





And Kia Ora from New Zealand,

Thanks again for making a wise decision to invest in the Brain Alchemy MasterClass Home Study. It's always exciting to open up a box full of goodies, and I know you must feel like a five year old on Christmas morning as you read this note.

I realize you're keen to get right into this Home Study. Keen to read the notes. Eager to listen to the recordings. And you should be. Except that this note from me to you is just as important as the contents of the box you've just opened. Why? Because this note will explain <u>what you need to do and how to do it.</u>

I know some of you may be auditory learners and some of you may be visual. For those of you that are visual, you'll want to read the manual right away. My recommendation would be to listen to the audio first. Not so much because the notes aren't complete by themselves. Far from it. The notes were written as if I were writing a book. So the notes are complete as if you bought a book from Amazon.com.

However, I do believe that you'll get far greater value from listening to the audio and then referring to the notes because the audio is likely to have a far greater level of depth. Learning is about understanding a concept in its entirety, and I think the sequence of audio first, will give you a much better learning experience.

Important Learning Tip No 1: I'm an auditory learner, but if you have me sit in front of my stereo listening to audios, I'm soon bored out of my skull. And if you're NOT an auditory learner, the audios will soon lull you into a deep sleep. Now you and I both don't want that to happen.

So I'd advise you to do some activity when listening to the audio. Take a walk. Take a drive. Dust furniture if you have to. And have the audio playing either in the background or through an mp3 player/CD player. Yes, you can burn these CDs onto mp3 and play it through your mp3 player . Of course, be sure to have a little note pad nearby. The ideas will flow thick and fast. And if you don't capture the ideas on paper, you'll lose them forever. (Don't try this while driving!) You'll find a 12-page workbook that corresponds to the audio. The workbook is a good place to take down notes. Make sure you have the pages handy.

Important Learning Tip No 2: Your brain and mine is not made to understand and implement the things we learn on the first round. No doubt the ideas in this Home Study will excite you, but real learning will *only come from repetition*. I'll repeat myself to make a point.

Real learning only comes from repetition.

So if you don't go over the notes, audio etc., Several times over, you'll be doing yourself a big disfavour. Make sure you listen/read the information more than once and the gems will reveal themselves to you. Every time you repeat the process, your business will have grown and so will you.

And yes, you'll understand the concepts and how to implement these concepts in your own business, much better.

Important Learning Tip No 3: If you try to implement everything all at once, you'll struggle. And you don't want to struggle. The whole point of this MasterClass is to get rid of the struggle. So follow the sequence that I've outlined for you, once you're done with listening to the audio and reading the book. Remember, it's the simplest things that make you amazing profits. Complexity is fine, but simplicity brings home the butter, bread and jam. So pay close attention to the instructions and implement one thing at a time and you'll be fine.

Important Learning Tip No. 4: You've been given resources. Some of the resources are on the CD. Some of the resources are online. Some of them will be in the teleclasses to follow. Depending on when you invested in this product, you'll either have access to a live events or a recorded version of the live events. Either way, the resources are meant to move you ahead. Use these resources and watch your business soar.

Okay, okay, I know and notes. So here's what you need to do:

Instructions after listening to the Audio/Reading the Notes:

Define your message: Make sure you use the Brain Audit
Define your Three Prong System: This is VITAL. Don't miss out this step.
Define your Spider's Secret: What will you give away? What will you sell?
Define your Chug-Chug Marketing: The simplest things will get you the biggest response. Put these little factors into place and you'll see results.
Put together a simple plan. Define three major things you're going to do under the Three Prong System. Then make sure you set out a schedule to implement the plan.



Before I do anything else, I want to congratulate you. The Brain Alchemy Masterclass is a highly evolved system of taking, giving immense structure and direction to your business. The key to getting the most out of this Masterclass system and the concepts is to understand the purpose of education.

So what does education mean anyway?

Education has often been mistaken as a term. Most of us have at some time believed that education is all about stuffing. We believe education is about getting more and more information. Let's go to the library, the book store and the Internet and fill our brains with a squillion details. That's what we think education is all about.

So try arguing with the Latin Professor

Because the word education is derived from the Latin word: *Educare*. The Latin root for Education is *'Educare'* means *to elicit-* that is to *bring out from within*. The values are all within us. We just have to bring them out and put it into practice.

See? See? It's not about stuffing

You have all of the skill and the abilities within you. You've always had it. You've always known it. And if someone else can achieve wonders with their life, you can do the same. You've got to educate yourself. And to educate yourself, you need a catalyst. Something or someone who can bring your latent abilities and talents to the fore. In short, that's what you should expect to receive from the Brain Alchemy Masterclass.

Don't look for volume of content. Look for simplicity of concepts

As humans we've got the 'buffet mentality.' We want to go to the *All You Can Eat* places because we think we'll get great value. So we stuff ourselves like little pigs, we rumble out of the restaurant and think we've gotten ourselves a great deal. Yet instinctively, you know that eating mountains of food hasn't done much for your health. The same analogy applies to your business. Once you understand the complete picture, you can eat what you need. And grow exponentially.

And when I say grow, I don't just mean business-wise

You need to grow personally and spiritually as well. So that you don't run around like a headless chicken searching for the next client. The clients will come. The profits will beat a path to your door. But more importantly, you'll have your peace of mind, your happiness and your health.

This is what I wish you most of all. I wish you sanity. :) Sanity that comes from knowing you've got a balance in your life. That wealth, health and happiness is yours in the months and years to come. Nothing is greater than knowing that you have the power within you.

Be prepared for an *education* like never before. Join me on a journey that is exciting, scary and profitable all at once. Join me in finding what lies *within you* and how to get it across to your clients, so that your future isn't some big mystery movie.

Let's get this show on the road. :)

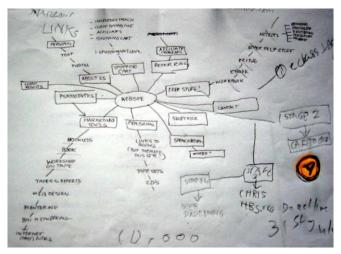
For Maximum Impact

Here's how you can get the best out of this Masterclass

1) How to have an endless recall of the concepts being taught to you

- Most participants in an event do one of two things.
- 1) They simply sit and listen to what is being taught.
- 2) They take notes.

Both of these systems are effective in their own way. However, the most powerful system you can ever use is called a mind map. The mind map system works because it operates in the same manner as your brain. So here's how you create a mind map. The mind map allows you to pick up every topic and then create sub topics. Even months or years later, you'll be able to pick up the sequence and the structure of the content, simply by looking at your mind map. Instead of hundred pages of notes, (if you write that much that is) you have one master mind map and whatever you need to append in terms of



notes (if at all). In most cases, I use only 10 sheets of blank paper, even when I'm sitting through 3 days of training sessions. The reason for this efficiency (and saving the rainforests :)) is because of the amazing power of mind maps.

To make things easy for you... The entire Masterclass will be mapped out in terms of mind maps and then you'll have one master map to follow and integrate. If it sounds geeky right now, don't worry. You'll get it as we go along.

2) This is your education, remember?

If you don't ask questions, you'll be the loser. Make sure you ask the speakers all the questions you need answered. Make sure you network with the people sitting at your table. As the class progresses, test out your core marketing message. Does it excite your fellow participants to want to know more? How can you refine what you're communicating? Bring out the best in yourself by constant questioning!

3) Make Two Lists

Your Go-Back-And-Do-It-Now-List: What can you do right away? If you don't write down your 'instant to-do list', you'll forget what you meant to do and boof! the idea will slip away. When you get hit by a thunder bolt of an idea, make sure you write it down on one of your to-do list.

Your Stop Doing List: You can't do it all. And some things just need to be delegated. If you try to wear all the hats of your business you'll be struggling. You'll be juggling. And it's only a matter of time before the ball drops. Create your to-do list. It's very important.

That's it. To sum up:

- 1) Use Mind Maps: They work.
- 2) Ask loads of questions.
- 3) Create two lists. Action is what gets results, not just learning. You know that :)



You're headed straight for failure. We all are.

Let's face it. If all we had was success, we'd never learn anything. And we'd be bored silly. Every movie would be a hit. Every business would be successful. Every thing would be perfect. Or would it? So let's not run down the concept of failure because failure is our biggest teacher. It's our friend. So let's give failure a name, shall we? Let's call him Failure Smith.

Now you and Smith are best buddies. And Smith is pretty predictable. Sure he gets mad from time to time and does things that you can't understand. But hey, he's your friend. And over time you figure out if you do certain things in a certain way, both you and Smith are nice and happy. And no one gets hurt.

No one gets hurt with failure

Because Failure Smith is actually a wise teacher. He's got stuff in his head that's all history based. He can go back in time and bring out twenty squillion examples of why businesses fail. Whom we should be really afraid of is Failure Smith's cousin, Amanda Risk. Ooh! she's a tough one. Every time we cross her path, she smiles that toothy grin and we know we're headed down another roller coaster ride. But hey, that roller coaster is fun too!

So waitasecond have we got this Failure and Risk all wrong?

Absolutely. Failure and risk are nothing to be afraid about. Why? Because risk can be managed. There's no such thing as a crazy risk. Unless of course, it is a crazy risk :) If you're smart with your risk taking, you can always come on top. And if your risk is minimised, then where's the scope for failure?

Oooh, good question!

Failure is within you. You are facing the wrong way my friend. You're looking for external events and situations to blame your failure and risk on. And external events have nothing to do with it. If they did, everyone would be poor during the Great Depression. Everyone would be rich in the booming nineties. But that's not the case.

So obviously it's up to you as an individual. It's what you think about that causes you to fail or succeed. Because thought is the most powerful tool of all. Don't believe me? Wiggle your little finger. Look up at the ceiling. See. Your thought did that. Your thoughts can make you upset. Can make you happy. Can make you weep. When you analyse everything on our planet, it's all about thought. As you sit at your desk reading these words, you can't see your family. You can't see your friends. Yet they exist. They exist in your thoughts.

Success or failure exists too

Yes siree, your success or failure exists in your brain. You've heard that being told to you before. But how the heck are you supposed to get happy and trampoline around the place, if your business is rocking like a ship on a stormy ocean? The truth is you cannot. You can't be happy when you're sad. But you can do one thing. You can use the concept of control.

You control what you can. You drop what you can't control

Hey, I'm no saint. I didn't wake up with this halo on my pillow. I've struggled too. I've cried in my car driving to networking meetings, not sure what the heck I was doing. I've

changed careers too. I've made mistakes too. And some of the things were out of my control. And I'd get mad. I'd have headaches. I've even been put in an ambulance and chauffeured to the hospital on oxygen. Because the doctors thought I was having a heart attack. I bet you've never done an ambulance ride. The reason I'm telling you this is to show you that you're not alone. That over the years, I've learned to control what I can control and drop what I can't.

The computer's not working. The emails aren't getting through. The car isn't starting. The breakfast is burning.

Oooh, finally something I can handle. I handle the breakfast and look at the others as something that I can't control. Some one other than me will have to handle the troublesome issues. And as I write this note it's 6:31 am in the morning. No one will turn up till 8:30 am to fix the computer or the emails. The car? Well, I'll just have to borrow my wife's car or take the bus. Breakfast? Heck, I can't let the breakfast burn! So off I go into areas I can control.

Your business is like breakfast

You can control it. But you have to control your brain first. Because as Henry Ford, thrice bankrupt, then super-tycoon said: *"If you think you can do a thing or think you can't do a thing, you're right."* I had to read that line twice before I got what he was saying. When it finally got to me, I was astounded. Everything I achieved, I <u>wanted to achieve</u> come what may. Everything I failed at, I <u>didn't really want to achieve</u>. So I took shortcuts. And I failed. Hey, Failure Smith, lookeee what you did? And don't bring Amanda Risk into the picture because the risk factor just went waaaaaaaaay up.

It's all in your head...to start with

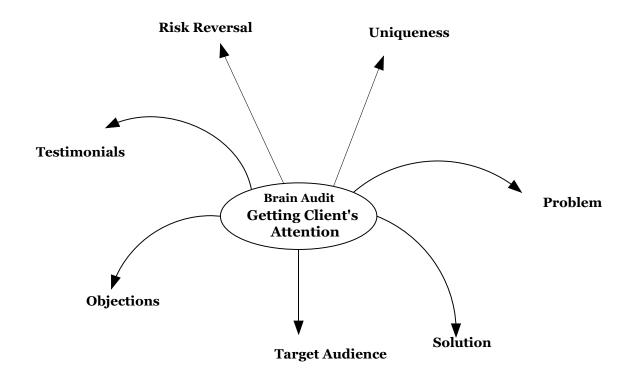
You become what you think about most of the time. That's true. And if you haven't already read the book *As a Man Thinketh*, by *James Allen*, do so today. You can download it from www.asamanthinketh.net.

But thinking is like dreaming. You can dream till the cows jump over the moon. And the dish runs away with the spoon (Naughty dish!) Yet nothing is going to happen. Take for example this MasterClass. Why did I even bother? I get more than a regular income via the Internet, via workshops held in this part of the world. I do enough speaking and consulting to be more than content. So why take the risk? Why go all the way to California of all places when Singapore or Sydney is so much closer? And so much less scary? Why take the risk?

Is it risk?

I didn't see it as risk. On the downside if the workshop didn't get off the ground, I'd lose the room hire fees. And that's it. All the preparation for the class...all the 16 week sessions and the pdfs can and will be resold. All the branding and trust we've created won't go to waste. And the upside? Well there's profit. Quite a bit I must add. And profit should be the case in every one of your ventures. Plus there's a chance to meet a whole lot of subscribers, members and even some new folk. It's all in the brain. We didn't set out to fail. We set out to succeed. We gently dropped off Amanda Risk at the last corner. We made sure we listened closely to Failure Smith. And we moved ahead confidently. You too can do the same.





s the brain predictable? Or is it random? Is it male or female, or is it neutral? This little introduction will help you understand how the brain processes information. It will show you why a customer decides to buy or to forego the purchase.

Best of all, when you are selling your product or service, you can actually identify at which point you skipped a step that could have made the difference to your bottom line.

How the brain works exactly like a conveyor belt

Imagine you landed at your international airport. You've just landed and you're waiting for your bags to come out on the conveyor belt. When you got on the flight, you loaded seven red bags onto the plane.

As you wait with the other passengers, you see one red bag and then two. Then three, until you have a net total of six red bags.

So when do you leave the airport?

The question is academic and almost pointless. Without doubt, you leave when you have every one of your seven red bags. No matter how late you

are or how tired you feel, you wouldn't leave without your seven red bags.

The reason why customers don't buy

It's a good idea to watch customers. Do you notice how they get a little edgy? Have you seen how they mull over paperwork? How they say they'd like to think about it? Fidget, fidget, fidget they go. Then it's mumble something under their breath and you never see them again.

Welcome, you're now officially in the land of the classic conveyor belt system. You have managed to take off some of the bags in the customer's brain, and the customer is somewhat sold on your offering, but stops just short of purchasing it.

The grim part is that it doesn't take a lot to stop your customer. Like you stay around at the airport waiting for just one bag, your customer won't dip into her wallet to pay you. Sadly, your sale could fall through because of one solitary factor.

Losing a sale is bad enough. Not knowing which factor caused you to lose it, will drive you crazy time and time again. If you know exactly which factor was missing, you could fix it. And never lose the customer again.

This is where we get off the menacing randomness of the conveyor belt and get into the realm of science. The science of knowing just what the bags are, and then using them to bazooka your way into the customer's brain.



Take those bags off the conveyor belt. If you don't, they will go around in the customer's head forever and reduce the chances of her ever buying your offering.

THE PROBLEM

*The customer hesitates buying from you not because they don't want to buy. Their hesitation comes from the fact that you haven't got the *bags off the conveyor belt*.

*There are seven bags on the conveyor belt. Every bag has a different function. The earlier set of three bags get the attention of the customer. The latter set of four bags reduce the risk. All seven bags have to be taken off the conveyor belt in the customer's brain. Once this is done, the customer is far more inclined to buy into the service or product.

*The most powerful bag of all is the PROBLEM. This gets the customer's attention immediately. Magazines, newspapers, radio and TV get your attention by using this factor very skilfully.

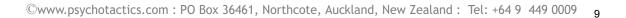
*Most advertising is in direct contrast to news. News uses problems to get your attention. Advertising uses solutions. The level of excitement while reading a news item can be several times higher than reading an ad which is solution-based.

*We are naturally attracted to problems. People are more interested in watching a building burn down than a building being constructed. A police patrol car draws more attention than traffic passing by.

*Customers are swamped in a deluge of information each day. To get their attention, your communication must address their specific problem. This problem-based communication stops them in their tracks and forces them to think. Often the thought process takes them into the future, where it's likely the problem may occur. They may not experience the problem currently, but bringing it up, highlights it in their brain. It creates a sense of urgency.

*Your customer's biggest frustration is what you need to discover. Then create greater pain on their brain by highlighting the message even further. This causes them to instantly be interested in your message, so they can get rid of their pain.

