Heather Vale: I'm Heather Vale, partner of Codrut Turcanu, for <u>ClickBank Affiliate Confessions</u>... Today I'm speaking with Tim Knox from Huntsville, Alabama. First of all, Tim, could we get a brief background of yourself and some of your websites?

Tim Knox: Sure, Heather, happy to give you some history. I am an old entrepreneur who have actually been in business for myself for about 12 years now and I started, I came out of a technology background working in the defense industry and started an Internet website business in, it was about '95, I think. And we originally started off as just a Mom & Pop website design shop, and because of where we are in Huntsville, it's very high-tech town. There's a lot of government contractors here. So, we quickly morphed into a software business, we would do web based applications. And that company is still going strong, it's called **Digital Graphiti** and we are, as I said, going into our 12th year I believe. But about three years ago I got interested in Internet marketing, because I had a customer who actually hired us to create an e-Book site for them. And I had never really thought much about e-Books or online selling or that sort of thing. But I started investigating what they were doing, because this guy was making a ton of money. And so I am like, well geez, if he can do that, that I can sure do that. And I was very fortunate because along with being an entrepreneur I am also a writer, I might do a, I have a weekly column on small business for the newspaper here in Huntsville. I have written for Entrepreneur Magazine and just – it's very easy for me to write. So, I started developing my own info products and marketing those, and that was about three years ago and today we have eight or nine products of our own. We also started affiliate marketing a couple years ago and are now, I guess you could call us a super affiliate for a lot of people. So, we do a lot of things online now. Our own digital products, we have membership websites, as well as a very robust affiliate marketing business.

Heather: So, after you had started marketing your own products what made you decide to get into affiliate marketing?

Tim: Well, you know, it's kind of funny because when I first started this business I would not sell anyone's product but my own, because in my mind if I was selling someone else's product I was actually taking money out of my pocket. Well, it occurred to me one day that maybe my customers would be interested in seeing other products. Maybe

already purchased my product or maybe my product was not a specific fit for them. So, I had gotten into doing a lot of joint ventures, and of course all my joint venture partners started saying, well, just give my product a try, and that's what I did. I actually started it under resistance because I didn't know if it was for me. But we quickly became entrenched in that market and now probably half of our revenue is done from affiliate marketing, selling other people's products.

Heather: Wow! How much of that is through <u>ClickBank</u> in particular?

Tim: We do an enormous amount through <u>ClickBank</u>, not... we have our own products, I have seven different products that are listed in <u>ClickBank</u>. But there are, I would say probably a dozen others that I promote regularly to my list and off of my websites. I have a list of about 65,000 and it's a pretty diverse group. They primarily started off as an <u>eBay</u> crowd, but over the last couple of years have become an online marketing group. So, anything that I think is a good fit for them, especially if it's in the online marketing space, I don't really vary from that too much, I will promote and usually those are our <u>ClickBank</u> products, because everyone is using <u>ClickBank</u> because it's just so darn easy to set up as an affiliate system. And so, out of all the affiliate marketing we do, I would say probably 75% are <u>ClickBank</u> products.

Heather: What are some of those <u>ClickBank</u> products that you promote as an affiliate?

Tim: Some of the big ones we do of course are <u>Ros Gardner</u>, who is a very good friend of mine, her e-Book on affiliate marketing is a very good seller for us. Rick Davies who has <u>1stPromotion</u>, we push a lot of his products. We have done really with a variety. We have done some <u>AdSense</u> products. We have done some that are <u>eBay</u> related. The thing that I have found is it's, once I know who my market is, which is my list, I can identify a product that I know is going to sell to the list and sell over and over. So, what I always do, is I like to nose around <u>ClickBank</u> every now and then. I will go over there and not really look at the top products, but I will actually go down and look at the new products and the ones that are not the big sellers, and look for little nuggets of gold down there, because every now and then you can find either a new product or a product that's not getting promoted much,

and find a really great product to sell. But I always just, I base it on what I think my list is interested in. I also, I have a weekly newsletter that goes out, and occasionally we will do a thematic newsletter. For example this week we did, Women Entrepreneurs and so I spotlighted a couple of products in ClickBank that, one was Ros Gardner and the other one was Robbin Tungett who has a really excellent product there called, I think it's Garage Sale Strategies. So, because our theme was Women Entrepreneurs, those were perfect products, and we did very well with them.

