnerability, more of "Gee, if this can happen to them," and he didn't see it coming, maybe I'm going to come home with \$5 furniture. It was more of that than it was now a degradation of my positioning with them because I never made myself out to be husband of the year to start with and I never had since.

I don't know why she left. I don't know why we're remarried. I don't know nothing. I have no damn idea. I'm not the one to ask. I open the door. I stick my head in. If I see a furniture, good day. That's like one day at a time, baby. That's all I know. People will play in four shields. They'll try when you're their finance guru. They want you to be the other guru. I get people asking me for a relationship advice. I'm going, "Weren't you paying attention? You don't want any advice from me about this." I don't know. "Yeah, but" and they'll tell me the thing anyway because they want you to be. You have to be willing to resist the temptation to go where you've got to have problems.

Secondly, your own behavior ... Just like a politician, just like an entertainer, depending on who they are and what their constituency is, you have to know that you are now this asset that you've created has in it and you have to be willing to behave in a certain way. The guy should drink heavily. The thing I never did is go drink with the customers in the bar. That's brain dead stupid because God knows what you're going to say when you're six feet for the win. I think you have to realize that you are in that position.

To see the trade off, if you feel you can manage it, there's no better way to build. At some point, you ease your way out of it anyway, but there's no better way to build.

Guest: Where is that coming from? The last couple of months...

Dan: That was Dr. Phil. Remember when he was pitching diet stuff and he turned sideways and he looks like Alfred Hitchcock, for Christ's sake. Oh sure. Yeah, yeah. He was Clinton's guy. Lanny, he's got a book out on crisis management. What's his name? It's got a red cover. He's in the Clinton administration. Great book, which Clinton didn't follow the advice and nobody else follow the advice either. They all do the same stupid shit. Chris is doing it now. It's disclosure by degrees under the rest. Nixon would've finished his presence and if he had just hold on the tapes in the Whitehouse and said, "You bet. I took it all and for national security reasons, we're burning it all." End of story.

The guy would've finished his presidency. They could've got him out of there. Damage control, there's a smart process for that, and I recommend his book. His name will come in. Lanny Davis, thank you very much. Do you know the title of the book? It's easy though, go to Amazon, type in Lanny Davis, there he is.

The prevention measures are more about the nature of the audience, right, and the way you position yourself with that audience, what their expectations are. I've turned on clients for the same reasons that the worst thing in the world we can do is make this guy ten times more famous than he is now because all we're going to do is speed up the radar

which everybody finds out he's full of shit, right? It's a version of advice that was given to me, my first year of speech.

I've turned them down for the same reasons. If you take a look at Zig, if you want to stay in that genre for a moment. Zig and I had a couple of years of better disagreements, ultimately good friends, but I never was irritated at him because there was consistency between what believe and what he did, right? Different with his beliefs, but that's okay. Jim Rohn pretty much was what you see is pretty much what you get. He's not a deep dark secret in the closet. I'm amazed at some of these people, who's a politician, who went hiking on the Appalachian Trail?

What's the deal? Yeah, the governor in South Carolina who was with his mistress in Brazil, or something and told everybody he was off walking on the Appalachian. In today's day and age, how exactly do you think you are going to get away with this? Nah, he could survive ... You could survive in that situation, you could probably survive... we don't like each other anymore, we're getting a divorce, I'm taking care of the kids. Three days later, here's the love of my life. You might survive that. You are not going to survive lie upon lie upon lie upon lie while it is just beyond stupid and the destructions unnecessary.

Guest: Thank you for the information and the insights. My question is some of us are not from here, from the US. Even a couple here or the three of us, actually, are from the overseas. I know this is a mastermind event for our own businesses and the insights we can get from here. I want to see your opinion

on the general in terms of the economy and the new trends we might carefully watch over the next years.

Dan: It's a global trend.

Guest: Yeah.

Dan: The global trend is the age wave. Some countries are worse off with this than we are, Japan. You have this aging population. They have percentage of the population aging than in previous ways. Historically, they slam the breaks on spending in a lot of categories. Dean's theory is this, "I have it different with him. I don't think the breaks are going to get slammed on his heart and he's quit as historically." I don't think our current seniors are going quietly in the good night. I can tell you, for example, in the skin care business, I price skin care, the sweet spot of the customer in just a decade has moved from 50 to 63, 63-year olds are minor stuff.

If you go back to people my mother's age, it was at 60 screw it, right? Just screw it, wrinkles like sharpening dog, hair fall out, it's just whatever, I'm old, right? Not now. I don't think he's spending. He's going to be as hitting the wall is going to be as dramatic or is quick. It is there. You got that and the other thing that's really prevalent here. Three things for you. The thing is it's very prevalent here and it's interesting. I've been talking about it for five years. I happen to catch today, this morning on MSNBC. I guess it was a big article in New York Times about this yesterday. They just discovered the disappearance of the middle.