> Problems attract people like a moth to a flame. The brain is fascinated with problems because it is always keen to avoid them.



*Problems have a definite edge over solutions. Here are some examples: Solution based: Get fit for the summer in just 8 weeks? Problem based: Aren't you determined to get rid of those unwanted kilos of fat? Here's how you can get fit for the summer in just 8 weeks. Solution based: Attract clients like magic. Problem based: Are some potential clients slipping through your net? Here's how you can attract them like magic.

*Always consider egos. If your problem based communication offends the reader's ego in some way, all your efforts will be in vain. Put yourself in their shoes and you will get their attention without any problem.

Example:

Not so good: Are you struggling with leadership? Much better: Can your leadership take your company to even greater heights? Find out what makes great leaders.

SOLUTION

*Solutions are vital. However they come after the problem has been created. Don't jump the gun and put your solution before the problem. Doing so will greatly reduce the pulling power of your communication piece.

*Solutions are pain relievers. They bring down the pressure cooker situation created by the problem. They assure the customer that there is a light at the end of the tunnel.

*Audit your communication rigorously for solutions popping up first. Your natural tendency will be to put a solution first. Resist that temptation and keep it second.

TARGET AUDIENCE:

*Everything depends on the target audience you choose. If you choose too broad an audience, you risk the chance of alienating everyone. This is because your message cannot be sharp focussed on a particular group of people. However, when you choose a specific target audience, you flag down the prospective customer immediately.

Eg: Women's clothes is too broad a target audience. Pregnant women's clothes is far more focussed.

The power of the problem really stems from you getting the target audience right. You can make your communication far more powerful if you choose the right problem for the right target audience. Eg: If you're trying to attract all women, your headline would read: Sick and tired of your boring wardrobe?

Where as, if you were targeting pregnant women it would read: Sick and tired of boring maternity wear?

Your target audience is always looking for communication that's catered specially to them and for problems that are their biggest concern. Get the audience too broad and you water down the efficacy of the problem.

Successful brands focus on one target audience. This allows them to be more favoured, more expensive and more connected to their audience. Eg: Tabasco focuses on people who want a hot sauce. The medium hot and the mild can go some place else.

You can find your target audience with one of these methods. A) You isolate the group that has been your biggest customer. For example: You might be getting most of your business from advertising agencies. Therefore your target audience is logically the agencies.

B) You can also choose your target audience. You may get most of your work from advertising agencies, but find them too slow with payments. In that case, you determine which group has a quick turnaround on payments. This might be small business owners. Logically, this becomes your most desired target audience from now on.

Yes you certainly can have more than one target audience. In fact, it's recommended. Different groups of clients need what you're selling. For example: The Brain Audit sells to individual buyers. However the Brain Audit Workshop sells to companies that want an in-depth audit of their communication.

Be a monomaniac. Concentrate on one audience and speak to them. They'll perk their ears up and listen.



Even on the sunniest day, people generally walk around with a universe of problems.

THE COMBINATION OF PROBLEM + SOLUTION + TARGET AUDIENCE

*The combination of the problem, solution and target audience causes the brain to ask the questions *What do you mean by that? Or How do you do that?* Try *it. It works*.

*If the trigger doesn't work, you're either speaking to the wrong target audience or your message isn't strong enough. If people go 'huh', you've got to rework your message and test again. Keep testing till they response to your statement is consistently, *How do you do that? Or What do you mean by that?*

*The reason why you need to have this trigger is because our world is overloaded with communication. Make your message stand out among the cacophony with this simple trigger.

*You'll be tempted. You'll get bored with your trigger. That's not good enough to go about changing the trigger that works. The only reason you should change your trigger statement, is if it stops working for some reason. Or, if you test and find another trigger statement that works better. If it ain't broke, don't fix it till you <u>test it</u>.

*Risk is why people don't buy. If you can get the Ya But out of the way, you can quite easily go ahead with the sale.

OBJECTIONS

Objections in the customer's brain stops her from buying. This is what makes her want to think about it. Once the customer's buying desire is awakened, they feel the need to go ahead, yet are slowed down by objections.

It's no use pretending objections don't exist or that the customer won't bring it up. She may never bring it up, but it will still be on her mind. Your best bet is to bring up the objection and destroy it. Your prime job at this point is to show the customer why the objection is not really an objection at all.

Find the biggest objection of your customer. This can be done by research or if you're face to face, it can be done by skillful questioning. Then work your way through the rest of the potential objections. Give logical reasons to remove the natural fear the customer feels.

Feeling is everything. A sale can stall at this point because of a lack of empathy with the customer. A good system to counter this is the Feel, Felt, Found system. It's simple and effective. It should encapsulate the following. "I know how you feel. This is what our other customers felt. And this is what they found." This creates an enormous amount of empathy and reduces the resistance level of even the most aggressive customer.

There is a difference between an <u>objection</u> and a <u>condition</u>. Example: A person is being persuaded to buy a spade for his garden. He may have a garden and may still not buy, because he has no interest in gardening. This is a condition. An objection is when that very person has an interest in gardening, yet is hesitating to buy for some reason. The only way to distinguish between the two is through questions. The more questions you ask, the more you can qualify the customer.

The Price Factor is often given undue attention. Most business people are convinced that their products or services would be readily accepted at a lower price. Yet, that's rarely the case. There are a whole lot of factors that are far more important that price. In fact, price comes in seventh in a list of six.

TESTIMONIALS

A testimonial reduces risk. It's all about you, but you're not saying it. Someone else is. And that makes a huge difference. It's believable and removes a large part of the doubt from the buyer's mind.

There is great power in a testimonial but super power in the 'Reverse Testimonial'. The Reverse Testimonial is more in line with our naturally skeptic nature. Work towards getting testimonials that are well balanced with a good dose of initial skepticism.

Construct it with a Problem and Solution in mind. The key to a great Reverse testimonial is the problem upfront. And then the solution. Pay close attention to this fact. Always audit your testimonial for a problem and if there isn't one -- get one! Remember the client came to you to solve her problem. So the problem must exist. Use it to create drama in your testimonial.

Make sure you have a good sprinkling of different angles for your testimonials. Some clients look for speed of delivery, some look for

reliability and some for friendliness. Make sure your testimonials cover all the bases well.

The biggest secret to getting testimonials is a three letter word. It's called 'ASK'. Just keep asking and you'll get a whole range of testimonials. It doesn't matter if you have a hundred and ninety nine testimonials. The two hundredth one might be a real winner. Collect testimonials like stamps. And then put the best ones in you stamp collection :)

The best format to get testimonials is audio. It's easier to be fluent in speech than on paper. Use a recorder to capture the moment and the tone. If audio is not possible, use email. However, make sure you cover the questions below and you'll get really good testimonials.

The questions to cover.

- 1) What did you like most about the product/service?
- 2) What were your perceptions before we started?
- 3) How has that perception changed?
- 4) What are the three biggest benefits?
- 5) Would you recommend our product/service?
- 6) Is there anything else you'd like to add?

RISK REVERSAL

Risk is on everyone's mind. It's what stops you customer from buying your product or service. When you take the risk away from him, you create a world where he can't lose. That spurs him towards signing on the dotted line.

Recognise the fact that the customer is under tremendous pressure when he buys your product. He doesn't want to look like a fool if something goes wrong in the future. The only way to safeguard his future is to take the risk upon yourself. That takes the pressure away, allowing him to examine and fall in love with the product without the pressure of getting stuck with it.

A money-back guarantee is only one of the many forms of risk reversal. Ask yourself what problem you solve for the customer. What does he stand to lose if it turns to custard? Identifying the result he seeks is absolutely vital, because he'll measure his happiness and success level on that factor alone. In many cases, a simple money-back guarantee will do, but often money

may play a non existent role in his decision making process.

The biggest reason why businesses don't offer a risk-reversal is because they haven't thought about it or because they're too scared they'll get ripped off. The statistics disprove this supposition time and time again. By reversing the risk, companies grow in leaps and bounds, often by 200% - 300% or more. What's more, they rarely, if ever, even hit a 5% return rate.

UNIQUE SELLING PROPOSITION (USP)

The USP is the Unique Selling Proposition. It's what makes you different from your competition. If you apply all the steps in the Brain Audit, you've achieved a lot, but now it's time to clearly defined why your customer should use you and not someone else.

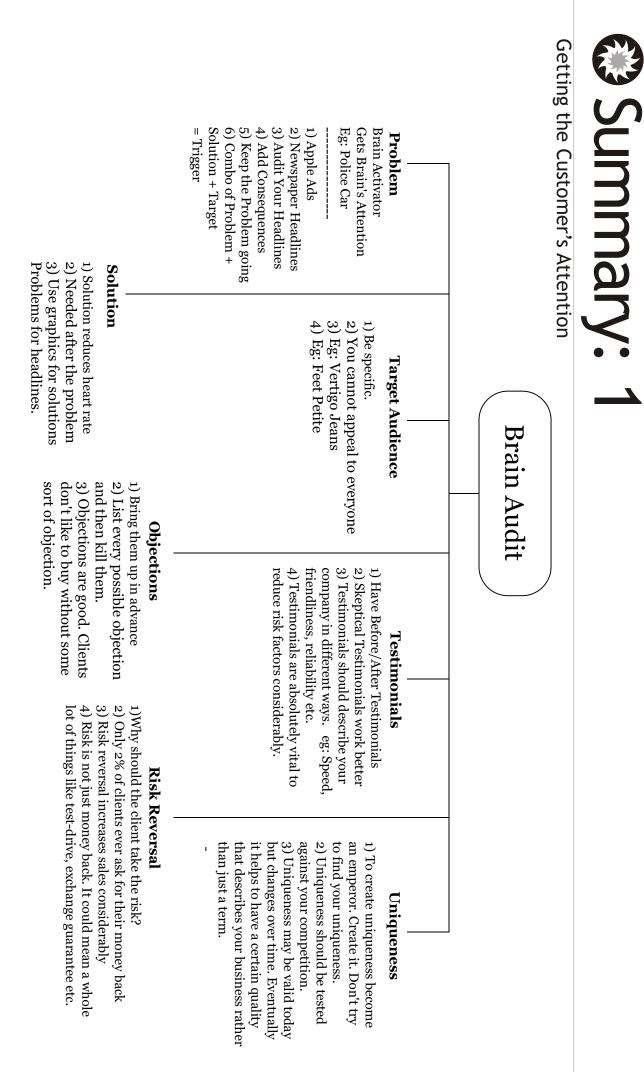
You can create your uniqueness in two ways.

- 1) You can create it out of thin air.
- 2) You can find it in your own product or service.

The simplest way to test your USP is to put another company's logo on top of your own USP. If it works, you need to go back to the drawing board. Finding a USP can be a trying task, but it will reward you well over the years to come.

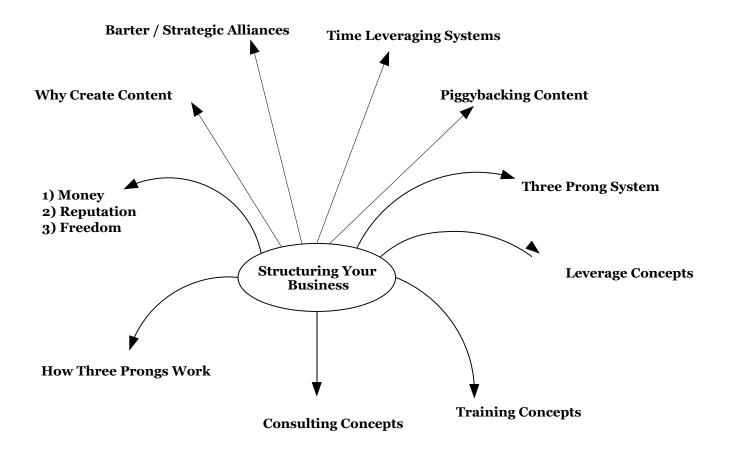
The best way to create your uniqueness is to play Emperor. Just decide what you want to do for your 'kingdom.' Dominos Pizza decided they were going to deliver in under 30 minutes in an age when pizza took ages to deliver.

What can you promise and be unique about it?





The Basis of Structure



THE THREE PRONG SYSTEMTM

To understand exactly why some businesses do phenomenally better than others you have to understand the concept called the Three Prongs. What are the prongs that really drive your business? Once you understand where your business comes from, you can analyse what's good for your business and personal health. Knowing and understanding these three prongs will set you up for a future with a purpose. Once you learn the intricacies of how the Three Prong System[®] works together, you'll find it hard - even tedious to go back to your old ways.

The Three Prong System[™]

- 1) Consulting
- 2) Training
- 3) Leverage

Consulting

Most businesses use consulting as a primary source of income. Consulting is pretty hands on and involves advising clients, monitoring the client's progress and doing projects. To make it clearer, let me give you an example. Imagine you're a web designer. Consulting would involve meeting a client, drawing up a plan for a website, creating the website, monitoring progress reports and all other related activities. Consulting requires you or someone from your office to physically do what's needed. If the consultant cannot be around, the source of income dries up.

Consulting = One on one.

Training

Many businesses will do some sort of training for their clients. Often this training would be part of the consulting. So a web designer would spend a fair bit of time explaining the concepts of a website, e-commerce, search engine positioning, etc., to a client. This would be a normal, every day occurrence to educate the customer and more often than not would be unpaid time.

If you look at Training from a purist's point of view, it's simply about being able to impart education to multiple clients at once. This training can be complimentary or at a fee. A workshop, teleclass or speaking engagements would constitute as training.

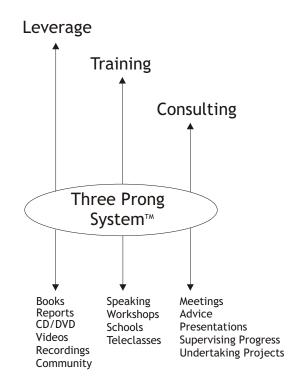
Leverage

Leverage is simply when you have a system or several systems in place that generate a whole lot of income, reputation and freedom. Leverage is not about being the worker but the manufacturer.

Read that again. Leverage is when you become a manufacturer.

In the truest form, leverage allows you to create a product and then sell that product multiple times over. The whole system of sales can be automated, leaving you with the simple task of collecting the profits. And admittedly, looking at leverage in this simplistic way does the concept a great amount of injustice. Let me explain: Eg: Say you're a chiropractor and create a booklet. This booklet is sold at a small price of say about \$10. The booklet educates the customer at their cost. It also creates credibility in the customer's eyes, because you're only likely to author a booklet if you have a reasonable knowledge of the subject. And the effort of writing the booklet is a one-time effort and brings a perpetual revenue.

Here's a graphical representation of the Three Prongs SystemTM



Just knowing about the Three Prong System is pretty useless. So what's new about it? Leverage, Training and Consulting have existed in some form or the other forever. You know about it; everyone knows about it. It's how you put this knowledge together that counts.

First you start with the analysis

Before you go any further, it's important to understand that you have to analyse what you've been doing so far. With the analysis comes a whole deal of clarity. How much of time and effort do you spend on each of the prongs? Rate yourself on a percentage of 100% (100% being the highest and 0% being the lowest). I'll give you an example to do with PsychoTactics.

The Three Prongs:

Approximate Percentage

Consulting	
Training	30%
Leverage	50%
Levelage	50/0

What does this percentage analysis tell you?

The percentile actually shows you the level of freedom you have in your business. If you have a very high percentile in consulting, it means you have to be around almost all the time as consulting is one on one. If you have very high percentile in leverage it means you have far greater freedom as you can literally be detached and your business will still run without you. This is freedom in its simplest and most profound form. A simple chart like this will help you reveal to yourself how much you're tied down by the business and how much you need to change.

So where does the change start?

First, understand this fact. Bill Gates doesn't do consulting. And neither does Oprah Winfrey. Or at least they don't do that any more. You've got to ask yourself, 'Why is this the case?' And how you, sitting in your office can achieve what seems reasonably impossible.

So let's look at Oprah

What does Oprah do? If you look closely you'll notice that Oprah is a manufacturer, not a consultant. This is a key element, so I'll repeat the concept a few times before the the end of this section. Oprah creates immense leverage from her business which is why she gets what you've been looking for.

Here is an analysis of Oprah's Leverage, Training, Consulting break up. L = Leverage T= Training C=Consulting

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So yes, you can't ever be Oprah! Or can you? Because a journey of a thousand miles begins with one step at a time. And admittedly, you don't have a thousand years. So how about two or three years? With dedicated effort, you could achieve a mini-Oprah without too much of a problem. But before we go too much further, let's examine the purpose of why we all do what we do.

Network!

all for the benefit of The Angel

The three main reasons why you work each day is

Wealth

With wealth you create:

- 1) More Clients / Selected Clients
- 2) Creates Barter Currency
- 3) Products/Training: Constant Income

Respect

Respect brings you a whole bunch of advantages:

- 1) Clients Form An Opinion Without You Doing a Thing
- 2) Clients Hear of You/Want to Work With You
- 3) Publicity becomes easier

Freedom

- Ah, freedom. It's what you live for.
- 1) You stop selling time
- 2) You're no longer bound to your desk or country
- 3)You're not bound by a yo-yo economy!

