

Russell Brunson Interview 4/17/13

Welcome to the interview everyone. We have a very special guest with us on the line today, Russell Brunson. And just to give you a little bit of background, Russell is known worldwide as one of the top internet marketing experts out there. He runs dotcomsecretsx.com which is one of the premier internet marketing training platform universities out there on the internet, and he has shared the stage with many of the world's top marketing minds and business leaders. He's really an expert at various aspects of internet marketing. The one that we're going to be talking about today is a specific traffic generation method known as solo ads. I have to admit, I'm not an expert at solo ads. I have some questions, and I'll be learning right along with everyone else here on the call. So, Russell, thanks so much for being here.

Yea, I'm excited, this is my first Skype interview-type thing so it's kind of exciting.

Well, maybe we can just jump into the basics and you can tell us a little bit about what solo ads are.

Definitely. I want to preface that solo ads, a lot of people hear about or talk about them in the internet marketing or work at home industry, but they're something that work in pretty much every industry we have played. In fact, we have a new supplement we just rolled out a couple of months ago, and we're driving 100% of the traffic all from solo ads. So this works in pretty much any industry you're in. In internet marketing you make money from home, and the industry is nice because people congregate at where you can buy all these solo ads, and other places it's not – you just have to find them. But it's really cool.

So basically, what a solo ad is... There's a whole bunch of people out there that have email newsletters. And in the past, at least with our business, we always relied on going to those people and trying to do joint ventures with them and things like that. As you know, obviously, sometimes that's really good and sometimes it's really bad. You can have an amazing product, but most of the time, all of the guys in there all they want is for you to cross promote them, and it's a tough process. So about two years ago we really stepped back and said we were going to cut back on the people we cross promote. At the time we were promoting one person a week, and we said maybe once a month we'll promote somebody else. At first it was really scary because our business started crashing because we didn't have all the reciprocation happening. But luckily solo ads were there and kind of picked us up, and we started using that as a traffic source. And really quickly we were able to replace pretty much all of our income that we were getting from affiliates and all of our traffic with solo ads.

What's nice about it, if you do it correctly, a couple of things are cool. First off, a lot of the people you buy solo ads from are the same people you would typically do joint ventures with. Instead of trying to get them to promote, you just write them a check and send it to them and they promote for you. And a lot of times – let's say they promote an affiliate and make \$10,000 in sales and you have to give them half of that, so you give them \$5,000. You can buy the ad for like \$1,000. So a lot of times, if you do it right, it's way cheaper than doing affiliate stuff.

So you find someone with an email list, in internet marketing in diabetes, or whatever market you're going in, and you just go and purchase an ad. We call it a solo ad. There are different types of ads. There are sponsored ads which are like a banner ad at the top of someone's email. Or it could be a middle ad which is a middle banner ad, or a solo ad which means basically the whole email is yours and you can put whatever you want into it. And those are obviously the best because you're controlling the whole message of the email. So you're going to somebody else who already has an email list and you're paying them to put your ad inside their email list. And that's kind of the overall basics.

That's simpler than I thought. I thought it was more complicated for some reason.

I guess that's why I like it because all that complicated PPC and SEO – that stuff is so hard, and for people like me who just want to move fast, this is so much easier. It's a lot more fun, I think.

So would you say this works in most niches – like any niche where people are building lists? You can do this?

As long as there are people building lists. What I found kind of interesting, though, is that you have to get into kind of the mindset of who your target market is. So, for example, our supplement right here is for people who have neuropathy. Now there is no neuropathy list out there. We looked from everywhere. But we did our research and said, well, people who have neuropathy, what are the other common characteristics we know about those type of people? And we found out that 50% of people who have diabetes either have neuropathy or they think they have neuropathy. So we started running diabetic email lists, and it worked just great. The same thing with our baby sign language product, so there is no baby sign language list, but there are parenting lists. So there may not be someone in your niche, but what is the bigger market around that, and that's where you're typically going to find the solo ads – at least that has been our experience with it – thinking outside the box a little bit and figure out what else they're going to buy. If you can figure that out, then you can find them usually.

So once you have that idea in mind, what are the actual steps that you take to go out and find these deals and start locking them in?