Heather: So, once you go into the <u>Marketplace</u> and you are trying to identify products that your list would like, how do you actually test the product to make sure that is in fact a quality product?

Tim: Yeah. What I will do, usually before I will promote anything, I will ask for a review copy. And if a person really is interested in having people promote their products, they will provide you with a review copy. You of course have to prove to them that you are not just some Joe off the street who wants a copy of their product. I am very blessed that I have a very good reputation and people know me. So, when I request a review product, it's very easy for me to get. But I will actually either personally review it or have one of my assistants do it, and we will look at it and make sure it's viable. Make sure it is something that meets our standards. Because as you know in this business, you really do live and die by your reputation. And the last thing we want to do is promote something that's not as a high quality as we want it to be. So, it's like everything else, do a little research, just look at the product up close, get a review copy, test it out, especially if it's a piece of software, because a lot of ClickBank products are software related. We try to test everything. And we also go by reputation. Once you are in this business for a while you know who is the, or who are the trust worthy, credible sellers there, and you can usually count on them having a quality product. So, it's all about homework.

Heather: OK. So, somebody like you with a big list and someone who is well known, obviously it's easier for you to get the review copies, but what about some of the newbies listening in who might not have the budget to go out and buy the products that they want to promote, but they would really like to take a look at it and give a personal recommendation?

Tim: Yeah. Well, when I started in this business three years ago, even though I was a successful businessman, nobody knew me online. I was not an Internet marketer and I was lucky that I could afford to buy those products. I can remember actually requesting review products from several people who, they are like, "well, who are you? If you want to review it, buy it." You know? So, and I can understand that. It just kind of goes with the way it works, but I would, if at all possible, I would buy the product. If you can't afford to buy the product and the person won't allow you a free copy, you might ask your friend to try, try to find someone else to order the product for you. Usually the ClickBank products are not very expensive. I mean you are going to look at typically a product there is anywhere from 40 bucks on up to 100 bucks, something like that. And you have to put, and this is what I tell everybody, I also do a lot of consulting with new businesses and I teach entrepreneurial classes. You have to be willing to invest a little bit in your business, and if your business is going to be affiliate marketing, you really have to be willing to invest, to buy some of those books. The nice thing about ClickBank is, all of the products do come with money back guarantees. You don't want to buy something specifically knowing that you are going to refund it, but approach it with the best of intentions, get the product, review it, make sure it's something that you can market with a good conscience. If it's not, get your money back. I have no problem with that whatsoever. If someone buys one of our ClickBank products and they are not satisfied with one reason or another, well, it's got a refund policy, it's not a big deal. So that's what I would do. I would really invest in your products, because if you do find a product that you like and you can promote, you are going to make your money back many times over.

Heather: Yeah. Now at this point in your career, if you ask someone for a review copy and they say, "No, you have to buy it," do you buy it, or do you say, "well, screw you then I am not going to promote your product"?

Tim: (laughing) At this point in my career if I ask for a review copy and they don't provide it, I will not promote it. I actually had someone tell me that they had created an e-book and they were very highly complimentary of me in the book. They had used some of my articles and this sort of thing, and I said, "Well, that's great, send me a copy" and the guy said, "Well, you can buy it on ClickBank for 47 dollars."

Heather: (laughing) Oh, geez.

Tim: And needless to say, I did not buy it, but when you get to the point where I am really, you have a lot of people who offer you the book, you don't even have to ask. And I am the same way. If I want to promote to someone's product, I will go over and ask for a free copy and see if they'll give it to me. But I also have no problem buying it, if I can't get in touch with the product provider, in a timely manner. I will just go ahead and buy it, and if I like it, I have no problem in paying them the money to do so. It's kind of funny because they have been a couple of occasions recently where I have promoted someone's product and ended up being in the top five promoters, and they find out that I had originally bought their product as a customer, and they want to refund my money and I am like no, it was money well spent, it was OK. The thing about is you approach someone, if you are a new player in this game, you really have to approach the current players with an air of respect, because they have accomplished something and they are doing something that you would love to learn how to do. So feel free to ask them for a review copy. If they refuse, feel free to buy it. You got to pay your dues in the business as they say, Heather.