The question must arise. How do you create wealth, respect and freedom at the same time. I mean, c'mon, the benefits are obvious. So how do you create all of the above? How do you do a mini-Oprah? Look at the options in the pages to come. Of course, listen to the audio. Because the audio on the CD will explain to you in great detail how to go about things.

But for now, while you're still reading, here's a list. And a powerful list too. If you choose to implement just a few of the comprehensive list, you'll have wealth, respect and freedom beyond your wildest dreams. If you really do manage to do all of the list, you'll be an Oprah yourself.

Ok enough of the suspense already. Just flip the page.

Structuring Your Business

Leverage

Books **E-Books** Audio Books **Audio Programs Single Audio Cassettes** Video Trainings **Multi-Media Programs** Workbooks Licensing **Home-Study Courses** Subscription Audio / CD Series **Newsletters** Radio or Television Show Private-Label Magazine Branded Retail Products **Mini-Books** Syndication Rights Infomercial Product Special Reports & White Papers CD-ROM / DVD Training Software Seminar Company Workshops

Structuring Your Business

Training

Group Coaching Programs Mentoring & Apprenticeship Programs **Keynote Speaking Breakout Sessions** Speaking Representing Your Employer **Public Seminars Train-the-Trainer Programs Corporate Training Programs** Presenter at Large Events **Boot Camps Teleboot Camps Teleseminars** Weekend Retreats **E-zines Media Expert** Syndicated Column Industry Conventions & Trade Shows

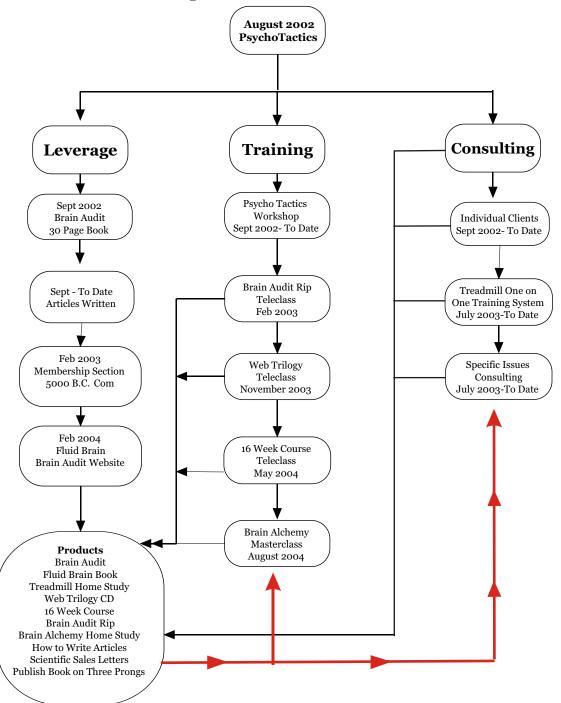
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Consulting

Hourly Consulting Long-Term Consulting Contracts Subscription Consulting Ghostwriting & Co-Authoring Counselling Services Compiled Reference Guides

Under normal circumstances all of these profit centres are an amazing source of income. If you pursued any of these profit centres individually, you'd still make a sizeable income. However, it's the combination of leverage, training and consulting that really creates a system that rocks!

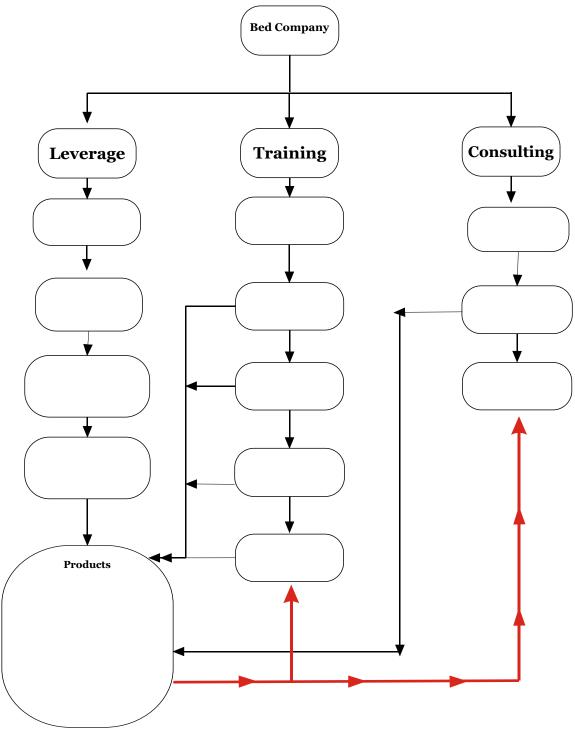
Let me explain how we've used it for our business.



Example of Service Based Business

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Example of Product Based Business



Fill in the blanks above. Go on, try it for the bed business. You'll see how easy it is to come up with the answers. And once you're done, listen to the audio CD. You'll find that most people can come up with a whole bunch of ideas that work really well for the three prong system. Then take this simple model and put it to work for your company! Remember, the big thing is about implementation, not about knowing. So go ahead and implement.

Starting with intimidation

The first thing this Three Prong System should do is intimidate you. I mean, how the heck are you going to be able to do all of this stuff? You have hardly any time as things stand. Where do you start? How do you write articles? Publish a book? Doesn't that cost money?

Ok, so you're getting really hot around the collar.

Cool down a bit. If you notice, at PsychoTactics when we started, we didn't have a whole lot of product. We didn't have a whole lot of leverage. All we had were a few articles and one very thin book of 20 pages called the Brain Audit (Today it's over 90 pages and will soon be a whole 220 pages). That was it. We didn't start with two hundred thousand products, services and training sessions all at once.

And neither did the bed company. They just had their products and the usual brochures. They did nothing but sit around and wait for the customer to walk through the door. If they did get their message out to the people, it was usually through an ad in the newspaper. They learned that they could be doing so much more.

So was it challenging? You bet it was! No one likes to get out their comfort zone, you, I or the bed company are no different. The only way to create training or leverage is to promise the customer the goods in advance. Unless the product needs instant delivery, you can quite safely promise the service/training and take payments in advance. Once the day on which you need to deliver rolls along, simply create and deliver the goods. You've made a promise to your clients and the date and the delivery forces you to get off your you-know-what and deliver the goods!

And the magic of the Three Prongs Comes Alive!

From the point you create your first *product* or *training* session you're creating leverage like never before. A product can be sold to multiple customers time and time again with little effort on your part. Instead of trying to educate or speak to one customer at a time, you can have a whole lot of customers come to your premises for a training session. In most cases, this training need not be free. You can charge for this training and customers would still be happy to pay if the information was valuable.

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The best part about a product or training is that it creates more demand for your consulting. And here's the big SECRET. If you can create more products and more training...YOU DON'T NEED CONSULTING. For instance we earn a considerable amount each month through leveraged products and training. This enables us to charge whatever we like for our consulting. If a client finds us too expensive and doesn't want to hire us, we're fine with that. If they do, we're fine with that too.

But best of all we can travel, take breaks and do whatever we choose because training can take you places, like this workshop in LA. And products sell through outlets like book stores, websites, etc.. No matter what we're doing or wherever in the world we choose to go. Is this making sense?

Of course you have an option

You can do NOTHING. You can go back to your old ways. You can do just your consulting. Or sell your product. I mean, why bother with creating workshops and booklets and stuff like that? Seems like a whole lot of work to you, doesn't it? Yes indeed, it's a whole lot of work and it may take two-three years before you're really starting to see some outstanding results. So the question must arise. Is three years too long to wait?

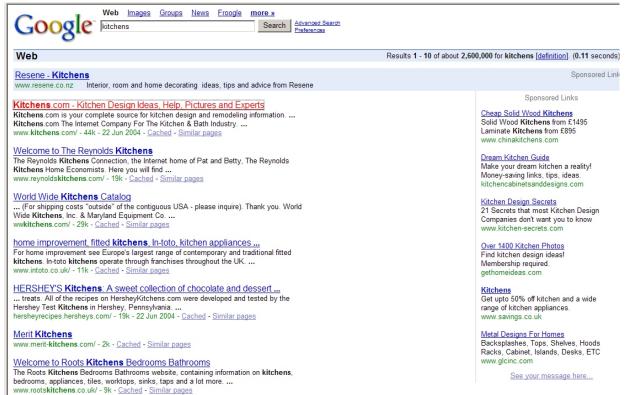
The answer is simple:

If someone told you that you were going to get an inheritance in three years provided you conducted a few workshops and wrote a booklet and created a product or two, would you do it? The answer is most certainly YES! And you know what? You don't have to wait for that inheritance. You can create the wealth all by yourself.

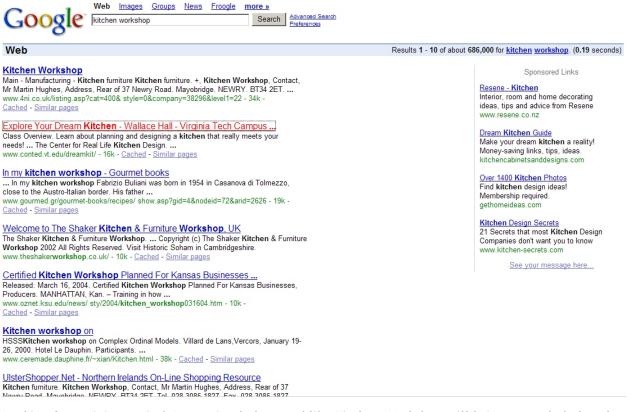
How do you go about creating ideas?

Look on the Internet. What's your topic of expertise? If you search the Internet, you'll find scores of topics to write or speak on to create products and leverage of your own. You can go online and find workshops and what they cover. So let's take a few examples of both products and services.

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A random search for kitchens brings up tons of information. You don't even have to think! The right hand bar, with the ads gives you products you can create.



Looking for training topics? Just a simple keyword like Kitchen Workshop will bring up a whole bunch of workshops that you can conduct. I went to the Kitchen Workshop and they were full. Who'd think anyone would be interested in paying for a kitchen workshop? Yet customers do pay for workshops.

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If you look at the websites on this page, you'll never know they belong to the same business. The website above is the consulting arm of the business and the one below sells product and training. This client spent a lot of her time in consulting. When she switched over to training and products, her business got a sense of structure. Now she can create more wealth and freedom through training and product and is no longer dependent on the call of a consulting client.

Streaming Tutorials PRESS PLAY TO LEARN	Home	Free Articles	Products	Purchase	Support
Are you losing money on Web Design projects? Cut your development time in half. 1. step-by-step video instruction 2. six full web site templates as starting point 3. real world issues such as CSS, templates, accessibility, XHTML, web standards, and more			Newsletter Sign up Each month you receive informative information about using Dreamweaver and popular software titles. E-mail: Sign up Your information remains private. Read our <u>privacy</u> <u>Policy</u> .		
CCESS STORIES nnifer Blomquist from oidless designs tells her ory.	Bank of C	DEOR Development Canada's You eur Award.		Added Bonu Receive Free Lea Dreamweaver Book	rn by Doing

The Heady Mix of Consulting, Training and Leverage

Consulting:

Consulting is great. It just takes up oodles of your time. So why bother with consulting? There are lots of small answers but just one big one. The biggest reason in favour of consulting is that it keeps you on your feet. When you're consulting, clients ask you dozens of questions that you may have never considered before. In most cases you know the answers. You don't know the questions. Read that line again.

Consulting provides the questions. Which is why no matter how cozy you get, you should never, ever give up consulting. Also consulting can be very lucrative once you get the other prongs in place. When you're earning a nice, fat packet from training and leverage, you can raise your prices considerably. You can also pick and choose your clients putting in strict measures and conditions when you work with someone.

Jim Collins is an example of pure leverage and training. He's the author of 'Built to Last' and 'Good to Great' and whom Forbes magazine calls the hottest management in the world. Here's an extract of Jim's thinking...in his own words:

Allow me also to use a personal example. Part of my professional vision is to contribute through teaching and to harness my curiosity and passion for learning in ways that make a positive impact on the world. From that goal flows the imperative that I allocate time primarily to research, writing, and teaching and limit consulting work only to those situations in which I can contribute as a teacher.

To reinforce that imperative, I have created two catalytic mechanisms: the "come to Boulder rule" and the "four-day rule." The first rule states that I will not engage in a direct advisory relationship with any organization unless the chief executive agrees to travel to my Boulder research laboratory. Executives spend huge sums of money on consultants, but money doesn't equal commitment—if you have a big enough budget, invoices just don't hurt. Yet all chief executives, no matter how large their budgets, have only 24 hours in a day. If a CEO flies all the way to Boulder, he or she has demonstrated commitment to serious discussions and hard work, and the likelihood that I will make a significant impact as a teacher increases exponentially. Most important, those not committed to real (and

perhaps uncomfortable) change eject right up front. The second mechanism—my four-day rule—states that any given organization has an upper limit of four days of my advisory time in a year. The most lasting impact comes by teaching people how to fish, not by fishing for them. Organizations that want an adviser to fish for them selfeject through this catalytic mechanism. Admittedly, these are highly unusual devices, and they would be disastrous for most consulting firms that depend upon continual growth to feed their machine. Yet they are perfectly designed for a strategy aimed at explicitly not building a large consulting business. They are unique to me, as all catalytic mechanisms should be to their creators.

In effect, Jim is the consummate trainer and leverage expert. He earns a living via teaching, which he loves, and leverage through his books and other mediums. The consulting is kept to an absolute minimum and is extremely high priced and condition-based.

Training:

Training allows you to avoid having to create one on one meetings with clients. If you use leverage and training wisely, you almost never have to do a sales pitch. When you have a training session, you get many clients educated all at once AND you get them educated at their cost. This factor is important. When the client has paid for training, they are more likely to find value in it, than you just showing up at their office and making a presentation. Most of the big names in different fields use training as a very powerful weapon to get their message across and to sell leveraged product as well.

However, let's go look at a small business owner. Instead of going to her clients, Maria got her clients to attend small training sessions. The clients would pay a small fee for these sessions.

Maria rarely had to do any sales pitch as a result. After a training session, she'd show the clients the services that she had available. They'd logically buy into the services. Training is psychologically very different from a sales pitch because 1) The customer pays to be there 2) They are in a student mode not in a client mode. This is a very important difference.

Being in a student mode, makes clients want to learn more from the teacher. You, then assume the mantle of the 'guru or learned one'. The one whom clients must follow and listen to. Best of all training allows you to up sell product or consulting quite easily and with the most minimal effort.

Once you start to get a loyal client database, training can be an instant revenue earner. Last Christmas, we had sudden expenses including a complete change of our roof. We were looking at approximately \$7-8 thousand in expenses. That's quite a bit of money to shell out at short notice. All we did was send out one email to our client list informing them of a day long training session. The offer was irresistible and the clients took up the offer immediately. In under a week the seminar was completely sold out and we had the money in the bank. Training is a **powerful instant income generation/education device**. Make sure you have at least one training workshop ranging between one hour to three days depending on the content you have to deliver. Of course I am assuming you have excellent content to deliver.

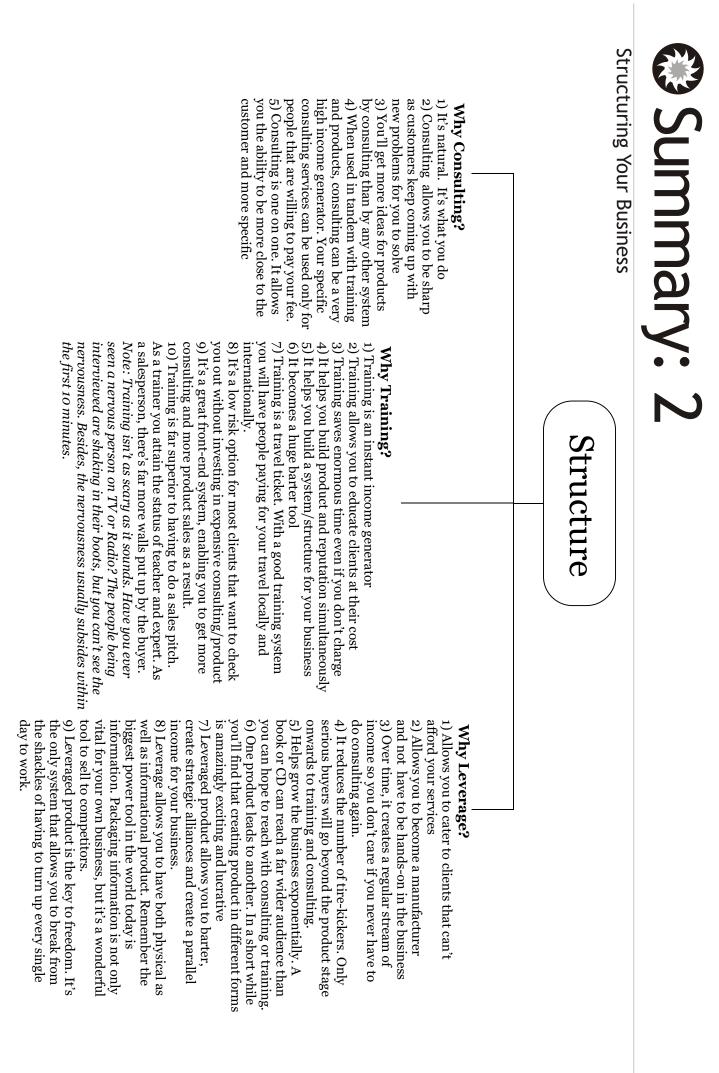
Leverage:

Where do I start? When you have leveraged products, you're a machine. You don't have to wake up in the morning to sell your product. Your book is selling at the downtown store, across the world in Japan or through your Internet site or some affiliate making a presentation somewhere. The point is that once you have a product or a series of products, you still have to put in some hard work, but nowhere nearly as much as in consulting.