So if you're in the internet marketing space, there are a whole bunch of people who have aggregated lists, which is really nice. We have an affiliate site called affiliateincubator.com, and we have a tab on there called Traffic Sources – and we have probably 70-80 different people that you can buy solo ads from right there. There are a couple of list brokers. Daegan Smith has launched a whole company where they just do business opportunity-type lists. His site is thhomebusinessagency.com. What's cool about Daegan, if you go to that site - it's kind of like a squeeze page – and you opt in, and he tests hundreds of lists. They spend between \$100,000 and \$150,000 a month on solo ads. They go out there and test it, and if it has a positive ROI for them, then they go back to the publisher and say they want to buy 10 solo ads – because if they buy in bulk they get a discount. Then, if you're on this list, they email out.

Here is an email they sent out today. It says, “New publisher, 248% ROI, 500-click ads, only 10 available.” He says, “I've got a feeling, mark my words, that today's ads are going to sell out very

quickly because we only have 10 500-click solo ads available, and this email is going out to 10,000 customers... and here's our stats." So it shows you the stats from when they ran the ad earlier that week. So on this one they got 248% ROI, they got \$1,300 in sales, and had a 38% conversion rate. So they show you all the stats. Then he comes back and says they have 10 spots, 500 clicks for \$425 which is good. It means you're paying less than \$1 per click, and they have 10 spots. And he literally sends it out, and an hour later those are all sold out.

So we got on that list, and every day as soon as it comes in we're looking for ads, and it's a fast way to buy from proven people. I would say the bulk of what we buy right now is coming from what Daegan recommends because there's a lot of people with traffic that's just not good. It's always good to do some that they have already cut their teeth on and then just buy ads like that. So in the internet marketing/home business-type space, that's the nice thing – people like Daegan who aggregate and bring those things together.

In other markets, there's not. For example, we found the diabetic website. We went to Google and typed in "diabetic email advertising." On the first page of Google, eight or nine of these are diabetic websites who have email lists. So the very first one here is diabetesselfmanagement.com. I click on it, and it just shows you a site that somebody owns. If you scroll down, it shows their email newsletter, *Diabetes Management*. It goes out to 150,000 people. They have box ads, skyscraper ads, leader board ads. There are exclusive email letters of sponsorship, so that's going to be another 150,000 people that can get a text ad. The solo ad is called the Dedicated Custom Newsletter. So that's the one I'd want to buy. It doesn't tell you the price, but you can contact the ad buy, and they have a media kit as well. So that's one 150,000 person list I can rent right now.

It's really simple. That took like two minutes.

Yea, it's super easy. There is another one, NextMark. NextMark is like an aggregator of lists, but they're super expensive, so I like to go to NextMark to find lists. You go to lists.NextMark.com, and you can search there and they will show you different lists on any topic you can think of. Then I try to reverse engineer what they give you and go directly to the site, because you can get a way better deal always.

You can find lists on pretty much anything you can dream of. And that's basically how we're finding them – just going to Google, typing in stuff, going to NextMark and typing in stuff, and going straight to the site. What's nice about any kind of internet advertising is it's all fake. It's not like a magazine that's being printed and it's so expensive because they may add another page. And with digital it's like banner ads are just another spot on their site. So there is tons of negotiation room with most of these things – with solo ads, with banner ads, and all kinds of stuff because it doesn't cost them any more money to do it. So there's a lot of things you can do to get prices down. So just know that whatever kind of quote you get is not usually what you have to pay in the digital marketing world.

So there's plenty of room for negotiation.

Definitely. For example, we have this one ad that has run really good for our supplement, and their list is 2-3 million people, but I don't want to send our 2-3 million because you don't know if it's going to work or not. So I will buy a tenth of that list and send it out and see how it does. Then if it does good, we'll say that we want to send out a tenth of your list every week, and after 10 weeks, we'll rotate back and start over again. And we just keep rotating it. That way, the life of the list lasts longer, and you can do a lot more testing. If it starts slowing down, then you can pull the ad. If you're buying a whole ad, then you could be hosed.

And I still make mistakes. We did that this week – we paid \$10,000 for 15,000 clicks and it hasn't done well. And it's stupid because I didn't do it that way and I had to eat \$10,000. So you can screw up like that.

So when you go into a fresh list that you've never mailed to before, there's always the risk that it won't convert. It makes sense to try to start out slow.