In all the current counter rolling about incoming equality and how we have to fix the middle, there ain't no middle fix. For the most part, it's not coming back. We are not going to reindustrialize America. That thing is sucking up jobs with little boxes in. The little device he's on is sucking up categories or jobs like there's no tomorrow. They're just disappearing. It's not like they kill one and create another new, no, they just kill them.

What they were talking about this morning, I've been talking about for years is, if you look at most categories, the middle that sells to the middle, if you want to be in the restaurant business, be in Morten's or own a bunch of McDonald's. Don't be in Olive Garden and Red Lobster. You're in big trouble. Those guys may not survive as they've traded well in the margin. They're down to two people. Olive Garden's new promotion, this is what's in the news this morning is two people for 25 bucks and we'll pay for your babysitter.

I know how to do math. There's no profit there. None. Zero. Nothing. It's just volume cash flow. They're in the cash flow business. You can always stay in the cash flow business so long. I ran a company that flow in losses. You can do it for a while. The middle is just, like this. The third thing is that we are not the US, and it's not going to be, at least for a while, the big "It" anymore. Huge numbers of industries and investing more and more elsewhere and less and less hear. It is because these other countries have several things that we used to have that we don't have. They have a study ethic. They have a work ethic and they have a thriving and growing middle class. This is instructive.

Several years ago, I had a long lunch with the CEO of Tupperware, very smart guy. His name is Rick Goings. If your mom went to Tupperware parties, if you don't know Tupperware, your mom went to Tupperware parties. Most people think that Tupperware is an American company. They're now down to less than 30% of their revenues here, 70% elsewhere. Brazil is number one. All of a South America is number two. Asia is number three, et cetera.

I said, "What's the drivers of all that?" He said they're not going to reverse themselves. He said, "Tell me about your daughter." I'm 40, three kids, married. "Great. Did you get the house paid?" How's your house mortgage? Are they paid off?" "No, three cars all unpaid." She stays at her mom. Husband, nice job, six figures. He says, "How long could he go if his job went away before your phone is ringing?" He said, "A month time." He said, "Okay, we're going to fix all that." We're going to make them financially any better." We're going to take our best recruiter and we're going to go to their house and you and I will sit off at a corner and watch the conversation. Our best recruiter is going to say, "Here's the deal, in five or seven years, you're going to be debt free, you're going to be a cash millionaire and you're going to have passive income for the rest of your life, you never have to worry about money again, here's how this works." For at least the next two years, Jennifer, you're going to eat dinner standing up over the sink every night and Greg is going to fix his own and he's going to take care of the kids and you're going to go out. Three nights a week you're going to do parties and two nights a week you're going to help people in your organization do parties and every weekend you're

going to train and recruit and you're going to do that week after week after week after week after week after week. You're going to make a little money and a little more money.

By the third year, six figures are going to be coming in. Since you're living on his salary now, you don't need any of that money, so you will bank all that money even at low interest and conservative investments or will have a million dollar in the bank, all your debt will be gone and you'll have passive income forever and your work, your hours can start to go down the other side because you have this organization in place which you're pointing over, right? He says, "How far do you think the recruiter gets with that conversation here with your daughter?" I said, "We all left at eat dinner over the sink." It stopped there. Nobody heard anything after that.

If they did, the first question will be, "Can't we just do it on a bed?" he said. Imagine now we tell that story, we said our worst recruiter to Brazil to tell that story. What happens? We don't even get through the story. The husbands are saying, "Go." The wife signed it up. He says, "Then let me show our productivity statistics from Brazil versus our productivity statistics from here, how many parties a week, average sales, all at." He says, "Let's take our web classes and look at our show operate here for sales training, which is free, versus our show rate there." He said, "I'll show you every statistics you want to see," and they all tell the same story.

The direct selling industry is really cannery and a coal mine for all sorts of other businesses and all sorts of industry.

There's goal at the top. There's goal at bottom, their angle being in the middle. Therefore, your business better be about top or bottom. You don't want to be in the middle. The third and last thing I'll say is if you can be Amazon, you're a dead man walking. If they can sell and deliver what you do, it's game over because you're playing with real money, they're playing with play money. Their retail business is subsidized with their services business and they're perfectly willing to lose money on everything they do on retail in order to tell everybody.

The Zippos model makes no sense. It can't make any sense. You can't ship a pair of shoes to everybody haven't tried them on. We turn seven and keep on and make any money. It's impossible. That's not what it's about. It's about wiping out all the shoe stores. You own four shoe stores. You've got to get out.