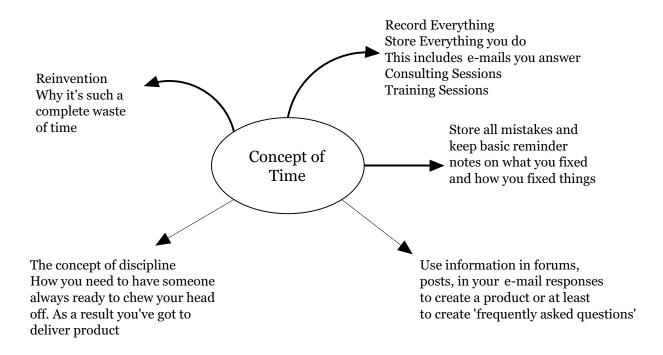
Even in a smaller training scenario, you'd be quite successful in selling 8-10 products after a speech. Priced at barely \$100 -\$200, that would make you an instant \$1,000-\$2,000 for an hour's work. Obviously we're not counting the speaking fees and the possibility of signing up someone for consulting. If you persist and create great content, it's not unusual for trainers to make \$5,000-\$10,000 or more in speaking fees and as much as \$200,000 or more on the sales of product. T. Harv Eker, routinely speaks at events where the event itself is absolutely free, but sales from the products range close to or more than a million dollars.

And selling products is just the tip of the iceberg. Once you start creating products, you're literally creating currency. You can barter your products for other products. The cost of production is very minuscule and it allows us to get thousands of dollars of bartered goods for close to nothing. And barter is simple. I send the clients my product and they send theirs in return. Our products might be worth thousands of dollars on the open market, but in a barter, they're just the cost of the materials. If you're an information junkie (and you should be) you'll need a constant stream of education. Having products that you can barter is better than money in the bank. You're not only able to barter, but also able to create a joint alliance with parties worldwide. In effect, the world becomes your playground. The key factor to remember about leveraged products is that you'll be silly...very silly not to create products. Sure there will be hurdles along the

silly...very silly not to create products. Sure there will be hurdles along the way, and there's a lot to learn, but if you ever think of giving up, just remember these words:**Bill Gates doesn't sell consulting**!







f you expected this section to be about time management then you're about to be disappointed. Because it's not the usual rah-rah about how to prioritise things and go about creating order in your world. But for the rare exception, I'm assuming that your world is filled with chaos. I'm assuming you're never going to change your habits. And in nine cases out of ten, I'd be right. You're either one heck of a tidy and meticulous person. Or not.

So how can you create time if you're not a checklist kind of person? Here's how you do it. You look for leverage everywhere. In what you do every day. In this section we're going to explore one of the biggest problems of a businesswoman or businessman. The concept that we have 'No Time'. And that this situation isn't going to improve. Ever!

Here are some very powerful time savers: **Time Saver No 1: Record Everything** The biggest advantages of recording every thing is that you stop doing repetitive things.

If you spend a lot of time doing repetitive things, make sure you have 'Canned Messages.' Customers often ask the same questions repeatedly. If you have a canned message section, all you have to do is cut and paste a previously written message.

For example: At **5000bc.com** (PsychoTactics Membership) there are multiple passwords. There's one password to get into the Membership section and a personal password for the forum itself. To many people this is a pretty straightforward exercise, but between 10-30 people get confused and type in the wrong passwords and are refused access. Instead of re-issuing instructions every single time, we simply cut and paste a message and the client is able to solve his/her problem. It takes under a minute instead of writing a 20 minute email.

Another angle to recording every thing, is the recording of client conversations, sales pitches and just about anything that you do on a day to day basis. With the right structure, you should be able to find a way to turn all these recordings (either on paper/electronically/audio or otherwise) into a saleable product.

For example: We store every sales email. Now what's the use of an email once it's gone out? Let me ask you this. If I could give you a book/cd full of emails that have been used to sell workshops, sell books, sell consulting , etc., would you be interested? Then if I told you which of the emails worked and why, would your eyes light up like a torch? I'm betting they will. Yet most businesses don't store any of their information. As you can plainly see, this information will be turned into a very valuable product and generate thousands of dollars over the years.

Another example: You get into a meeting with a client and you give the client a lot of ideas, some of which you may have never thought up before and are pretty specific to the client's questions. These answers might be made in person or via email or via phone. Recording the communication is very vital, because everything that you say, type or send out has informational value. All you have to do is package the information and you start to create a very powerful product.

Time Saver No.2: The Power of Mistakes

Imagine you have a website. And it doesn't work that well. You fix it don't you? You get a new website design, you get new copy and bingo, suddenly you've got sales. And you thank god you changed the website. Yet you've overlooked one very great asset.

The asset is called 'Mistakes'.

Whenever you make a mistake your first instinct is to wipe the mistake off the face of the planet. Yet that action of wiping out is in itself a mistake. Because consider this. You've spent time making that mistake. And you've learned that it's a mistake. So now it's time to leverage your mistake. Oh yes, fix your mistake, but make sure you store the goof up along with the fixed version.

If for instance a sales pitch didn't work and you've improved it and made it work...you've got a product. If you changed your branding or brochures or cards or system and you've made a profit, well there are others who are dying to know what you did, just so that they don't make the same mistake as you did.

Mistakes are big money. People will pay more to find out what NOT to do, than what to do. So there you go. Store your mistakes. Every one of them. And you've started to build a product for yourself.

A good example is the Brain Audit Rip. We had a web page that wasn't converting well at all. When we did an audit of our website we decided to take down the page and replace it with better copy, visuals, etc. Before we replaced the page, we saved an old copy. The new page almost instantly converted more customers. So we took the old page and the new page and created a teleclass called the Brain Audit Rip. That's it. One hour on the telephone teaching clients the before/after and this product - our mistake - has netted us a considerable amount of money.

The lesson? Don't trash your mistakes!

Time Saver No. 3: Turn your Advice into Money!

Everything you do each day, you should save to be sold as a product in the future. Many of us will go to forums, respond to daunting email questions and give away very valid information on a day to day basis. We may also be in consulting and give away gems of information that we make no note of. The key to product creation is to store everything that's remotely valuable.

I spend a fair bit of time answering questions in forums and email. Now technically that's time wasted unless I store the material. So now when I answer an email or a forum question, I re-paste the question and the answer in my member's section. This provides value for the members as well as forms the content for a booklet or book. The same information can then be further repackaged to be an audio book or be given away as a bonus. Whether you're a service or product based business, you give out huge amounts of information each day. You may think it's common knowledge.

You may not think it's worthwhile. Believe me, it is.

Do you think everyone knows how to choose the best kitchen? Or the best sofa? Do you think everyone knows how to write a great article? The chances are you have loads of information in your head that you think is commonplace. Yet it's not. And customers are more than happy to pay for good information.

Every single day, you give out this information without putting a value to it or seeing the ramifications of how it can bring you consulting projects, training opportunities and the ability to create this information into a product. Store it, file it and repackage it. And bingo, you have product that someone will be willing to pay for.

Time Saver No. 4: Make Promises

This is strictly not a time saver. It's more of a time management/product creation system. In this system you actually make a promise to someone else. Then you're forced to keep that promise and as a result you turn out a constant stream of information. Most of us are too hassled and when we're not hassled, we're just plain lazy. If we don't have a gun to our heads, we'll find some way to avoid doing a job.

Promise your trade magazine you'll write a small article. Promise your clients you'll give them a teleclass. Promise a newsletter every month/two months. The mere action of promising causes you to create something. Note however, that if the promise is too big, then it kind of falls apart. You get too busy and the commitment fails to exist. Therefore, take small steps at a time.

Example: When we started out, we used to write small articles for a regular news magazine. The deadline itself would cause us to deliver on time. Another example has been creating a series of workshops. First the workshop is sold and only then is the content created and polished. It's the same with audio product. In most cases, the promise is made in advance and then delivered later.

This may not seem like a time-saving system but in reality it is. Because you know as well as I do, if it wasn't for the last minute, nothing would get done. People who plan to write books and create products ruminate for hours and days and often even years, never turning out anything at all. Yet one deadline is enough to spur them into action. Make sure you have a deadline and someone pushing you to that deadline. Then watch how you create products and training out of thin air :).

Time Saver No.5: Don't, Don't, Don't Reinvent

The biggest time waster of all is re-invention. Time after time, people try to do things themselves. The easiest system of all is to follow someone who is successful. Follow a large chunk of their system. Get their products. See how they sell. Pattern yourself on a person/company you admire and can relate to. And this applies not just to a business system but also to a brochure, website, ad, etc. There are lots of examples of great communication, great business and great structure just waiting for you to emulate. Don't be a rip-off artist but you sure can follow the basic guidelines and then add your own touch.

You can avoid re-invention by:

1) Investing in Education

2) Not Re-Inventing Communication

If you follow this system of time saving, you'll be ahead by miles. As a business, we've simply patterned ourselves on other successful businesses. We've made sure we follow the things we admire and avoid the things that don't appeal to us.

And this is the system we've adopted when we're emulating another successful company:

- 1) Sign up to the newsletter
- 2) Buy that company's product
- 3) Buy into their consulting/training
- 4) Emulate their structure and systems wherever possible

The same non-reinvention system can also be used for a communication piece or design.

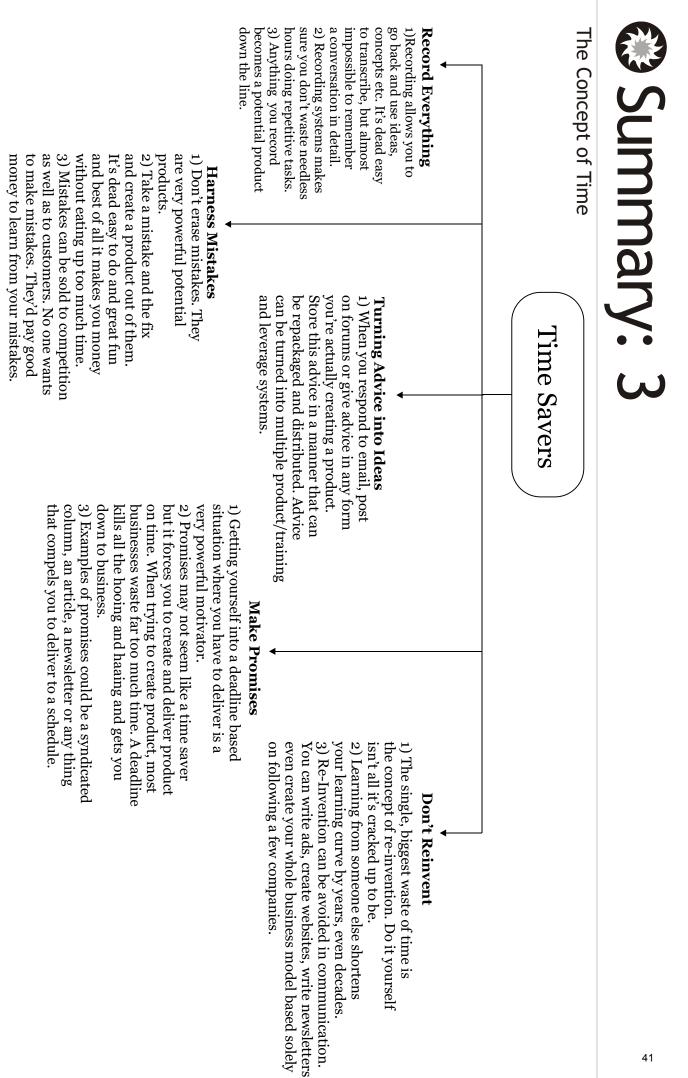
1) You find a brochure that appeals to you.

2) You analyse the structure of what the other company is hoping to achieve. Eg: They could be selling sofas by educating you about the sofas first and then giving you contact details etc. You could sell computers or consulting the same way.

3) You substitute your text and pictures where required.

4) If the company is competitive, you'll have to watch what they're doing in terms of systems and procedures. It's best to find a company that's non-competitive and probably not in your industry. They're much more likely to be far more co-operative in giving you information.

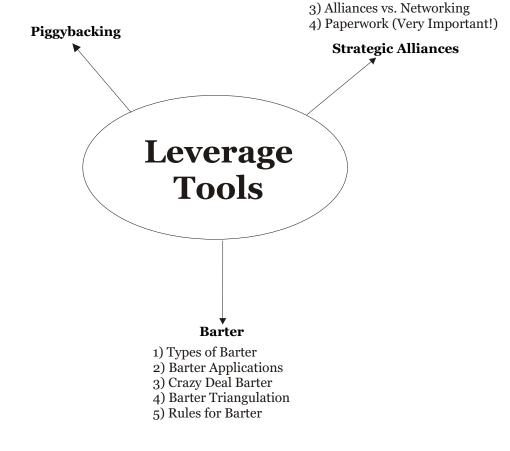
5) Don't reinvent. It's a waste of time.





1) What is Piggybacking? 2) How to create catchment areas

- 3) Creating syndication



1) The Importance of Alliances

2) How to create an alliance

here are literally dozens of leverage tools. Some of them take money and time and a lot of effort. The three tools of barter, strategic alliances and piggy backing are the simplest and the most easy to implement. Which is why I've chosen these tools to show you how you can rapidly grow your business with little or no resources.

Let's start with barter. By now, you've probably realised that it's going to be one heck of a long road if you don't create a product or a series of products. Ideally you should be able to back up your product with a training system.

And in the notes to follow I'm going to show you how you can take that product and get hundreds, if not thousands of dollars worth of product in exchange for your information.

But before we start, let's just lay down the rules of barter.

The Rules of Barter

1) Thou shalt avoid bartering services. Services are a pain in the you know where and are way too ambiguous (that's a fancy word for 'vague'). You're better off bartering products and/or training. Avoid bartering consultancy under most circumstances.

2) Ok, so I'm breaking the rule I just made. If you must barter consultancy avoid bartering projects as far as possible. Barter hours for hours. That is, I'll give you one hour of my time in exchange for one hour of your time. End of story.

3) Barter at retail price not at wholesale. So your product may cost you \$10 to produce but you sell it for \$2000. Well, barter it for an equal value!4) Barter with excess capacity. For example: If you have a workshop, don't barter at the start. Barter at the end when you know how many seats you have to fill.

5) Always make sure you have the paperwork. I cannot stress how important this factor is for ALL business transactions. However in most cases, when money changes hands, there is a tacit agreement. In barter, it's almost always verbal and confusion reigns supreme. Avoid getting into trouble and needless arguments. Put it down on paper.

The next time you barter, look back at these rules. We've made every single one of these mistakes and paid the price. We were lucky. In most cases it was more of a nuisance factor than a full blown nightmare. You may not be so lucky, so make sure you refer back to these rules of barter before you get any sort of agreement.

Types of Barter

- 1) Tangible
- 2) Intangible

Tangible barter is when you barter something for something. The value may or may not be similar. So I can barter a product for another product. For example, we will barter products such as the **Brain Audit E book** for another product. Over the past year, we've bartered product for product on a consistent basis. At retail this product we're bartering for, may cost thousands of dollars. However the cost of creating the product is just tens of dollars plus shipping. If the product you've created is of good value, you're very likely to get a whole bunch of product in exchange.

Therefore you'll find me stressing on the importance of product right through this series. With product in hand, you are literally creating dollars without any effort at all.

You can barter \$1 for \$1. That's what most businesses tend to do. However, if you're smart...tah, dah...you'll barter \$2 or \$3 for \$1. This is what I call *Crazy Deal Barter*. Let me explain. Let's say your product costs \$300. If you go to a seller and offer a \$300 product in exchange for their \$100 product, are they likely to reject your offer? In most cases, a seller will be jumping out of their skins to make the deal as quickly as possible. Of course, there's always the silent objection of 'Is this too good a deal?' and that's something you have to address when approaching the seller. Tell them why you want the product and why you're willing to give them a superb deal in exchange for their product.