Heather: And I guess too it depends on the niche, because if you are asking for a review copy of a niche that goes with your list, you can expect them to probably give it to you, but if you are asking for a review copy of something that is completely out to left field compared to what you normally do, then they might not be so inclined to give that.

Tim: That's exactly right. Whenever I am approached to do a joint venture of any kind, the first question out of my mouth is, "how big is your list, and what's it targeted at?" Because my customers are primarily interested in <u>eBay</u> and online opportunities, so if someone who has a very large list of, let's say pet owners, we would have nothing in common. So it would make no sense for me to give a free review copy of one of my <u>eBay</u> drop shipping books to someone who has a list of pet owners. So it's a waste of their time and mine. If you are a newbie in this business, what I tell everyone is, when you're, if you're interested in developing a product of your own, look for people in that industry who are already in that space, OK? Now, if you are more interested in affiliate marketing, the best thing you can do is just

go to <u>ClickBank</u>, dig through the categories, see what's selling there and find something of interest, and that way you at least have a product that you know something about in that industry. If you have a list, of course you want to select a product that is tailored to your list. My list is just not going to be interested in a book on how to teach dogs tricks, they're just not. Now they may be interested in how to sell dogs on <u>eBay</u>, but not dog tricks. So just use some common sense.

Heather: When you are evaluating the product, do you also evaluate the sales page, and see if you think it's going to convert well?

Tim: I really do, that's a great point. When I look at a product, I will spend some time on the sales page, and if the sales page doesn't do a good job of selling me, I don't think it's going to do a good job of selling my list. Now, in the past I have made suggestions to sellers, especially if I am one of their bigger affiliates, I would make suggestions on how they might improve the sales page. If they were not willing to do so, I have actually put up sales pages of my own to act as kind of a bridge page. You go directly, you go to my page first with what I think is a good sales copy, and then it will take you over to either directly to their page, or I will link directly to ClickBank with their ID. So, unfortunately not everyone is a wonderful copywriter, and you'll see, on ClickBank, there are so many products there, you will just see a variety. You will see great pages, you will really see bad sales pages, so I would review the product. If you are very strongly believe in the product, but the sales page have problems, think about in doing a bridge page of your own to sell it. Of course you want to get the owner's permission to do that, or at least let them know you doing that, because you don't want them thinking that you are trying to hijack their sales or this sort of things. So the sales pages are highly important, I mean that's what closes deal for you.

Heather: What if they do have a good sales page, but you still want to do some kind of interim landing page that might give your review, or just a little bit extra for that customer?

Tim: I am all for that. I think that's a great idea. If someone, let's say they click on a link instead of going directly to that sales page, they come to a sales page with your review, just as you said, "here's, I personally ordered this product, here's what I think about it, here's the features and benefits, here's what it did to you," and I did this recently

actually, with a product that Michael Cheney had come out with, his AdSense Videos. I actually ordered the product. I was out of town on vacation and I saw the product come through, I thought it was very cool, I ordered it. And because it was rainy night in Florida, we didn't go out that night, I actually watched the videos, and put into practice some of the things that Michael was recommending. And lo and behold, I increased my AdSense revenue like 300% overnight, it was amazing. So I wrote a testimonial about that and sent an email to my list, and my testimonial, I believe, is what really sold the product, and I ended up being, I think I was in the top five affiliates with Michael on that. So if your list, if they believe in you and you are very credible and they rely on you for advice, you doing a review or you putting up a sales page is going to be so much more effective than just sending them straight to a sales page.

Heather: You know that Michael did give free access to all the JV partners?

Tim: Well, I didn't know that until after I bought it (laughing). And he did offer to refund and I said no, it was money well spent.

Heather: OK. So apart from the vendor sales, how much do you make now just as an affiliate for ClickBank?

Tim: Our affiliate revenue every month, of course I sell my own products in <u>ClickBank</u> and that is... we've had a very good year there. We do, oh gosh! We do at least 1500 to 2000 a day just off our products, but off of everyone else's I would say that we are doing, I don't want to give exact dollars, but we do five figures a month just as affiliates of other people's products on <u>ClickBank</u>.