The same thing is the green signs over the ... Amazon has put a sign and said, "Here's a list of businesses. You better get your ass out of. They're not telling anybody. If you can be Amazon, you are DOA. In our world, their world, we are reverting to the 1970s manual labor model. The whole business is about seminars, multiday experiences, field trips, mastermind groups because the stuff, Amazon, YouTube, Skype, go to meetings, meet up, Linked In, everybody talks to each other for free.

Those are the three big things that I would tell you. I don't consider any of those things, good or bad. I don't like them. That's different than are they inherently good or bad, they are not. Any more than weather is inherently good or bad. It

kind of depends on how you respond to it. When I left Cleveland, I'm back as a horse raiser. Those two blizzards were horrible for me because I was broke.

If you're in really bad winter weather with no money, that's really bad. You can't dress right. You've got bald tires. Your car don't run. It won't start. Everything is bad. You can't turn the heat up. I live in the same climate right now. We're having a coldest winter in 22 years. I'm not bothered. Why? I got money. Thermostat said it's 74. I don't give a shit how dark it could go. I got four fire places. I got really good poles. I got a car guy that would come stock my car if it won't start. It's not good or bad. It's now how we react to it. That's my answer to your trend question.

Guest: Thank you very much.

Dan: One more.

Nick: Anybody can ask any question.

Dan: Last call.

Guest: When you were drinking, what were you drinking?

Dan: I was a big West Texas martini guy for many years, which is just not good. Then I switched to Chivas Regal because of my stomach because the vodka was killing me. Failing the availability of either of those two things, didn't much matter.

Guest: On the radio, we have calls to action getting people to call us. One of the things we try not to do is turn ourselves into a commodity by giving free stuff away. We also like the phone to ring. One of the things we say is we put a time clause on

there in the next 15 minutes. All callers would call and will get something, either a meeting with us or an income plan or special report, captures names and all that.

How could we rephrase in our market is people with 250,000 in assets and above ... Usually about 55 and older. How could we phrase something on the air? We build value too as we have good guest on all that. The celebrity factor is there, but we want to make sure that only quality people are calling, but we want people to call to really come in into the fee-based model to funnel kind of thing.

Dan: You have to decide. The free report offer, free book, free CD, whatever, that is very topic specific and changes often. You may bring it back out like it could break stuff out of the vault. The main information offer of this week's show should not be the same as last week's show or next week's show. Eight percent of that document may actually be the same, but for the cover of the title, it needs to change because you've got same people listed the whole time, right?

The free report, the free information device really doesn't do you much positioning. The decision there is how you describe who should get it and who shouldn't get it. You have to be willing, if you want the thing you said last that we don't want a bunch of people that we can't do business with to respond, but we do want response. You have to be willing to deliberately dial down the response by adding qualifying statements to the offer.

Guest: Let me say they must have at least 250,000...

Dan: You got to have grandkids saying you're worried about ... It doesn't just have to be money, it might be the life condition that drives that. You've got to have grandkids and you're worried about your never do well son-in-law or daughter-in-law divorcing and running off a lot of money. You would say it more elegantly than I just said it.

Somehow you put qualifiers in that are dog whistle language for the person it's for, but that turned off a bunch of other people, right? You've got to understand you're going to dial down the quantity in favor of the quality. That's best worth doing when all the follow up is tight matched to the thing they responded to in the first place.

A lot of financial guys help people the same stupid thing. They're on a lead generation and all about generation skipping raise and how to protect the grandchildren generation and they'll raise their hand and they'll send them eight-page report about that and then a bunch of generic information about their financial practice and annuities and everything else. Too soon, too much, too generic.

Guest: Right.

Dan: I was interested in X, right? You get me to respond to your dental practice because I'm a diabetic and you have a paradental care system that will bring my blood sugar numbers down by 30 points and you send me your general dental shock package and your book tooth care is fun. You just lost me again because you're not what I thought you were. The expert in this thing that I'm concerned with. The free consult is tougher. I'm not a big fan of them until

somebody has gone through an information step and he's now requesting that and providing some information at that time that they respond to it.

Guest: One of the things we did is we would make them either go online or we would send them a questionnaire. They have to return that before we meet with them. The numbers went way down, but the quality went way up.

Dan: Of course.

Guest: It's just a matter of getting the right people. We did a free book one time where we just add people. We Agoula's book away when we had him on the show over 400 calls. It was a free book. Then we did when we're ... You've got the free book but you have to come in and see me first. The numbers went away down, but the quality went way up. It's just that there's no magic bullet, I guess.

Dan: No, there isn't. I prefer a hybrid approach myself which there is an information of her. The information now sets up the request for the consultation, or whatever. They have to jump through a hoop at that point, but we've already built some trust, we've already done some demonstration and then they take that next step. That's my preference.

Guest: Yeah. Thanks.

Dan: Okay. You've got something else? You guys happy?

Guest: On behalf of everybody, would you join with thanking Dan for job well done?

Dan: Thank you. Thank you all.