So what sense does it make to give away \$300 and get \$100 in return? Ya, ya, I know it makes no sense at all. But look at it objectively. How much does the manufacturing of your product cost you? In most cases, it's very little and it's been marked up for the market. You're getting what you want for a tiny sum. So why not go for it? Most people are too egotistic to understand this concept. They want an apple for an apple. And they often get nothing. Now if you're bartering services, an apple for an apple should be the acceptable norm. If you're bartering products, however, give the seller a really good deal. You'll soon have all the products you want at a fraction of the price you'd pay retail.

Intangible Barter

Intangible barter is when you get product/services without offering anything very tangible in exchange. Let me give you an example. A movie critic gets dozens of free movies to attend in exchange for a critique. The critique may or may not be favourable, but the movie critic gets it all the same.

The key to intangible barter is to hold some position of 'POWER.' Sounds good eh? Except you're wondering how you can have this giddy headed power. Here's how. You may not have realised it, but your client database is a very potent tool. This means that if you have clients, you can recommend the vendor's product. The more clients you have, the more POWER you accumulate. Effectively you get to play 'movie critic.' You can approach vendors and ask them for their product in exchange for a review. If you find their product wonderful, you'll recommend their product to all your clients. If you don't find it wonderful, you'll say nothing.

With this simple policy, we've managed to get lots of products that we use in our business each day. We've got accommodation on our business trips. We've even got software/hardware and professional advice. And it's all been because of us being able to promote the vendor's product/service to our list. It's important to keep the barter strictly business based. If you bring in personal gain for business, you'll looking at trouble with the tax department. As always, check with your tax consultant.

A more complex form of barter is Barter Triangulation. This form of barter has been popularised by Jay Abraham, marketer extra ordinaire. If you want to get involved in this kind of barter, you'd have to have a fair bit of time and some serious bartering skills.

Here's how Barter Triangulation Works:

1) You sell consulting and want radio time.

- 2) The radio station isn't interested in your consulting.
- 3) The radio station wouldn't mind a sofa for their reception.
- 4) You go to a sofa company and offer your services in exchange for a sofa.
- 5) You get the sofa which you barter with the radio station.
- 6) You get radio time.
- 7) And everyone lives happily ever after.

As you can see, this form of barter is effective, but needs a fair bit of wheeling and dealing before it becomes a reality. As your business grows exponentially and you have far more time in a day, you should be able to put deals like this together and create amazing leverage.

Barter Applications:

Eventually though, if I were you, I'd use barter only

- 1) If you have a surplus of product/services time.
- 2) If you want a product/service and don't want to pay full retail.
- 3) If you wanted to create strategic alliances through a crazy barter deal.

Piggy Back Riding

Piggy back. Who wants to ride piggy back? Most of us loved to ride piggy back when we were kids. Well, here's the good news. You can ride piggy back even as an adult. And you can use this simple concept in your business day after day.

So what is Piggy Back Riding?

Piggy back riding is leverage of another kind. It allows you to create what I call a <u>catchment area</u>. To give you an understanding of what I mean, let's look at a dam. When the rain comes bucketing down, the dam just sits there and traps the water. There's no additional effort involved. Once the dam is built and the catchment is created, it allows you to use the water for power generation, irrigation and other uses.

This system of leverage can effectively be used both online and offline.

Online: Say you go to a site today and subscribe to their newsletter. In most cases you'll be taken to the 'thank you' page once you've subscribed. Notice there's no additional value for you as a subscriber. You'll find the same scenario in place when you buy a product. You'll be taken to a 'thank-you-for-buying-our-product-page' and that's it.

These 'thank you' pages represent a gold mine for you. If you can create information/product that's really valuable, you are creating a permanent catchment area. Every time someone buys something or someone subscribes on that site, you can offer that client to come to your site and get a free informational report/product. The more clients come to the original site to subscribe/buy the more chances you have of driving them to your site. The more the original site promotes their business the more traffic they get and eventually more clients end up on your site - and if you do a good job, they'll become your clients as well.

Steps to create a catchment area online:

1) Approach a site complimentary to yours.

2) Offer to give their clients a free gift. This could be information or a product or even a service.

3) Make sure you pitch the free gift as add on value for the site's customers.

4) Ideally the customer should be directed to your site to sign up for the free gift/service/product/information. This enables you to get the customer on your client database.

5) The more the site promotes themselves, the more customers get driven to your site and eventually become your customers.

6) A permanent catchment area is created. This catchment area requires no supervision whatsoever.

Steps to create catchment areas offline:

A concept is a concept. This myth of online and offline is eventually just that - a big myth. Here's how you can use the catchment area concept offline.

Let's assume you own a coffee store or a bed store or even sell consulting/training in some form or another.

1) Approach a book store in the area.

2) When their customer buys a product offer a free coffee/discount on purchase/free consulting/ free informational product.

3) This creates a permanent catchment area every time someone buys off the book store.

Obviously, you've got to find a complimentary business whom you can work with. However, once you set up the catchment area, there's very little to be done. An offline arrangement will take more effort than an online one. Once an online arrangement is set up, the customers will continuously be driven to your site as long as the original page stay up. An offline arrangement requires a bit of supervision from time to time to make sure it works flawlessly.

Syndication

Remember those comics you read as a child? Remember those articles you read and were enlightened? Remember the TV Comedy you just watched and had a great laugh at? There's one thing common with all of them. They're all syndicated.

Syndication is simply creating content once and making sure it goes out to tens and hundreds of content providers all at once. This system of leverage forces you to meet a deadline and get your content across to an eagerly waiting audience. If you're with me, you've already realised the importance of creating content. In fact, you've pretty much understood that it's an absolute necessity.

So now you've only got to make sure it goes out to an audience. Except where are you going to find that audience? That's the key isn't it? Well here's the answer. There are two kinds of audiences again: Online and offline.

Online: No matter what you do, there are dozens of membership sites out there. So if you're into gardening, marketing or computers, there are plenty of members only sites out there. The owners of these sites have to keep these members signing up year after year. Hence they have to provide their

members with rich content and ideas. Because of time constraints, the owners of these membership sites are always looking for great content. And if they're not looking, you can always suggest that you'd be happy to provide a regular stream of content for their subscribers.

Be sure to underline the fact that it's darn hard to create content all the time, and how you could provide another perspective on the topic on a very regular basis. Now for you this could be reasonably easy if you didn't sit down to write 'War and Peace' (That's a really big book by the way). If all you did was write a paragraph or two of really good information and syndicated it to the member's site, you'd not only be creating:-

1) A sense of discipline that's usually hard to maintain.

2) A system that would drive customers of the membership site to your business on a regular basis.

3) Bit by bit, day by day, you're creating your product. If you keep up the creation of content, you should have a product or two to go with little or no effort at all.

Syndication isn't easy. You've still got to knock on doors. And take the rejection that comes with knocking on doors. But syndication has been made a lot easier by RSS feeds. That's Really Simple Syndication (RSS). So your readers/membership sites can get a whole lot of content from you either by you emailing it them directly or by an RSS feed.

Offline Syndication:

Offline Syndication is much harder. The expanse of an Internet site is enormous. If a website owner wants to expand his website, all he/she has to do is add on a few pages. This isn't the case offline. A newspaper/magazine or periodical needs to physically make space for your content. This means you have to be really good at what you do, plus make a really good pitch to the editor. And you're unlikely to hit a home run on your first attempt. If you persist, however, someone will move out and you'll get your slot. This method of getting noticed is much slower and requires a dedication that's pretty full on. But the rewards are great. Once you're accepted in one periodical, it's often easy enough to get published all over the place.

If you're really, really, really good, a syndication agency will actually sign a contract with you and publish your expert comments worldwide. You'll actually get paid to promote your business. How cool is that?

Strategic Alliances

Strategic alliances are probably one of the most powerful tools you can have to improve your leverage. Imagine this. Someone has spent many years cultivating a clientele and developed a great rapport with that clientele. If that 'someone' recommends you to their clientele, you manage to get all the trust and credibility as well.

Now there are several ways to do a strategic alliance.

- 1) Where you get a commission
- 2) Where you create a relationship based on giving

Let's tackle the commission one first. This is the most common strategic alliance that exists. Where you create a scenario that enables you to earn a fee for your recommendation.

So let's assume you have a flower store and you send your client across to the gift store, you get a commission off what is bought at the gift store. Now the deal between you and the gift store is simple. You can tell the gift store that you'll send your customers across and in turn you get a 5% commission and the customer you send gets a 5% discount. Effectively, you're sending the gift store customers they would have never had. And in return they're paying you a commission for it.

And that's a system that can be used both offline or online. On the Internet, you'll often find one company promoting another person's product. Similar to the flower store, a company will bring you a product at a discounted retail price, but still get to keep a commission.

That's one way of creating a strategic alliance. Where the motive is sheer profit. And you'll find hundreds, if not thousands of examples of profit driven strategic alliances. And believe me, you can create multiple streams of income from this one system. Coke does it with McDonald's. Your garage does it with the tyre store down the street. The travel industry has got it down to a fine art with strategic alliances left, right and centre.

This sort of strategic alliance is based solely on profits and commissions. When the commissions stop, the relationship effectively grinds to a halt.

Another way to do a strategic alliance is based on the '<u>Spider's Secret'</u> It's called Giving. So you seek out people you want to work with. It's very likely that when you think of doing a strategic alliance, you'll approach that person/company and offer a commission. If you offer them a commission to sell your product, there's a likelihood that they may or may not be interested. I mean, who's really interested in you? Let's face it, everyone is interested in themselves. The chances are the bigger the party you're approaching the less you have a chance to make an impression, no matter how good the product or service you have to offer.

So here's a strategy that's worked well for us and I suspect will work well for you as well. We offer to help out. We give the party something first without any expectation or obligation.

Let me give you an example: I was recently at a World Internet Seminar and I ran into a CEO who had over 20,000 clients on his list. Now most people were approaching him to do a joint venture. In a scenario where there are over 250 people it starts to get to you, if even 25 people start pitching to you. So he basically shut himself off. He put on a 'Do Not Disturb Me' sign on his forehead and that was that. No one could come within a foot of him from there on. So here's what I did. I went up to him and asked him his biggest marketing challenges. And of course, he was happy to speak to me, as he had heard me speak before. We sat for one hour and after that hour, he bought me a drink, gave me access to his software worth \$700 a year, and offered to introduce me to his 20,000 subscribers.

Notice the lack of the word 'commission.'

I could try all I wanted and never drum up a relationship of this kind if I worked it around commission. And this isn't the first time I've done a strategic alliance using this strategy. Every single time we approach a potential strategic alliance, we approach them from the angle of 'What can I give this person/company?' And every single time the response has been extremely powerful and there's no talk of commission. This workshop was promoted to over 50,000 people across the globe. Not one of the strategic alliances asked for a commission.

Of course it's your choice.

You always have a choice. And you'll find that a system that works on commission is a great source of income. You'll find at other times that a system that works on you giving first and unconditionally is a better strategy. The key to success in strategic alliances is really the same as everything else in life. It's WIIFM (What's in it for me?). Figure out what's in it for the other person. Commission or help? Then act accordingly.

Alliances vs. Networking

Don't get me wrong. I love networking. Nothing beats a breakfast, lunch or dinner and meeting like-minded people. And it sure gets you out of the office. But dollar for dollar, you're better off spending the time working on your alliances than with your potential clients.

Why?

I'll tell you why? No matter how much you network, you can at best hope to meet between two to three people. And those people aren't necessarily your best contacts. They aren't necessarily likely to be your customers. You're just fishing.

But even a fisherman knows where to fish

You fish where the fish are. The nice little pond might seem like a great place to get some fishing done, but if there ain't no fish, you ain't going to catch any. So you do your homework. You find out whom YOU want to contact. You find out what that alliance wants and then you start to do some real networking.

You get in touch via phone. If they're based locally, take a decision maker out to lunch. If you need to converse via email, do it. You'll find that you can quite easily create a product/service for their target market. Then you can literally give your product/service away to their customers.

Read that line again.

Yes, you can reach hundreds, if not thousands of customers at one go. Admittedly, you're still doing networking of sorts, but it's at such a high level that it's just mind boggling.

So I know what you're thinking. You're a small business owner. What can you give this big company to give to their customers? To start with, it can simply be simple product. So let's think up some scenarios.

Coffee Store - Give coffee vouchers Video store - Free Video/DVD hire Microphones - Information on how to choose the best mike for presentations Health - Information on Specific Health issue Marketing - How to improve business Dentist - Unknown information about Teeth Garage - Fuel Economy for your car + Voucher

I just pulled those professions out of my head. No matter what you do, you can create a 'product' that will get you in front of hundreds and thousands of businesses at one go. Now, now. Don't start with the Fortune 500 companies. Start with a medium sized business and work your way up the ladder. Eventually, you'll find your ground level networking to be far less productive than working with strategic alliances.

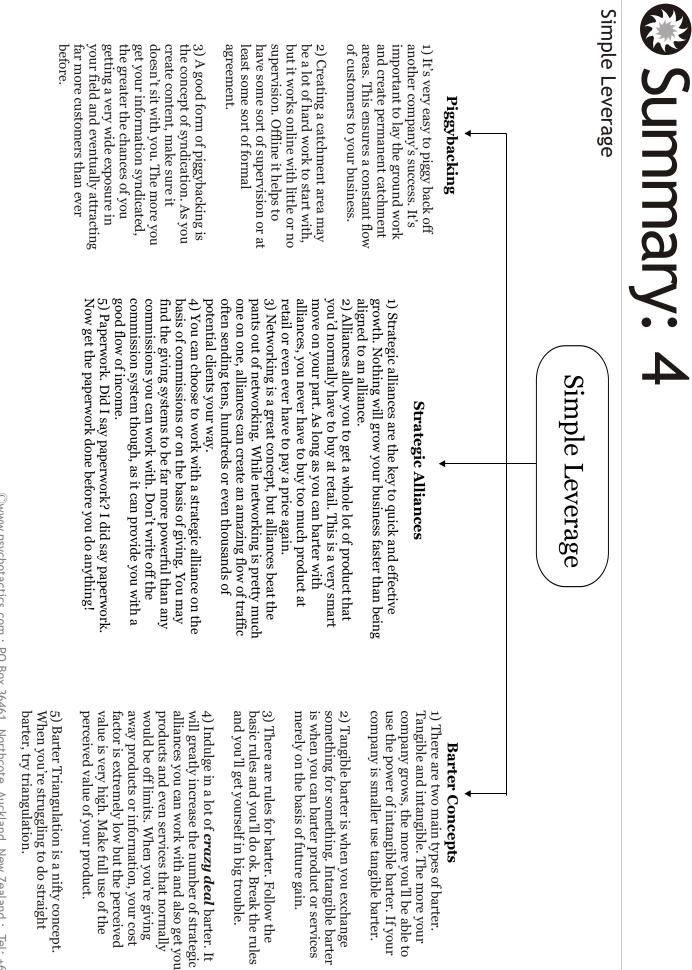
The Importance of Paperwork

You may think a handshake is good enough when you're working in any sort of partnership. Let me clearly assure you that it's not. The problem lies not with ethics, but rather with communication noise. You hear what you want to hear. The other party hears what they want to hear. What you tend to end up with is unnecessary disagreements due to the noise.

One piece of paper with the terms clearly spelt out and signed by both parties, is the most important thing you can do for your sanity. It doesn't matter what the other party says - just get it down on paper. I've had a series of issues with different companies where everything seemed hunky dory at the start and then the entire deal turned to custard.

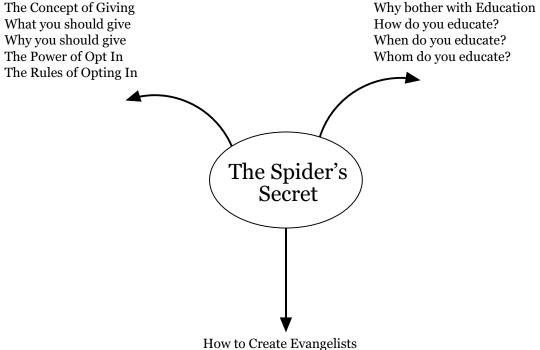
In the absence of the agreement you have chaos. And screaming. And 'I said this' and 'You said that'. So could I have said all I wanted to say in the first line? Could 'The Importance of Paperwork' have been good enough to get the message across?

So why did I take three paragraphs? It's just to underline the fact that you're making one heck of a mistake if you don't get things down on paper. I don't want to say I told you so, but I'll say it now. Some of you WILL NOT get an agreement down on paper and will regret it. Ok, my responsibility's over :).





The Spider's Secret



Care, Guidance and Protection

ou've tried everything under the sun to get new clients. Well, almost everything. You see you've been facing the wrong way. You keep trying to get clients, to get referrals. And yes that works but it's pretty inconsistent. Sometimes it works and sometimes it doesn't and you tear your hair out wondering what the heck you should do.

The answer is to stop trying to get clients. Use the 'Spider's Secret'.

If you look at a fox, the fox is always trying to run after its food. Many a time a fox will fail. Often it will go hungry. When was the last time you saw a spider run after its food? Spiders are smart. They know what they must do. They build a web and they attract their food to the web. And you've got to learn the spider's secret too.