Heather: How much do you think it would be possible for a newbie just starting out to make?

Tim: It really depends on several factors. Number one is, have they taken the time to educate themselves on how this business works? This is one of my pet peeves. A lot of people believe that you can just jump full boar into Internet marketing on Monday, and be rich by Friday. And you can do so without taking the time to learn. And that's one thing I tell everyone, you wouldn't start any kind of business without knowing about that business, without knowing what you are

doing and that's, you know, the affiliate marketing business is a business. So if someone had taken the time to learn about the business, to learn about affiliate marketing, to learn about building a list, that sort of thing, I really think they could start making money pretty quickly with ClickBank and affiliate marketing. Now it all goes back to, who are they going to market those products to, how they are going to do it? If you are already online and you've got a website or an existing business, it's very easy to get into affiliate marketing, and if you are not doing affiliate marketing, you are a fool. Trust me, because I was a fool who didn't do it. I saw, our revenues literally doubled when we started affiliate marketing. But if you are a newbie, you've got to look at, how are you going to get these products out? How are you going to get them in front of people if you have no list and that sort of thing, and I have to be honest, that's a very difficult thing to do. There is no magic bullet. One thing that I have seen that works very well is to use Google AdWords campaigns to sell affiliate products. I think the Google Cash method was basically that, where you would buy Google AdWords and your Google Ad would actually point to either a bridge page or directly to an affiliate product. And that's really the best way to go, because when you start out with no list, no contacts, no nothing, that's about the only way to get the product out there, is to do AdWords, but again what I stress to everyone is take time to learn about this business, learn about affiliate marketing, learn about AdSense, about AdWords, that sort of thing, and then once you have a good working knowledge, then put it into play and go out and start making some money.

Heather: Do you personally use <u>Google AdWords</u> to promote your affiliate products?

Tim: I do. I do.

Heather: OK. What are some of the other tactics that you use to get that traffic and those sales?

Tim: We are, a couple of thing that we do to get huge traffic from. Number one, I mentioned that I am writer. I write a new column every week, and every time I write it, it is blasted out to hundreds of ezine article websites. I have the guy that this is all he does for me, is blast out my articles. And we get a tremendous amount on traffic because we have been at this for a couple of years, so I have almost two

hundred articles that are pasted all over the web. And of course in every article, my signature block has a link back to my website, and we have what I call a mall website, we don't just have one sales page, we have a website that features all of our products and the affiliate products. So that's one really good way to get traffic, is through these articles. We also do a weekly newsletter. I said I have got a list of about sixty, sixty-five thousand, that every Tuesday, the *Tim Knox Newsletter* goes out, and I always include what I call sponsored links in that newsletter, and you can just track this stuff. I can tell, when I send out a newsletter, I can watch my <u>ClickBank</u> account and see those sales come in. So that's how we do the majority of our sales, is through traffic that the articles bring. We do the <u>AdWords</u>, but primarily the newsletter that goes out to our house list.

Heather: So on your site, which has presumably lots of pages, do you also use your articles there to add content to the website?

Tim: I sure do. If you go to our main website, it's called DropShipWholesale.net and you'll see there's actually two sections. Number one is my articles, and we also have an articles database, because we have another website, which is an articles aggregate website, so we use that database to populate those articles on our main site. And so at any given time we probably have my articles, which are a couple of hundred, but we also have a couple of thousand that are also there on the website for content. And we do, of course everyone of them has AdSense on them, so we do very well with AdSense just through our own articles.

Heather: OK. Now when you send out your newsletter with the sponsored links, would you say sponsored links convert better than just writing a review as part of your newsletter, or an article as part of your newsletter that might happen to have your affiliate link in it?

Tim: Yeah, the best thing that works is to do exactly what you just said. Either write a review or mention it as part of an article. The sponsored links work well, but they are commercials, and people know they are commercials and they know that when they click on one of those, someone's going to try to sell them something. So, what we do, it's not really disguising the link but if, for example this week I had a product that I thought was very good and I included a link to that, but what I did before I included the link, was wrote several paragraphs on

why I am recommending this product. I would give, I gave it a little bit of background on the person who had created the product. I gave a little bit of my opinion of the product, and then just a link over to it, and those convert much better than just having a list of sponsored links. If you look at, it kind of goes back to the old print idea. Remember the ads in the magazines, they look like a news story but they were actually a whole page ad...