A lot of times you mail just a portion of the list first – just a tenth of it or whatever. On our dotcomsecretsx.com local webinar, we have one list person, and they mail every single week to a percentage of the list, and that list has been mailing for 46 weeks now. It just goes through the list and then starts over, and it's like a brand new promotion every single day. So if you set that up once, and every single Wednesday, the ad goes out and you see traffic come in and sales come in. It's consistent. Once a week we run the stats and make sure it's still profitable, and that's it.

That's what we're doing with the supplement right now. We run the ad, we get one that works, we break it out over certain weeks, and then keep running it. Then we go find the next deal and the next deal. There are pros to big promotions when you get a bunch of leads and stuff, but the consistency, as you know, is the nicest part about business because your support can handle it better, and everything just makes more sense when you do it that way.

So what are the best ways to go about this? What are some of the secrets you have learned through your experience over the years doing this? Is there anything you can share?

Definitely. I think the big secret is that with solo ads you're going out there to try to make a bunch of money really quick. The goal of solo ads is that there are a whole bunch of people on a person's list, and you want those people to come onto your list. That's the whole goal. And then after they're on your list, you can do stuff to sell them. So the biggest key is having a really good converting squeeze page to get those leads in there, and then a really good sequence afterwards and get those people to want to buy from you.

And the difference from a joint venture promotion... Let's say I was going to promote you and I went to my list and said, "Adam's awesome and you guys have to check out his stuff," and I send it out. Those people would convert really high because I'm passing my credibility on to you. But a lot of places you're getting solo ads from are in the internet marketing world where people don't have good relationships with their lists typically. But in the other worlds like diabetes or weight loss, they're not

typically people that come from corporate companies – it's not like they have a relationship with anybody – it's just a news site.

So because of that, you're kind of getting something from a cold traffic source, and you've got to get them to squeeze up, and then you've got to warm them up and do that effectively. It's important to understand that usually you're not making your money back immediately – it's usually over a 7-10 day period of time doing a nice sequence that warming them up and getting them acquainted with you.

So you're not sending them straight to an offer where you're trying to sell something – you're trying to get them into your own list.

Yes. Everything you send them through a squeeze page, most of them understand and they're fine with it. Typically, in a joint venture, they don't want them to go to a squeeze page. They want them to go straight to your sales page. But here's what's different. Most of them will always let you support to your squeeze page, and then for me personally – and you guys have a similar offer of a trial – so there is a really low barrier of entry to get people in because, again, they're coming from the cold. They don't know who you are, so you need a very low barrier of entry – a trial or things like that are what you will get people with. Again, even with that, usually you've got to educate them. You've got to show them testimonials and success stories and things like that to really get them warm, and then somewhere around day 3-5, that's when they start actually buying.

If you look at just the initial sales from people opting into buying, you will think that that was a failure and the whole thing just bombed. But if you extend that over about a week's period of time, you'll come back with the stats seven days later and realize it actually did really well for you. That's one of the big things that a lot of people miss.

ArcaMax has a lot of good lists you can rent. They've got a whole bunch of newsletters, like 20 or 30 different newsletters for different things. We buy from them a lot, and almost every one of our businesses we test from them. One of the first times we ever did it, we had a free DVD offer, and we have a squeeze page to opt in and on the next page we have the free DVD. And then I built a 10-message followup sequence. I remember we promoted it, we went through, and the next day we went through our stats and it was horrible. We spent around \$2,000 and only sold like three of these DVDs. I was livid about it. So we canceled it for future ads and just walked away from the whole thing.

Six months later, I was looking at some weird stats for something, and somehow we came up with the stats on that promotion and we made \$5,000 to \$6,000 which is a huge success. And we had wasted so many months. We could have been pounding those lists away because it worked. So it's very important to understand that you have to warm them up, and if you don't do a good job warming them up, then you'll think that solo ads don't work very well.

The other kind of cool secret, a lot of solo ad places will let you split test subject lines in the emails you're sending out. We put an ad out to World Net Daily which is a news site, and we ran a split test with four different headlines. So 25% of the traffic saw each headline. One of our headlines smashed the other ones. It had three times as many open rates and click-throughs and sales and everything. So

we came back the next time we mailed and just used that subject line, and the entire ad became three times more profitable.