Learn how to draw clients to you instead of chasing after them like a fox.

So what's the secret? It's called GIVING. That's it? Giving? Nothing else? What kind of secret is giving? Actually it's a pretty old secret. It's been around for thousands of years.

Surely you've heard of 'Give and You Shall Receive,' but hey this is business. Why should that concept work for business?

It works because of a simple reason. It's called the law of Reciprocity. A law that's well know and reasonably well documented in the book 'Persuasion' by Robert Cialdini, that you must read by the way. When you give you bring down the defences of the person you're giving to. They feel compelled to return the favour. And bingo... you get back. Instantly you've created a web. The more you give, the more you start to get back. So, if all you did was created a web of giving and spun it around till it was nice and big, you'd keep getting back way more than you put in. Makes sense doesn't it? So it's example time.

A friend of mine Wayne was trying desperately to sign up potential customers. You see, Wayne had just joined a freight forwarding company as a salesman. And he was given a list of potential clients. Well, Wayne called and called and called. And Wayne's pitch was simple. He said, "Hi I'm Wayne from XYZ Freight Forwarding and I'd like to tell you how we can help you with your freight forwarding." Then he'd give details and prices and basically never hear from most of the potential clients.

Wayne was clearly upset. This strategy wasn't working too well for him at all.

So he used the Spider's Secret. He decided to give. But Wayne had no idea what he could give. I mean he didn't own the company so there was precious little to give. Except he did have information. So we sat down and worked out the information he could give. Apparently he knew that freight forwarding companies had their own skeletons in the closet. A client could quite easily lose between \$2,000 to \$20,000 or more a year by minor shading of currencies, etc.

Wayne found there were 20 different ways a freight company could rip off a client. He jotted it down in a booklet called '20 Ways a Freight Company Could Be Ripping You Off.' Then he started making the calls. He'd give the client two or three ways they could be losing money on the phone. And then promised to give them the 17 ways when he got the appointment. And Wayne started to get appointments galore.

At the appointment, he'd give them his little booklet and then ask for permission to keep in touch via email or regular mail. And he'd keep sending helpful information. Some of the prospects turned into clients instantly. Others came on board shortly after. And Wayne kept converting clients as the months passed.

And his conversion strategy?

Giving!

Notice I didn't say conversion tactic!

I said strategy. Most people think of giving as one of the things you do. I want you to get those darned foolish thoughts out of your head. It's not one of the things you do. It's the only thing you do! You give as a strategy. And then watch as the customers come trooping in through the door.

Claude Hopkins, father of modern marketing outlined it extensively in his book 'Scientific Advertising.' Here is a small extract:

Offer Service

Remember the people you address are selfish, as we all are. They care nothing about your interests or your profit. They seek service for themselves. Ignoring this fact is a common mistake and a costly mistake in advertising. Ads say in effect, "Buy my brand. Give me the trade you give to others. Let me have the money."

That is not a popular appeal.

The best ads ask no one to buy. That is useless. Often they do not quote a price. They do not say that dealers handle the product.

The ads are based entirely on service. They offer wanted information. They site advantages to users. Perhaps they offer a sample, or to buy the first package, or to send something on approval, so the customer may prove the claims without any cost or risks. Some of these ads seem altruistic. But they are based on the knowledge of human nature. The writers know how people are led to buy.

Claude was bang on. So why does giving not work as it should? I mean you could stand on the street corner and give stuff away all day. And some people would take a look at it. Some people would throw it away. And some people wouldn't even take what you're giving them.

Ahem...Giving has rules.

Rule 1: There must be opt-in

Rule 2: There must be a value

Rule 3: Only then do you give

So why all the rules?

Because when a person doesn't opt-in, you're throwing seed on stony ground. They haven't asked you for anything have they? So why should they accept what you're giving just because it's free? And then if it is free, then free has no value right? Right in most cases! People have no value for free. So you've got to create value for a product, even if it is free.

Let me give you an example online and offline:

Offline example:

At PsychoTactics you get free information. You get 26 articles absolutely free. Nothing to pay. No obligation. So what happens when you run out of articles to read? Um...you sign up. You opt in. Why? Because if you don't sign up, you don't see the hidden articles. So that is the price you have to pay. That's the value. You have to give us your email address in order to get the newsletter. Only then do you get the newsletter. These three rules have to work sequentially or you're wasting your time by just giving away stuff. You can give away by the truckload and still not get too much of a return.

So how does the giving strategy fit in?

Well people read the newsletter. They buy products. They attend your workshops. They pay for consulting. And this is without us doing any advertising or publicity whatsoever. Nothing. Just simple, structured giving.

Offline example:

Julia had a bed store. Every time some one asked for a quote for a bed, she'd give that prospect a pillow worth \$50 (retail value) absolutely free. The prospect would be gobsmacked. They'd never ever got a gift like this before and would take it only after a fair bit of explanation. So there you go with the rules. Not everyone would get the pillow. Just the ones that optedin. Then there would be a value for the pillow (\$50).

What was the result? We tested and the people that returned to buy a bed was a staggering 70%. Imagine that. One act of structured giving, one pillow that didn't cost Julia too much and a whole 70% returned to buy beds all well over \$2000 or more. That's the power of giving. Plain and simple.

When there is no opt-in, you get tire kickers. The customers fail to qualify themselves and hence latch on to any freebies you have to offer. Now freeloaders are the last thing you want. The more qualified your customer, the more chances you have of them converting to a permanent client.

So remember Rule No: 1 - Always get opt-in.

Rule No. 2 is pretty easy to justify. If something's free, it means the product or service has no value. If you don't value your products/services, how is your clients going to value the products/services.

Example: Many business owners offer to meet with a client to assess the client's situation. Most business owners will do this assessment complimentary. Now you've created zero value for yourself. You've just become another supplier. If however, you put a value tag on your services, the client would value your time far more. So you tell the client that you charge \$200 for the consultation. And they have to fix an appointment. Let the client protest. Let them say the \$200 is too high. Then say, that's what you charge and you'll waive the fee, if...and you roll out the conditions. The conditions could be:-

1) You bring in all the relevant documentation that we'd require for this meeting

2) You agree to meet at a venue of our choice (I like to meet clients outside their office where the meeting ground is neutral) and so on. The key is to create value. If you don't create value, and you just say "Oh, I'll turn up for the meeting at this time in your office"...you've created no value. Creation of value is very important.

In the case of Julia's store, she created value by giving the prospect a pillow and informing them that it was an \$50 pillow. The sticker was on the box, but she still informed them about the price and why they were being given the gift.

Rule No.2: Make sure the value of the goods/services are adequately described to the customer. They should know and feel the worth.

Rule No.3: Only once you've created Rule No.1 and Rule No.2 do you finally give. And give freely. And you'll find that you'll receive many times over.

I realise you may be wondering why there are conditions to this giving process. Why should giving be conditional? It has to be conditional otherwise you'll be swamped with so much activity that the quality of the giving will go down. And this brings us to an important point. The quality is what matters most of all. Any one can give anything at all. But if you're going to give a potential client something, you want to be sure that the client is qualified to use what you're giving. If they are qualified for what you're giving, then you want to be sure you give them a very classy product or service. And you cannot get quality in your business if you spread yourself way too thin.

Section 5

Spider's Secret

<u>Added Resources: To get the Power of Opt-In</u> http://www.psychotactics.com/workshopbonus/The Power of Opt In.pdf

What should you give?

The most prized gift of all is information. We live in an information age and are getting more and more confused all the time. The information we get through conventional media is random, disconnected and causes chaos in our brain. So people look to an expert to give them the information they require, no less and no more. This information can be packaged in many forms.

You've seen this in the leverage section where there are close to 50 ways to package and distribute information to your potential as well as existing clients. And clients lap it up. They can't have enough of information in a specific niche. For instance, if you wanted to learn about fly fishing, wine making, real estate investing, marketing or any other topic you'd want the best information from one source as far as possible.

So the first thing you should do is figure out how you can package your information. Which immediately brings us to a roadblock. What if you can't write? What if you can't speak eloquently in public? What if you can't create products as easily as others can? The answer to this question is quite simple. Firstly, everyone can write, speak and do anything they choose to do. It's just a skill like walking. You would not be walking if you didn't try and work out the science of walking and then practise how to walk. And today, you just get up and walk.

But what if you don't want to wait forever?

Well here's what you can do. Say you want to create an audio, all you have to do is get on the phone and ask a friend to ask you pre-arranged questions on your speciality. They ask the questions and you answer. And you record the conversation.

Now you've got an audio. A little computer wizardry, and the audio is on a CD and ready to be given out to a potential customer. Now darn it, you've got to write as well, don't you? Well, not really. All you have to do is create a transcript of the same audio and bingo you've got a book or a report.

Till you get comfortable writing or speaking the system above, is the simplest, most cost and time effective system you can ever follow. Of

course, there are other ways to create the concept of giving. You can actually give product or services. Maybe even someone else's services...Ooh I'm getting ahead of myself so let me explain.

In Julia's case (refer to case study at the start of this chapter) she gave away \$50 pillows. That's product and cost her real money, but it also brought back a whole lot of customers that normally wouldn't return to buy a bed. So the pillow was and is a worthwhile investment. If you have product to give away, then it's not hard to measure the direct impact of giving vs. non-giving. To add to the resource, Julia also sent them a newsletter. It was a series of collated articles from many places, cut and pasted and put together. The customer got great information and a great gift and headed back to the store within days of getting a quote off Julia.

However you don't always have to give away your product or services. As you get skilful in your marketing, you'll realise you can add on other businesses as a giveaway. So Julia would invite her customers to a talk by a chiropractor. In the bed store! And the chiropractor would give a demonstration, give away some information plus some goodies and his contact details. He got access to clients he would have never reached. And Julia gets to give her clients an additional bonus by having another business give away information and product. All Julia had to do was to convince the other business- the chiropractor, of the value of getting clients that had already warmed up to the bed company.

Of course, when the clients get to the bed company, what are they going to look at? Why, beds of course! So you see, giving works. And you don't even have to pay for it yourself. Which is cool, isn't it?

Why giving works

It's a trigger in our brain. It's almost impossible to get something and not want to give something back. It's literally a balance of nature. Nature likes to keep the balance going. It hates imbalance. So on the African savannah, if the deer get faster, the cheetah get faster. The same balance applies to life and business. Once you give, an unnatural force takes over and the customer feels compelled to give back. The beauty of the system of giving is that it's really a form of branding. The more you give, the more you create a sort of branding in the person's brain.

The weird part of the balancing is the imbalance

In many a case, while nature is trying to rectify the balance, it doesn't understand how much to give back. So a pillow give away, results in the sale of a bed. An hour's training results in the purchase of consulting for a year. The imbalance between what you give and what you get back is amazingly loaded in your favour. So why wouldn't you give?

But this is all touchy-feely stuff isn't it? I mean where are the hard facts of giving?

Before Robert Cialdini wrote his book 'Influence: The Psychology of Persuasion', there were few recorded instances of hard proof. As human beings, we know that each time mum sent a few slices of chocolate cake to one of the neighbours, they would feel compelled to give something back. Maybe muffins, cookies or even an invitation to tea or dinner. That's proof in my book, but not in a scientist's book. He or she needs to have the hard numbers. In his book, Robert talks about a few scenarios that were proven, tested and measured by irrefutable scientific proof. Here are just two of the experiments.

In condition 1: When waiters were presenting their bill, they included a mint for each person at the table.

In condition 2: When the waiters were presenting their bill, they included TWO mints for each person at the table.

What happened is pretty predictable. But look what came in the next condition.

In condition 3: When the waiters were presenting the bill, they included one mint for each person at the table, started to leave, turned back around, reached into a pocket and gave each person at the table a second mint saying, "But for you..." (indicating they were given the second mint only because they were special).

Let's look at what happened to the tips under each condition.

There was a 3.3% increase for just one mint.

There was a 14.1% for two mints given at the same time. When the waiter gave one mint and then added a second mint, there was a whopping 23% increase in tips.

Why would this happen? If we look at the "Principle of Reciprocity" we see that when giving a gift of any kind, the key to making it more effective is to make sure the gift is:

- 1. Significant
- 2. Personal
- 3. Unexpected.

In the third condition the waiter had all three of these elements.

And here is some even more startling evidence:

One of the reasons reciprocation can be used so effectively as a device for gaining another's compliance is its power. The rule possesses awesome strength, often producing a "yes" response to a request that, except for an existing feeling of indebtedness, would have surely been refused. Some evidence of how the rule's force can overpower the influence of other factors that normally determine whether a request will be complied with can be seen in a second result of the Regan study, besides his interest in the impact of the reciprocate rule on compliance, Regan was also interested in how liking for person affects the tendency to comply with that person's request. To measure how liking affected the subjects' decisions to buy his raffle tickets, Regan had people fill out several rating scales indicating how much they liked Joe. He then compared their liking responses with the number of tickets they had purchased from Joe. There was significant tendency for subjects to buy more raffle tickets from Joe the more they liked him. But this alone is hardly a startling finding. Most of us would have guessed that people are more willing to do a favour for someone they like.

The interesting thing about the Regan experiment, however, is that the relationship between liking and compliance was completely wiped out in the condition under which subjects had been given a Coke by Joe. For those who owed him a favor, it made no difference whether they liked him or not; they felt a sense of obligation to repay him, and they did. The subjects in that condition who indicated that they disliked Joe bought just as many of his tickets as did those who indicated that they liked him. The rule for reciprocity was so strong that it simply overwhelmed the influence of a factor - liking for the requester - that normally affects the decision to comply.

These two examples are excerpted from The Psychology of Persuasion by Robert B. Cialdini. If you haven't already read this book, you should read it. It's an absolutely outstanding book!

The Immense Power of Education

If you put an ad in the newspaper and you got 4000 responses, you'd be dancing around the office wouldn't you? Imagine this ad then continued to pull responses and ended up with 5003 responses by the end of the month. Cool, huh? Now keep that imagination going because in the next few months you have over 10,000 responses.

One ad. Ten thousand responses.

This is no imaginative theoretical exercise. It's an actual fact. Merrill Lynch released just one full page ad on October 19, 1948 in the New York Times. And if you think the responses stopped at ten thousand, you're sadly mistaken. In the next three years following 1948, Merrill Lynch printed and distributed one million extra copies.

Why did one ad cause such an intense response?

The answer is education. Merrill Lynch's ad was 6000 words long. And it explained the intricacies of stocks and bonds. How to buy and sell securities. Best of all, there was a little paragraph at the bottom to ask for more information. That was it. Merrill Lynch got thousands of leads from simply educating the public.

Attract and Retain Clients with education

Stuart, is a friend of mine and also the master franchisee for a coffee chain. When people walk into Stuart's cafes, they have no idea why they should be paying \$4 for a coffee. They know other coffee houses charge that kind of money, so they think it must be a standard rate.

Stuart attended one of my workshops.During the workshop I get Stuart to stand up. I say to the audience. If the leading coffee brand is charging \$4 for a cup of coffee, would you pay \$4.50 for the same quantity and the same type of coffee? Almost everyone said no. They won't pay more for what seems to be the same coffee.

So I ask Stuart about his coffee machines. What kind of coffee machines does he use? How much do they cost? And he tells me they cost \$6000. What? Per machine? And how much does the café down the road pay for their machine? He tells me they pay about \$1500 for their machines. "So why pay so much more for a machine?" I ask. And that starts Stuart on a roll. He talks about how his machines only measure out the exact coffee you need to grind. Most cafes don't have the capability to grind out a specific

amount at a time, so they grind a lot of coffee well in advance. Once coffee starts to sit around, it starts losing its flavour. When you drink coffee at Stuart's cafes, your coffee is less than 30 seconds old. It's absolutely fresh and delicious. Then the audience takes over. They ask Stuart questions about roasting, flavours, types of coffee, the quality and origin of coffee beans. Twenty minutes later, Stuart reels from the incessant questioning. To his credit, he answers every question to their satisfaction.

Twenty five minutes later I ask the audience, 'Who would pay \$4.50 for Stuart's coffee?'. The response is dramatic. Almost everyone in the audience is now willing to pay a premium of almost 13% to drink at Stuart's cafes. And the difference is simply education.

The customer doesn't know 'WHY' they should buy from you. They don't know what makes you different. They would love for you to answer their questions but all they get is your portfolio. Look at your website and brochures. Do they educate? Look at your sales pitch. Can it be turned into an education? Look at all the marketing you do. All you're doing is selling. It's time to do some telling.

Educate your customer. Because they have no idea about the value of your product or service. Here is a previously written article that will tie exactly to what we've been discussing in the previous paragraphs.

Why Are Customers So Indecisive?

Do you know why your customer won't buy? You've given her the best price, possibly even the best options. Yet she fidgets. Maybe, maybe not, she ponders.

You stand by the wayside and sweat, praying the sale will go through. Then almost inexplicably, it slips out of your hands, and you don't even know why. You curse, rant and rave silently at her indecisive nature. Yet ironically, the fault is all yours.