Heather: Yeah, advertorials.

Tim: You didn't realize it until you got down to the end, you thought you were just reading some really cool story about a guy who started with nothing and made up a bazillion dollars, and then you find out at the end that you can order his course. But it's all salesmanship, it really is. When it comes to, it doesn't matter if it's sales copy on a website or an editorial or an advertorial and a newsletter, it's all salesmanship. So those are the ones that work best for us, and a lot that goes to credibility. When we recommend something directly like that, my list thinks that, "OK, Tim has checked it out, it must be OK or he wouldn't recommend it". And so there is a lot of credibility at play there, that will also help your sales.

Heather: Does your opt-in list just get the weekly newsletter, or do you also send out solo ads in between?

Tim: I email usually twice a week because I don't want to beat them to death. We do the newsletter on Tuesday, and then on Friday I do the solo email, which I call, "Tim's Top Pick". And it is basically what I... it's my recommendation of the week for either a product or a video or what-have-you. Usually it is an affiliate product, either ClickBank or not, but again what I do with that is I don't just say, "hey, this is... go buy this." I will say, "OK, I have checked this out. This is a real opportunity. You need to just go take a look." And so we usually mail twice a week. I will mail more if I need to. For example, this week we had an opportunity to do a tele-seminar with a friend of mine, and we didn't put that together until the last minute, so on Monday I did a special mailing to my list, and they know that if I am mailing on Monday it must be something. Because, I am always like, "I apologize for emailing you on Monday, but this just couldn't wait." So I will do that if something timely or special is in the works, but normally, on a normal week, I'll just mail a couple of times a week. There are

different schools of thought on that. I know guys who will mail every day, sometimes two or thee times a day, but their approach to this is a little different from mine. With my list, I basically am trying to establish a relationship and an air of trust with these people, and I don't want them to unsubscribe. I want them to stay on my list and read my materials and buy my products as long as they can. Now. other people will hammer their list because they have... their thought process is, "If they are not going to buy anything, I don't want them on there anyway". I just can't get on board with that. I think that even if someone doesn't buy, if they've signed up to get content from you, you owe them that content. So, that's what I try to do is try to establish a good relationship with my list and not abuse them. It's like watching American Idol and every three and a half minutes there's four minutes worth of commercials. To me that's just abuse, Tivo is a wonderful thing. So that's the approach I take with my list. I don't want to mail them too much. If there's a reason to mail them more than twice a week, I'll do so, but that is rare.

Heather: How many times will you promote the same product to your list?

Tim: It really depends on the product. For example I have done some products where I would feature them in the newsletter on Tuesday, and because I thought that they were really great and they needed to be promoted again, I would promote them that Friday as well. You know, the bad thing about email is that when you mail out a hundred emails, maybe 25-30 might get through now, so... and spam filters are so quirky, my emails may be blocked on Tuesday, but it may get through on Friday. So if it is a really good product and I'll... Michael Cheney's was one of those, I did actually a special Sunday mailing on that one, because I was just so darn impressed that I had increased my AdSense numbers that much. And then I mentioned him again on Wednesday, and then I did him again on Friday. And my sales were just huge the entire week, and I knew that I had kind of done enough though, I didn't want to keep pushing it, but when you sell a product like that, that you really believe in and you think that you can really get some mileage out of it and it will do your list good, I have no problem pushing it two or three times. And we have other products. A very good friend of mine who has a product called Hot Item Finder, it is an eBay software. Well, this thing is just, it's a tremendous software. About once a month or every two months he will release

something new. He will make it better, and every time he does I will promote it to my list, because I just have huge faith in the product and in him. And every time that I promote it we do really well on the sales spike. So, we have our own product called Dave's Cool Little Website which we released in January, and it's kind of the same thing, every time we do an improvement to the software, the affiliates promote it again. And so if there is a reason to promote it again, certainly do so. You don't want to beat him over the head with it, but if there is some difference or something has changed that you think will be of benefit to them, by all means promote it again.