So a couple of other things we found out – in the body of the email we changed the “click here” to the same words that were in the subject line word for word. And we had that link three times. By doing that, our click-through rate in the actual email almost like doubled – about a 40% increase. And then we took the same subject line and changed the headline on the squeeze to that and had another huge increase. So just that initial first split test with four headlines, we found the winner and then the rest of the whole campaign quadrupled because of that one little tweak. And we would have never known if we didn’t split test for the headline.

That’s amazing. Is that a technique that you use now consistently?

Yes. All emails that I send out when I’m not in a rush, I always do that. It takes a lot of time to figure out the copy and paste and all that stuff, but any ad I’m spending on I always do it, and when I send my emails to my own broadcast I do it as well. It’s one of those weird things that makes total sense, but I never would have thought about it.

We had a guy we were doing an affiliate thing with who said, “Hey, when you send out an email, make sure the subject line is the same as the text of the thing they’re clicking on and it will double your click-through rates.” And we did that one time, and sure enough, he was dead on and we’ve used that ever since. It’s been killing it for us.

There’s one other secret that Daegan figured out and showed me. Most of the time when we send out emails the From line shows Russell Brunson or Adam Short. Most of the places you buy solo ads from will let you put whatever you want from the From line. So it doesn’t have to be from World Net Daily or from ArcaMax. It can be from anything you want it to be. So you can get two headlines out of the From line. Different tweaks like that make it more likely for people to open it than if it’s coming from a corporate site or whatever. We tried that out on our last ad and it seemed to do really well.

So those are fun little tricks and tweaks that we’re playing with and making this whole solo ad thing really fun.

I can’t wait to start doing this myself. It almost sounds too easy.

Compared to like SEO and all that you guys teach people, I think this is way easier, because there’s not that much technical stuff involved. You call a dude up, he says yes, you write him a check, send him an email and then it happens. The trickiest part is just having a good followup sequence to warm people up. That’s the hardest part by far.

Any tips with negotiation? You mentioned with the price that’s advertised, you can often get it way down. Do you have a strategy going into it?

The biggest strategy we have is coming in as if we are huge players and spend \$100,000 a month on media – that kind of an attitude. We say we spend a lot of money on media right now and we have a campaign that's crushing it and we want to test it to your list. The deal is that if your list works, we'll buy every week forever – but I need to make sure your list works, and I'm not willing to gamble a bunch of my money on this. So what's the lowest price you can get us for this first test? And that's basically it. Because they don't want to sell it once. They want to sell it over and over again. That's where they make their money. So if they think that's who you are and what you're going to do, they're more likely to cut the price in half on the first test and see how it goes. That's the main negotiation strategy we have.

Daegan taught me that they will go out there and get 10 quotes or so from people in that industry that they're going after. That way you have more numbers and can come back and tell them you're going to run an ad here, but so and so has a very similar demographic, and they're able to give it to us for this price versus this price. So you kind of work with people like that.

A lot of times, it's smart to not just buy from one person. The last ad we did, we were going to buy 15,000 click from one publisher, and luckily our list broker said it would be smarter to do 3,000 from five different people, and that way you can test all of them and see which one does the best, and that's the one we can focus the rest of the budget on. That was pretty smart. So you tell them you've got five people you're testing and whichever does the best you'll give the rest of your money. When they know that, they know they have to produce – either be better or lower the price.

Have solo ads, in your experience, worked in tightly focused and kind of obscure niches? I have a lot of pet care sites, for example, a site on discus fish care. I wouldn't think there are too many lists out there dedicated to just discus fish care, but in that case, would I want to go out and find maybe like a pet care-related list? If it is that niched, would a solo ad work, or does it have to be a little bit more targeted?

That's a good question. Do they have to have a discus fish for them to buy your thing?

In this case, it's so specific to discus fish.

It might be a little harder. But you could put people through a squeeze page and ask them what type of fish they have and give them 4-5 options. If they click discus, you send them through your funnel, and if they click something else, then you send them through your affiliate link to someone else's funnel. That way you can weed out your customers and send the other customers to the affiliate offers that you'll still make money on. That might be a strategy. But it might be tougher to make your break even numbers if 75% of that shopping is going to other affiliate offers.

I'll do some tests on the discus market and let you know how it goes. Well, this has been awesome, Russell. Is there anything else that you can share about this process with people? I think you've covered it really well.