Don't agree? Hold your horses and you'll learn a simple, fundamental psychological factor you've been missing in your marketing strategy, and how you can rectify it in a flash.

Why The Trees In Our Front Yard Are Still Looking For a Barber

Let me tell you a story about our front garden. Any time now, I'm expecting Tarzan and a couple of chimps to swing merrily by. Like something out of a horror movie, the foliage has spread its tentacles, and now hangs

menacingly over several parts of the house.

Yes I know we need an arborist to lop off those branches. And yes, we have called in at least half a dozen. Incredibly, we haven't made up our minds on whom we should choose. Like deer caught in the headlights, we've been frozen in indecision. One itty-bitty factor would have made it easy to decide, but it has eluded us completely.

I Know What You're Thinking, And It's Not Price...

Oh boy! We have estimates up to our ears. One quote is as high as \$800 (aaargggh!), while the other one blushes at \$250, and all the rest do a merry dance in between. You'd think the cheaper quote would get the thumbs up right away, wouldn't you? Well it didn't.

In fact, it has added to the confusion because we can't understand why there would be such a huge difference for what is essentially the same job.

And Here Is The Reason Why We Can't Decide...

It's a factor called the *Full Story*. While every single one of those arborists provided us with quotes, not one of them gave us a single reason to choose them. Any reason would have been better than none. Ten reasons would have clinched the deal, even with a higher price.

This is one of the main reasons why most deals seem to disintegrate before the eyes of most business owners and sales people. We fail (and fail miserably) to educate our customers about the unique advantages of working with us.

It's An Impossible Puzzle If It Doesn't Have The Pieces

People need to be gratified psychologically. Our brains are dying to know more about the companies that bid and all we get are terms and prices. The arborists should have educated me about the quality of their cutting, their comprehensive insurance policies, their warranties, their skills, and their service guarantees in detail. I needed to know anything and everything that would help me decide in someone's favor. Not one of those bids included that kind of information.

Look at yourself. Let's say you hire someone for your firm. How little would you like to know about him? Or say you go out on a date. How little do you want to know about your partner? Every piece of the puzzle is absolutely necessary. Don't forget to give your customers a reason to buy from YOU. Tell them about yourself. Provide all the juicy details, and you will leave your competitors crying in their beer.

What Is The Psychological Reasoning Behind The Whole Story?

The strong, silent type is the one our mamas told us to watch out for. We

instinctively trust people less who tell us less. Even if we do like the person, we want them to open up. If you want people to trust you, you have to tell them about yourself.

This instinct of distrust is hardwired in our brains, and you'd do well to pay attention to it. A lack of adequate detail doesn't help to build trust, which is why customers go from hello to sayonara very quickly. Once you have their attention, stop saying stupid things like, "Buy from me," and start giving them all the reasons WHY they should buy from you (read the article on The Power of Why). Add spices to your marketing strategy curry, and your customer will be captivated by the aroma. Churn the gastric juices in their brains. Make them salivate. Get them to drool. And when they're ready to eat, feed them well.

Ta-Ta Risk

Telling the Whole Story eliminates a big hurdle called risk. The less your customers knows about you, the more they are frozen in indecision. When faced with this scenario, they resort to the only thing they know—price. Just like you, they make a decision on the cheapest, trashiest option available... because that's all you gave them!

Abolish the hazard of your customer choosing to buy solely on price. Give her a first class education about why she needs to buy from you.

The worst thing you can do is leave her hanging without sufficient info.....

Educate your customer well

I'll give you another example before we move on to the next section. I consult with a sofa company. Here are only some of the factors that are vital for you to know when you're buying a sofa.

1) The range of colours. What colours to choose if you've got kids.

2) The types of fabrics. How to use different fabrics for different rooms.

3) The foam. What are the foams available and what to look out for.

4) You health. How to choose the sofa which doesn't absorb moisture and get mouldy.

5) The arms of the sofa. How to choose sofas that will support heavyweights.

6) The support system. Do you need one or two? And why does it matter.

7) How to give your sofas a different look each season.

8) The importance of the wooden frame and how it can make a comfort difference.

Now if you were buying a \$5,000 sofa you'd love to know a lot about this wouldn't you? To the sofa dealer this is old hat. That's why you've got to use your brochures, posters, websites, newsletters, ads and any other media to keep education. Just remember, as long as you're selling your up against a wall. When you tell, customers lower their wall and welcome you with open arms.

Be a 'teacher' and see the difference it makes to your business.

Do you know how the dictionary definition of a client? You're guessing aren't you. You think a client is someone who pays for your holidays. Someone that pays your office expenses. Someone who can be an angel one day and a pest another day. You help the client overcome their challenges and voila...they pay your bills.

Webster's dictionary violently disagrees with you

Here's how Webster's dictionary defines a client. 'One who comes under your care, protection and guidance.' See that? You've kinda got it wrong mah friend. That dictionary is telling you just how you should be treating your clients.

So read the article below. It will give you an idea of where you should be headed and how your dealings with your clients should be from now on. And by golly, if you detest your client, maybe it's time to get clients that you adore and can care, protect and guide.

Are you concerned about customer loyalty? Are your customers so loyal that they will stick with you through hell and high water? And if not, you really need to question how you can create a customer relationship that's so gluey, that you never go bluey in the face. Funnily you don't have to go far. Reach for your Webster's dictionary and you'll discover a hidden secret to customer loyalty.

Do you find it amusing? Giggle if you must, but stick with me and I will show you the simplicity and longevity of this sane advice that will change your marketing strategies and tactics forever.

But First, Let's Look At Nasty Hurricane Andrew

In August 1992, Hurricane Andrew went bananas. Like a drunk on one too many Tequilas, he tore into South Florida with wind gusts of 175mph, redrawing the landscape as he stomped onwards. Approximately 600,000 homes and businesses bore the brunt of his menace.

By the time Andrew left, he had run up a tab of \$26 billion dollars and the curses of some very, very angry insurance companies. Andrew had single

handedly run up the highest insurance recorded payout in history - if you don't count September 11.

Many an insurance company looked gloomily into their crystal balls and decided the future was too dicey. So while they grudgingly forked out the costs required to cover the claims, they refused to renew customer policies.

State Farm Insurance Had a Different Opinion

The biggest reason Hurricane Andrew blew the roofs off the houses was because contractors had not anchored them to the frames. State Farm not only happily forked out the policy claims but also paid its customers more to bring the houses up to code.

Amazingly, this insurance company was willing to overpay just to make sure their customers have peace of mind should Andrew or one of his family come visiting.

State Farm Wasn't Too Far From the Leo Burnett Advertising Agency

Agencies are like turnstiles. Clients come, clients go and it's the same mantra for employees. Not if you look at the Chicago-based agency called Leo Burnett. At Leo Burnett, over a four-year period from 1986 to 1989, 98 per cent of business came bounding back from repeat clients. No other agency even came close.

Furthermore, this Houdini of advertising has had an almost zero client defection rate for decades. In an almost boring, old fashioned way, they adopt a loyalty based management that keeps clients superglued to them. And it continues to amaze and fascinate the roller coaster advertising industry that can only watch in awe and extreme fascination.

Which Brings Us Back to Webster's, Doesn't It?

Now let's look at how Webster's Dictionary defines the word Client. It says: A client is one who comes under your care, guidance and protection.

See those words?

It doesn't say someone you need to get money or make profits from. It asks, even beseeches you to care, protect and guide your clients, like you would with your own child. Everything you do, you do unselfishly for that child. You put your heart and soul into creating a safe, educated environment. You

become the guide and the protector. You create a bubble as secure as you can to make absolutely sure they get the very best.

Scary, isn't it? Especially when you look out there at so many companies, whose single motive is to simply get the sale and move on.

Hurricane Andrew Moved On, State Farm Moved Up

As soon as the brouhaha of Andrew's visit died down, up came the vultures from other insurance companies. They tried to woo State Farm policy holders with discounts and other incentives. Most of them found doors slammed in their face. Their customers were staying loyal no matter what bait was being dangled in front of them. When the chips were down, State Farm pitched in to help like family. There was no way the customers were going to let down their own *family*.

Adhering strictly to Webster's, State Farm had cared, guided and protected its clients. And the clients were repaying that with rock solid loyalty.

Leo Burnett Did The Same With This Hidden Clause...

The same principles apply to Leo Burnett. Like mother hens, they fuss over their clients, doing acts of guiding and protecting that other agencies would never even consider. Its first client, Green Giant, is still a customer some sixty years later. Even back then, founder, Leo Burnett, put in an additional clause that enlarged the standard vendor agreement of buying space, producing ads and maintaining confidentiality.

It read: Counselling with you in regard to your advertising and sales efforts, seeking new ways to improve your advertising, make it more productive, and in every way within our power, working with you to advance your business.

Hey, those customers are going to walk anyway, once they find their exact needs aren't being met. And if they get stuck with something they don't really need, they're going to be mighty mad once they find out. You aren't doing yourself or them a favour by making them stick to what you have to offer. Sending them to a competitor that you know will treat them well, endears you to the customer and ensures a tidy profit as well.

Welcome To The Land Of Endless Loyalty

Loyalty at its very roots is exceedingly simple. It's exactly like a parentchild relationship. While no doubt you will come to depend on technology as

your client base grows, the enduring thread that binds it all is the underlying psychology.

Inevitably, you won't always have a trouble-free course, and both Leo Burnett and State Farm have had stormy days. The only way out of the driving rain is to heartily embrace the care, guidance and protection concept. Let it be your guiding light, far superior to any mumbo jumbo mission statement, leading to exponential profits and devoted clients.

All you have to do to succeed is play Mother Hen.

And say a silent thank you to a certain Mr.Webster.

The Leaky Bucket Syndrome

Loss of clients are inevitable, no matter what you do. The aim is to gain a whole lot more than you lose.

Here's the math:

Lose 5% Profits - Gain 10% Profits= Double the size of the business in 14 yrs Lose 5% Profits - Gain 5% Profits = No Growth

Why Profits are not a good measure of Loyalty

1) You can't measure defections

A bank manager might think he's got great customer loyalty. After all none of the clients have closed their accounts in the past year. These facts mean nothing. Because the clients can quite easily be dealing with other banks and doing a huge number of transactions. On paper, Bank 1 sees their clients as being loyal, but defection and profits are not a good measure of loyalty.

For example: I have three merchant accounts to accept credit cards to sell product via my website. I first started with merchant account No.1. I still haven't closed my account there. But most of my credit card transactions are now processed through the other two merchant accounts.

The account manager at merchant account No.1 may look at his figures and think I'm still loyal. But I'm not. I've just dumped their account. The account manager should have been in touch with me. If they had, I'd have told them why I was moving. And they could fix the problems thus really creating a sense of loyalty.

2) You can juggle figures

If you're a big company, you can layoff staff. That will increase profits. If you're a small business, you can cut down on expenses. That will show a

Spider's Secret

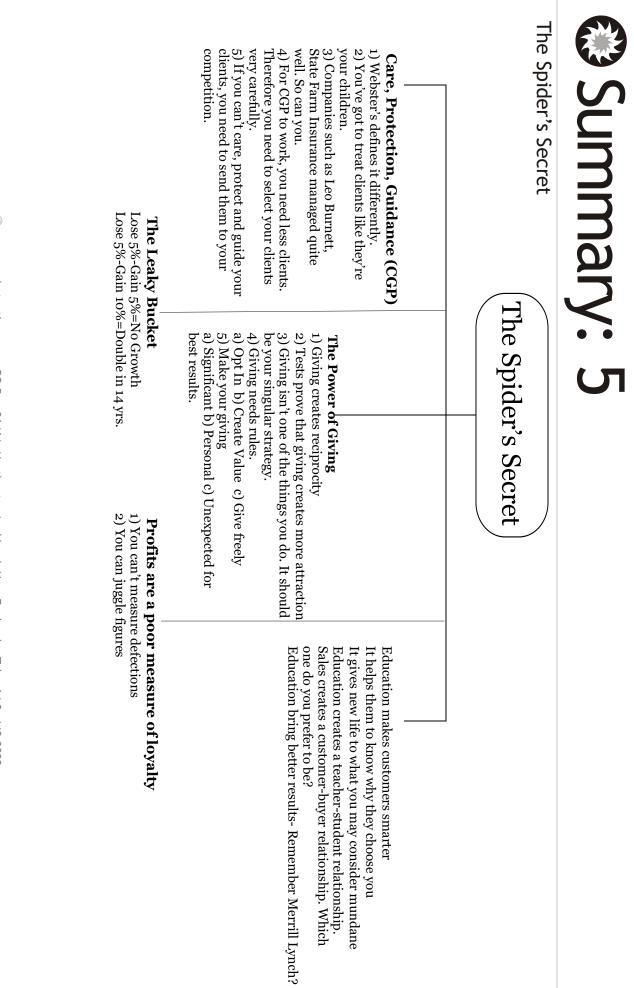
profit. And your accountant will be happy and so will you.

And good on you! But this system doesn't allow you to measure loyalty.

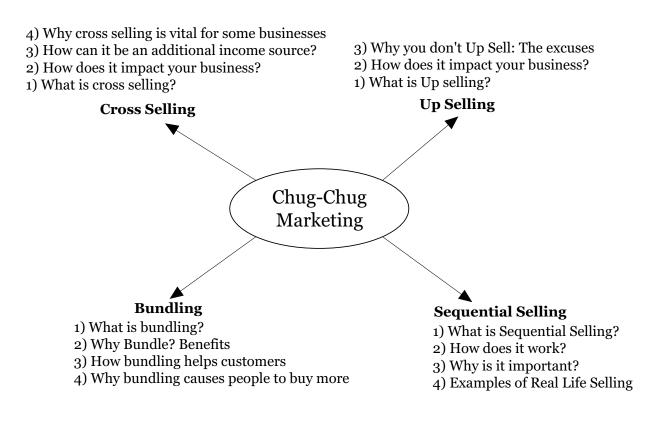
The only real measure of loyalty is repurchase loyalty. When the customer keeps coming back to you time and time again, that's the only measure you have to understand the level of loyalty.

Oh and there's one more. The level of complaints. The more you can get your customers to complain, the more you can get them to stay with you. Understand the reason why customers complain. They want you to fix your act. When you don't encourage complaints, you're doing yourself a big disfavour. Get customers to complain. And see your loyalty going up.

Of course, if you care, protect and guide you just can't go wrong! :)







f you really want to grow your business, you've got to stop thinking tactically all the time. Most businesses don't think through the process of where their customers will go over the long term. They don't work out the strategic vision in advance. Put together a sequence of how you want the customer to progress over time.

For example, here is the logical progression of a PsychoTactics customer.



And why is this progression so important?

The progression is so important because we then know the value of the subscriber. Each subscriber is of extreme value to us (and should be to you) because they then go down the sequence, buying products and services as they go along. If we don't tend to their needs at the subscriber stage, or if we give them half-baked content, they will not go ahead. It's vital that you know the next steps of your customer. Even if you don't have the products and services at this early stage, make up what seems logical over the long term. This sequential selling will force your brain to think about the betterment of the customer and will give you the chance to GUIDE them through the different stages of the customer cycle.

Your Duty to your Clients

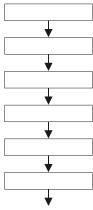
If you're looking at this sequential selling system with skepticism, you're better off not doing so. Look at it this way. If you don't sell to your client, what do you thinks she's going to do? She'll go to the competition. Possibly get advice that's not quite as good. She'll be burned and waste her money and time.

And it's really your fault.

It's your duty to **Care, Protect and Guide** for your client. If you don't map out their future, you're doing them a HUGE disservice. Don't for one moment look at this as a rip-off scheme. Your client is your child. Do whatever it takes to keep her safe from the storm. Make sure you're there as a guiding light. And you've done enough planning to make sure she never goes astray. This is your duty and your responsibility. Don't shirk from it.

Imagine all the products and services you could possibly have. Imagine how you'd take your customer from one level to another. Think of your customer as a child. When your child is born, you already know they're going to play school, grade school, summer camp, university and so on.

You map the concept in your mind, even though the child is just a few months old. You've got to do the same for your customer. Care, protect and guide them. Map out their future. They have no idea what's best for them when it comes to your services or products. It's your duty and responsibility to work it out, so that they don't have to figure it out for themselves.



The up sell is legendary at McDonald's all over the world. You ask for a burger, and you get the inevitable question: "Will you have fries with that?" In one second, you're nodding affirmatively. And it's not because the pimply-faced teenager has cast a spell on you. It's because you've immediately figured out that the fries will be a cool addition to the burger. In one second, McDonald's totes up squillions of dollars around the world as gazillions of heads nod in favour of the fries.