Heather: How about if nothing has changed, but it's six months later, it's still a good evergreen product, and you know that you have got new subscribers that weren't there the last time you promoted it?

Tim: Oh yeah, well, case in point; this week in my newsletter I promoted Ros Gardner's book. I first promoted that book, what, two years ago, and I have probably promoted it a half dozen times between then and now. It is such a great book, any time we do anything on affiliate marketing, or in this case women entrepreneurs, if there is a theme there that that book makes sense, I'll promote it over and over. And that really is not just my affection for Rosalind, but the respect of the product itself. I mean this book, I really credit her with teaching me about affiliate marketing, and I think that book stands alone, I don't think there is another book out there they can touch it. So I will continue to promote it. Every few months, I will put it back up and it always does very well for me, but again it's really because it is such a great product and I have such faith in it.

Heather: What do you do to get people to sign up for your opt-in list in the first place?

Tim: We have a... I have three e-books that I have written that I give away, so if someone comes to the website and they sign up for my newsletter, they get those three free e-books downloadable, and those have worked very well for us because what we do, each one of those e-books, it's very good content-wise, but they also have a bunch of affiliate links. I am an old e-book creator, that's how I got my start in the online world, and the thing that I learned quickly was if you will give them good content, they do not mind if you throw in some links here and here to try to make a buck. And that has worked so well, I

can... you know, e-books that we did originally two to three years ago that we no longer even use, we can still track sales coming from those e-books even today. So that's, I always tell, you can make money by giving stuff away. So, what we do is when someone opts in, we are like, "hey, if you get our newsletter, we will give you these three e-books of Tim's, here is what they contain, put in your name and email address and we will send them right out to you". And that has worked very well for us, we even do Google AdWords just to help us build our list. And what we do is, we will do the AdWords campaign and when they click, they go to that landing page where they can opt-in and receive those three books, so that's worked incredibly well for us.

Heather: Do you sell more affiliate products through your opt-in list, or through your website?

Tim: We sell more through the opt-in list, and I think a lot of it has to do with the fact that we can editorialize a little bit there. We have all of the products shown on the website, and probably I would say 80% probably come through the newsletter, through the opt-in list.

Heather: So Why not editorialize on the website as well?

Tim: Because I am lazy. (Laughs) How's that for an honest answer? Yeah, that is something, we're actually developing a website that goes with the "Tim's Top Pick" that we do on Friday. We have a website there that we are creating, and it will be just that. It will be a little editorial review of every product, and of course a link to buy that. Actually, Heather, there is so much to do in so little time.

Heather: Yeah, that's my biggest problem. (Laughing)

Tim: Yeah, exactly.

Heather: So, what's your sales conversion ratio like, both on the emails and also on the website?

Tim: Our sales conversion on the website is pretty standard, we may do 1-2%. Through the newsletter, it will vary. I have seen it go, oh gosh, as high as 10-15%. Again, it really depends on the product and I guess the passion with which we pitch it, because again the Michael Cheney Videos, because I was so passionate about those because I'd

actually put those into play and got results myself, and I think that probably came through, and so I think our conversion there was huge, at least 10%.

Heather: What kind of masking do you do to prevent your <u>ClickBank</u> ID from being hijacked?

Tim: We don't really do masking per se... we use <u>AWeber</u> to send out all of our emails, so all of the links are masked via <u>AWeber</u>. I really, a lot of people just stay up nights and worry about that sort of thing, I just don't. And it may be costing me tons of money, but it's just something, I have my own in house affiliate program for all of my products, and the way we have it set up, it's impossible to steal an affiliate's commissions. So that's an optimum setup there, but with <u>ClickBank</u>, if we mail out things, we will either do it like with an <u>AWeber</u> link or we may do a <u>Tiny URL</u>, and the thing about it is, once they go to that link, the cookie is set, so a lot of times even if they try to change the hop link itself, because that cookie is set we still get credit.

Heather: Yeah, unless they go back and recreate their own hoplink and go through it that way.

Tim: Yeah, if they have got that much time, more power to them.

Heather: Yeah, let them do it. (Laughing)

Tim: That's just too much spare time. (Laughing) Well, to me if someone is going to get to the trouble of changing a hoplink, I am just not going to stay up and worry about that. I mean they can go over and they can order the product through their own <u>ClickBank</u> link, and do the same thing, so I have got too much else to worry about. (Laughing)

Heather: Yeah. (Laughing) So when you are looking for the products to promote, what do you think is a good commission?