I want to go kind of to the next level. This is for the more advanced people, and something that would work for you as well – but also for anyone who has their own product and had an affiliate program. The next step that we found that works really good if you have any kind of affiliates, is most of your affiliate wants to participate. They want to drive traffic – they’re just scared to death. They don’t know what to do or know how to do it. So what we started doing is letting our affiliates participate in our media buys. What I mean by that is we do co-ops. We’ll say something like next week we’re sending you 10,000 clicks and this is the offer we’re promoting, it’s going to this list and we’ve been testing it and think it’s going to be good. And if you want to buy into this co-op you can. And say the ad was \$10,000. We’ll sell 10 spots at \$1,000 a piece and basically one-tenth of those clicks will get redirected to your affiliate if you buy into this co-op.

The first time we ever did that, I think we had \$85,000 from our affiliates come to us for our first solo ad. We had to call our list broker back up and tell him we needed to buy another \$40,000 in ads just to make up for all the affiliates who wanted to do it. Every time we’re working a co-op, it sells out instantly. So most of the solo ads we’re buying isn’t costing money out of our pockets. Our affiliates like it because now they’re getting traffic and seeing sales. All this stuff is happening that they never had before because they’re nervous. They’re scared to invest that much, so a lot of times they’ll jump right in and help fund your solo ad buying campaign which is really cool.

If you’ve got a core team of affiliates, I promise you if you went back and gave them that opportunity to participate in you buying solo ads – and you don’t need a lot – you only need 5-6 people to jump in and they will cover your costs. It takes that risk away from you, and for them it takes most of the risk away from them as well which is nice. It lowers everyone’s risk and everyone plays together and it becomes really fun. So that’s like the million dollar tip for anyone whose got your own product because that’s when it gets really fun and you can do a lot more cool things because you’re not limited by just whatever your budget is. You can definitely leverage your affiliate program there. There are affiliates there who will help fund all your media campaigns for you.

I’m sure anybody listening to this is super interested. Russell, I know you have a lot of internet marketing training courses. Where should someone go if they want to become an expert on solo ads specifically.

On one of our membership sites, we focus 100% on this – the list building part of it and building lists through solo ads. It’s called dotcomsecretsx.com. We teach people basically a 30-day coaching program that costs \$1 to get started, and for 30 days you get trained. Basically, there is a daily video from me walking you through to the next step. After 30 days, you have your squeeze page, you’ve got solo ads, you’ve got traffic, you’ve got your offers, you’ve got your email sequence in place and everything kind of done. Our goal with our members is to try to make their first dollar within 14 days, and most of them do.

Our whole mission with dotcomsecretsx.com is if we can’t make you money, we don’t want yours. So try it for free for 30 days, and if you don’t make your dollar back, then you can keep paying, but if you don’t, then let us know and we’ll cancel your membership. We have hundreds and hundreds of success stories of people who made their first dollar because solo ads are not that difficult. You get a squeeze

page set up, you pick up a couple of offers, you put in your email sequence and buy a solo ad and, boom, your sales come in. It's exciting and fast. If you want to learn more about solo ads and getting traffic fast, that's what I would definitely jump into.

And for everyone watching, there's a link on this page that you'll see clearly, probably just below this video. You can just click that and go straight over to dotcomsecretsx.com and check it out. Thanks Russell, so much. This has been an enlightening call.

No worries. I hope you guys do it, and I love hearing success stories in any market. I get mostly excited when I see people doing this in different markets. When I first found out about solo ads, I was just learning how to make money in the market and everyone kept telling me that only works on how to make money. And that's one of the main reasons I wanted to do supplements. I wanted to prove that this is not just a one trick pony and this works anywhere. And sure enough, we build this entire company – I believe we'll earn a million dollars this year – 100% from solo ads.

And it's fun, it's easy. I don't have to learn PPC or SEO and all that stuff. And that's all good, and I do understand that we do have people doing that stuff, but for you guys who are overwhelmed or confused or whatever, it's an easy process. It's literally like calling a newspaper and buying a classified ad. That's the complexity that you have with the technical part of it. Other than that, it just kind of works. If any of you guys have success stories along the way, just let me know because I'd love to hear them. It's always fun to see a case study of people doing different markets – especially your fish one. If you do that, I would love to hear it.

Yea, I'm going to run some tests there. Thanks again, Russell. Thanks everyone.

Thank you.