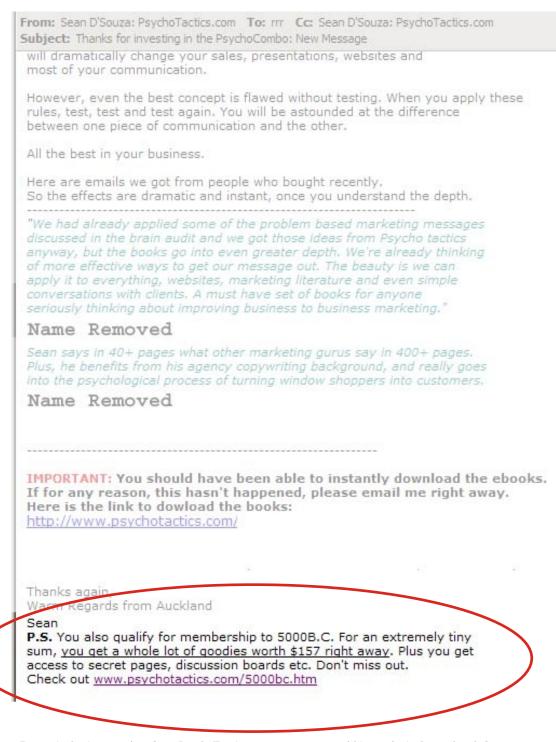
Yet look at most businesses around the world that sell services or products. They never, if ever up sell the 'Fries.' Why? Beats me. It's good for the customer, it's good for you, so why these business owners avoid up selling their product/service is the world's biggest mystery.

Then again, maybe it's not. I know the real reason. They think it's B-O-R-I-N-G! Like zzzz, yawn, snore, snore. It's far more exciting running after new clients and doing all those exciting things instead of an up sell. I mean who does up sells?

Here's a hint...



Every single time you buy from Amazon.com, you get an additional bonus. You get an opportunity to buy a product that's similar. This up sell isn't done some of the time or most of the time. It's done ALL THE TIME. Every time. And that's the biggest learning. How do you up sell every single time to your customer?



Every single time you buy from PsychoTactics.com, you get up sold into a logical next level. So why do this? Is an up sell just a money making ploy? It shouldn't be. The up sell should be mainly for the customer to get even better value. To improve their overall experience. If the up sell you have right now doesn't work for the customer, find something that does work.

Remember the Care, Guidance and Protection. This is the Guidance factor at work. The customer has no idea what is possible. And what benefits she can avail of, once she starts working with you. As customers we don't know what we don't know. Your job is to tell your customer everything they need to know. And sell to them in small bits and bites.

There are three other reasons why business don't up sell their products. Pick which one applies to you. :)

- 1) The Up sell isn't put into a system.
- 2) The business is too lazy to do an up sell.
- 3) The business doesn't want to appear to be like McDonald's.

Reason 1: It doesn't matter if you already have an Up Sell. There are squillions of places to Up Sell. And if you don't sit down and audit what you can Up Sell, guess what? You're never, ever going to Up Sell. So get together everything that you sell and let's do an audit.

Say you're a website designer. You sell a person a website design. Can you not sell a maintenance package? The guys who sell fridges do it all the time. Why can't you? Here's what you tell your client. Here's a maintenance package. Over the next 6 months, you can make 25 changes to your website. If each change took me about an hour to do, it would cost you \$2500. I'll make 25 changes to your website at just \$800 or \$500 or whatever. Now that's a bargain. Will the client take it up? Of course they will. Some will. Some won't. But add up just 10 clients a year. Does \$8000 remind you of a nice holiday in the sun? Of course, here I'm just structuring a concept at the top of my head. It doesn't have to be a maintenance project. You can Up Sell the client web analytics, search engine optimisation, e-commerce options, marketing programs for websites. Yes, I noticed you don't do any of the above. But hey, the client needs it. So why not offer it to the client? I know why you're not offering it to the client. It's not part of your system.

When I go to Foodtown (a local supermarket chain) they always ask me if I have a Foodtown card. You know how they remember each time? It flashes up on the screen. So the person earning \$7 an hour, slaving it out, tired as hell still asks the question every single time. It's da system, maan. You've got to put it in da system. And then you Up Sell without thinking too much. Put it on your sheet of paper when you're selling face to face. Have x number of steps that you need to cover. Put it on your website as people buy your product. Get your sales people to always ask for the Up Sell. Why do you care if the customer says no. Why do you care if the customer says no 99 times out of 100. Even if you get one person saying yes to the \$800 maintenance plan (see above) it's money in the bank, isn't it?

Reason No.2: You're lazy. Yes you are. Otherwise you'd have put the Up Sell in your system. I can't help you. You can only help yourself. Get off you're your you-know-what and fix these revenue drainers.

Reason No.3: You don't want to be like McDonald's. Oh come on...don't fool yourself. You're not doing yourself and the client any favours. The only reason you don't do the Up Sell is not because you detest the McDonald's way, but because you don't have the nerve to take rejection. Because you know what? Every time you ask for an Up Sell, you're going to be rejected.

Yes. Over 50% of the time, people will say 'NO'. And you'll remember the NO. And blissfully forget about the YES. In fact, to make this Up Sell work for you, you only have to get one YES all year. That's it.

So stop saying you don't like being up sold. When you go to the restaurant, the waiter asks you if you'll have another drink. And you say yes. That's an Up Sell. So yes, you do like having that second beer. And yes, you'll hate yourself tomorrow, but you would like the 'chocolate syrup' (Up Sell) on your double chocolate cake with chocolate pieces.

Do yourself a favour. Up Sell till it becomes part of you. Then you will be doing both your client and yourself a big favour. And the client will be a lot happier as well.

When to do an Up Sell

The client is most ready to buy at the point of purchase. We're little greedy creatures. We don't want one thing when we can get two. So if we can get a nice little discount on two things, we'll go for two. But once we're past the payment stage, we're off in the big wide world distracted by something else altogether. While we're at the point of purchase, all we want is what we're going to get. And if you're going to put some 'chocolate syrup' on top, yes, we'll have that too, thank you.

So make sure you always do an Up Sell at the time of sale. Of course, you can always come back and do the Up Sell later. And that works too. I mean, you've got to keep asking the client: "Do you want chocolate syrup?" When the client has got chocolate bubbles coming out of their ears, they'll tell you to stop. You don't even have to be pushy. You can be kind and consistent. The client will tell you when they've had enough.

The Cross Sell

If you don't have products or products of your own, don't panic. Let's take for example the fact that you're that web designer. Sure you've done your bit and up sold the customer a bigger, better website design. But once you're done with the basic up sell, you're stuck, aren't you? Well...not exactly.

There's always the Cross Sell. A cross sell is when you're selling someone else's product or service to your customer. Again it's about enriching the customer's experience. Logically, a customer may greatly benefit from a search engine optimisation tool or service. Or, from a measurement system that records the activity of your visitors. It's easy to team up with service and product sellers and offer their products/services off your website.

Again, don't disregard this advice. I've seen business after business walk away from hundreds if not thousands of dollars of opportunity. These business owners just never worked the cross sell into their system. The smart business owners sipped chilled Margaritas on hot Jamaican sands, while these not-so-smart ones sat at their computer screens and cried in their coffee cups. (Ok, so my imagination is running wild, but I am trying to make a point here :)

And if a big shot website like Amazon can constantly cross sell, there's no reason why you shouldn't do so as well. It's logical and simple and once you do put your systems in place, you never ever have to do it again.



Notice how Seal, Dido, Sarah and John Mayer are being sold right along Sting's album (which is fabulous by the way, if you haven't heard it!) The other artists are the Cross Sell. They're not produced or sung by Sting, so in effect they're products from another company altogether. However, they make sense to the customer. Quick! Jot down how you can cross sell someone else's product or service and make your customer's experience more rich and complete.

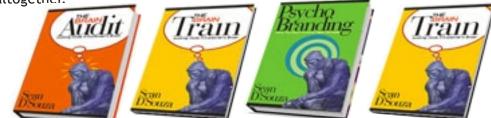
Bundling

I'm not in favour of discounts. They're like a cancer. There are only two exceptions to this rule in my book.

- 1) Give discounts when Bundling
- 2) Give discounts for Early Bird Offers

Bundling literally means getting the customer to buy three or four items or services together. For you this means a bigger sale. For the customer the bundle represents a saving of some sort. So if they bought one service off your site, they'd pay x amount of dollars. If they bought 2 services they'd pay 2x. However, to incentivise your customer, you should offer 4 services for the price of less than 4. So for example, they'd pay 3x for 4 services. This could represent between 10% to 25% or more depending on your profitability. However, in this case too, the bundle makes it more enriching for the customer. How would you like to have a monitor without a keyboard or a mouse. Imagine you had to go out and buy them separately one at a time. Wouldn't that be super frustrating? The computer industry uses the power of bundling ALL the time. And that's why you and I are clickety, clacking our way each day.

The more products and services you develop, the easier it is to bundle them altogether.



When we first started PsychoTactics.com, the Brain Audit was sold by itself. PsychoBranding too was sold by itself. We tested and sold both of them together by bundling the books. And the uptake was instant. Over time, we found it was completely pointless to sell the books separately. So now you get the PsychoCombo as one product. However, on certain pages of the website you will get a bundle package where you can buy the Membership to 5000 B.C. along with the PsychoCombo.

As we add more products and services, they will be tagged on to the combinations above and be sold as a bundle. You too should start working towards bundling your products/services. It's the sanest way to grow your business.

Let me emphasise. Bundling too can be done with strategic alliances. You don't have to have your own products. You can get another product or service and bundle it with yours. Eg: A copywriter can bundle with a designer's services. Amobile phone can bundle with accessories. There are loads of products and services you can bundle with and you don't even have to purchase the other person's product at full price, because in effect you're advertising for them. So there you go. You can get yourself a complimentary product or service at a discount and then promote it at full price. It works for everyone. The customer gets great value. You get a quicker sale and a margin of the price and the complimentary product gets free mileage and sales they would never have done. It's profit all around.

I don't care if you're a speaker or a consultant, a web designer or product retailer, singer or dancer...bundling is where it's at. You've got to bundle products and services together for the same argument we've had right through this Masterclass.

And that argument is simple.

If a client gets only part of what you have to offer, would you be doing that client any justice? My guess is no. If the doctor only did half the tests on you, would you be happy? Again no. If you went to the restaurant and you didn't get the whole enchilada, would you be satisfied? Am I hearing loads of 'No's' coming at me or what?

Bundling is everywhere. You just haven't noticed it. And if you have noticed it, you've probably said "Oh yeah, I'll get down to it." And never have.

Please, please, please bundle today. Get your services or products. Put them in bundle A, bundle B and bundle C. And sell them as a bundle. Let the customer choose what they want. And you'll find your product/services sales and profits soaring through the roof.

You see as humans we don't want less when we can have more. When you give me lots of stuff, my smile becomes bigger. I want it all. If you want to give your customer a lot. If you want to make them happy, go ahead and bundle. So here's an example: Package 1: 1) Product/Service 1 2) Product/Service 2 3) Product/Service 3 4) Product/Service 4 5) Product/Service 5 6) Product/Service 6 7) Product/Service 7 Cost: \$4995 Package 2: 1) Product/Service 1 2) Product/Service 2 3) Product/Service 3 4) Product/Service 4 5) Product/Service 5 Cost: \$2995

Package 3: 1) Product/Service 1 2) Product/Service 2 3) Product/Service 3 **Cost: \$1995**

The 'How' of Bundling

If you're dealing with strategic alliances, bundling can be a bit tricky. Here's how you can ensure that everything you do is above board. The alliance you're dealing with is going to have to know the details in advance too. Here's how you can make sure everything's pretty clear and upfront.

If you're selling another person's digital product:

a) You could set up an affiliate account with an affiliate service provider. When someone buys a bundle from you, the alliance's account gets automatically credited for a fixed amount as an affiliate. Because it's automatic and because it goes through a third party (eg: Clickbank), there is no doubt.

b) You could set up an agreement where you swap products. When the alliance does a workshop, you'll give her as many licenses for your ebook or product as she needs. And when you have your workshop, she will give you as many licenses as you need. Does this make sense? Ah, yes it does. Nothing is random at PsychoTactics, so I'm going to reveal the biggest secret I know. It's called giving it away to get loads of business.

Let me give you an example: With selected alliances, we give them a copy of the Brain Audit to give to their clients or sell to their clients. They get to keep ALLI the money, but there's a catch. They don't have access to the product. They send us the details and we ship out the product either via email or by CD. What sense does this make? Why should they keep all (like 100%) of the profit and we lose additional money in shipping? It's called front end-back end.

We get a database and we control the delivery

When the person gets one of our products, they read it or listen to it. And we have them on our database. We can speak to them. So yes, we technically lose the dollars we could have made by selling the product. I say technically, because the product is going to an audience that we would never have reached. So it's not really harming our bottom line. However, here's the nice part. Customers who've bought the product then end up communicating with us on a regular basis. They get to know us and finally buy into more products or workshops priced at anywhere between \$750 to \$2000. Can you see how this works? You could convince your alliance to give you free product, specially if it's digital and requires no recurring cost of production. They get to contact the customer directly and possibly sell the customer some related products or even up sell the customer.

To sum all of the above. With an enlightened alliance, you can continuously GIVE away products or sell them at highly reduced rates. It makes huge sense for the alliance because it brings them customers they would never have had. Of course, you're going to run into blubbering idiots. It's inevitable. They'll think you're ripping them off. They'll refuse to share the profits. They'll refuse to give you the products at a discounted rate or for free. And no matter how much you educate them, all they'll be interested in, is the money upfront. Don't waste your time. Work with the smart ones.

Give your alliance the chance to control the delivery. That makes it easy for them to collect their part of the profits or to add to their database. It's important for you to find people you can trust and whose work you can trust. Do a pilot program. See what works for you. Once you get this bundling going, it's a great deal for all.

If you're dealing with Service Bundles

It's pretty easy to work this out. The alliance has to deliver the service, so they know when your client takes up the offer. Make sure the service bundle states very clearly that the discount offered is based on certain conditions. Eg: If your alliance is a copywriter and is very busy at the time, there should be a clause that the bundle only applies when the time is freed up. This gives the copywriter some breathing space. However there should also be a time limit of say no more than 4 weeks after the first contact has been made and the brief is explained.

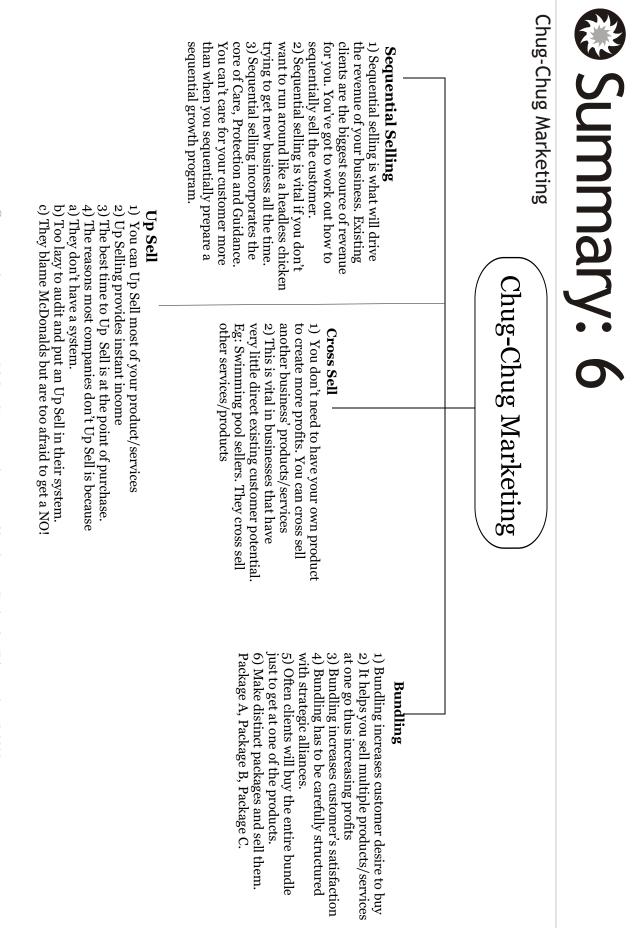
Service Bundles are infinitely harder to control. It depends on the other person's integrity, deadlines, commitment to deliver and the fact that his lover hasn't run off with his best friend. Too many imponderables come into play. And it can seriously undermine your reputation. This service alliance is a minefield, so tread very carefully. You could end up wasting more time, money and energy if the alliance isn't totally reliable. Do your due diligence, it's vital to your peace of mind. The little extra money you make may not be worth the trouble.

Bundling Physical Products

If it's a digital product, you can probably get the alliance to give it to you for a very small price or even free, if you explain the back end concept well. However, with a physical product, there are production costs involved. The alliance might be enlightened enough to know they can still give away the product for free (even if it costs them money to do so) or they may ask you for a small price. Pay it. It's worth it. On the other hand, you may be able to buy their products on a as-needed basis. You fix a price with them at the start and they ship their product to you or direct to the client on demand. Ideally you should have the product with you in advance. You can agree to pay the alliance for any goods used in three month/six month cycles. It would work like a royalty cheque in a way.

The best bundle is your own. However, there's always scope for working with others whom you trust and who can trust you. Try it. You never know till you do.

Note: You will have to check what is legal in your country.



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Your Master Plan