Tim: I look for products that will pay me at least... I want 50% commission preferably, off a product that's at least \$67, preferably 97, the higher the commission and the higher the net, the more appealing the product is to me. I don't really push anything that's like 27 bucks

because half of 27 bucks really isn't much money. I like products that are in the \$97 range. I think the majority of them now used to be in the 67, they... I don't know why but 7 has always been a big number, in the price end, and I can remember when everything was going for 27, and then everybody raised it to 47 and 67, and now a lot of the products are 97 or above, but for me personally to make it worth my while, I am looking for at least \$30-35 in commission, preferably more. Now that... the thing about is, the higher the commission, the more likely you are to get passionate about the product.

Heather: Yeah, but on the other hand, the lower the price point, you might actually sell a higher volume of products, so you might actually make more money overall.

Tim: Well, you know, I've tested that theory. I have a product that I originally came out with, I think at \$19. And I established a good base and I saw what it was selling, well I raised to \$27 and the volume remained consistent. And then I raised it to 37, well, now I have got it at 47, and this is just an in-house product that we are testing, and the... we actually sell more at 47 then we did at 19, and I think it is a matter of the perceived value. You know, people think, well this is only 19 bucks, it can't be that great, but if it's 47 bucks, well, that's a little bit of money, so it must be a good product. I think you have to get inside the head of your customer, and while there is that segment of the population who would want to pay as little as possible, but I think that people look at it, and if it's too cheap they think, "well, OK what's wrong with it?" So, I know the volume theory, and I am sure that works for some folks, but I would rather sell one \$50 product than three \$15 products.

Heather: Right.

Tim: Again, I am lazy.

Heather: (Laughing) So you have mentioned the Pay per Click advertising. Is there any other type of advertising where you actually pay for it?

Tim: You know what, we are very fortunate that we don't really have to pay for a lot of advertising now. When I first started out I was doing the Pay per Click, I was also doing ezine advertising. I was buying

banners on websites, but we have gotten to the point now where thanks to mainly the traffic that we get from articles, plus I have a huge affiliate base of my own, a good bit of our revenue is now coming from affiliates who sell our products. And there is kind of a residual effect, usually when they go buy one of our products they will come back and buy another and another and another. So, other than the Pay per Click, we are really not putting out any money for advertising at all.

Heather: You mentioned the banners on websites, which is actually a tactic I haven't heard about it in a while. Do you think that's still a viable option?

Tim: You know, I really think it's coming back. When I was in the Internet business during the boom, and when everybody thought banners were going to be the next big thing, and we were selling banners for just ungodly amounts of money, and then for a while banners kind of went away because everybody thought, "oh, it's a commercial". But I really think that form of advertising is coming back, everything that I read tells me that it is. I do think banners are viable options. The cool thing with technology the way it is, you are no longer really limited to just 468 by 60 banner. There are all kinds of things you can do, all kinds of technologies, so I really do think that kind of advertising does work. I think you have to really target the market. You know, only buy banners and advertising on websites that you know cater to your audience, to your qualified audience. So, I think, I really do, I think they are kind of back, I think you are going to see online advertising just really, really take off.

Heather: OK, let's talk a little bit about <u>Dave's Cool Little Website</u> because that's a tool that affiliates can actually use to make some money. How did that idea come about?

Tim: Well, it's kind of funny, I was actually just sitting around when I goofing off with my laptop, and we are software developers so we are all the time going up with that stuff, and I had been looking at AdSense, I had been and of course I was very familiar with ClickBank and that sort of thing and it just hit me, it would be very cool to have a turnkey website that would allow someone to make money from AdSense, ClickBank, and my affiliate program, and from eBay affiliate program. And so we were having a staff meeting on that

Monday and Dave Purves, who is my lead engineer, I said, "Dave, you know what would be cool? What would be cool is to have a website that someone could make money off of AdSense, eBay and ClickBank... and it would be really cool if we could display eBay auctions on it, etc. etc." Well, Dave is the... he is the kind of guy, you basically toss out an idea, and he came back the next day and said "hey, let me show you this." And what he had done was programmed really the first draft of the Dave's Cool Little Website, and the reason we call it that because I kept saying, "hey Dave, wouldn't it be cool to have a little website that do this, this and this". And so we really developed the idea, we do a lot of programming with eBay, so it was very easy for us to take the eBay developers' kit and make this happen. So we created this cool little website, and it is a turnkey affiliate site, people can buy the <u>Dave's</u> Cool Little Website, they get to use their own domain name, they enter their Google AdWords or AdSense ID, they enter their eBay affiliate ID, they enter their ClickBank ID, they say, "on my homepage I want this category from eBay," or "I want the ClickBank Marketplace," and it's all automated, they just basically point and click, and it creates this cool little website. And what we did was we also tied in our articles database. So all of these cool little websites have these several thousand articles that are populated on the site, and they're all different. The beautiful thing about them is, your cool little website may be different from mine, because I may want to display my own eBay auctions on the homepage, whereas you may want to display the eBay category of books or what-have-you. And also whenever the page reloads, you get a brand new listing of articles. So, it's a very dynamic system, and every one of them is different and we have been extremely successful. We have launched that product late January, and it is still the number one eBay product on ClickBank, it was the number one AdSense product on ClickBank until my friend Michael Cheney came along, and we are number two now, and of course I haven't knocked myself out of that spot.

Heather: Yeah. (Laughing)

Tim: But we have done very well. We have, oh gosh, over 3,000 Dave's site owners now, and it sells for \$97 a piece so you can do the math, we have done very well, 6 figures with that just in about three months. It continues to be, as I said, the number one <u>eBay</u> product on ClickBank.

Heather: How are those 3,000 owners doing with their websites?

Tim: You know, we hear from some, we don't hear from all. This kind of business is one where you do have to put in little bit of effort. You have to go in and set everything up, and then you have to promote it and we get emails from people everyday, "I love my cool little website, its making me this, this and this," and then of course you are going to get the emails from people who go, "well, I launched it and it never did anything". And of course we say, "well, did you promote it?" "Well, no." And we say, "well, it's no wonder it didn't do anything". Yeah, that's one thing. Again, I do a lot of preaching in seminars and this sort of thing, that if you get a product, I don't care if it's a Dave's Cool Little Website or your own website or your own product, if you do not market it, and it fails, it is not the fault of the product.

Heather: Right.

Tim: And I have caught some flak because I am very honest with people about this kind of thing. There really is no such thing as a get rich quick scheme. You are not going to buy a cool little website or anything else on Monday, and do absolutely nothing and make money by Friday, but if you are willing to learn, and you are willing to put in some time and some effort, there is absolutely no reason why you can't be as successful as we have become. Because we have started in the, pretty much in the exact same place that everyone did. My business was going very well, but my business was nothing, had nothing to do with the Internet marketing business. We literally started from scratch with no product, no list, no clue. (Laughing) But yeah, I took the time to learn how to do this business, and it's worked out very well.

Heather: What's the biggest mistake you made when you first started promoting <u>ClickBank</u> products as an affiliate?

Tim: I really didn't take the time to examine the product. What I did basically, and this is kind of a funny story, because I owned an Internet company, it's very easy for us to build websites. Well, I just went over to ClickBank and said, "OK well let's do this, this, this and this," and we built this humongous website with all of these ClickBank products on it, and then I waited around for traffic. (Laughing) I did

the exact thing that I tell people not to do. I sat there thinking, "I had built it, they will come".

Heather: Yeah.

Tim: And I realized very quickly that they weren't going to come unless I did something to get them there, and we had spent several thousand dollars on this website, and it eventually just died on the line because I didn't take the time, to put the time and effort to get traffic over there, and that was my first miserable failure and it taught me a lot. They say that to be a success you have to fail at least once. Most of us fail a bunch, but that was the big failure, and it taught me a valuable lesson. You can have the best product, the best website in the entire world, but if you do not try to get people to it, you are not going to sell anything. It's just simply all in the marketing. So, what I did was literally stop what I was doing, took a step back, then learned everything I could about affiliate marketing, about ClickBank, and learned how to do it the right way. And once I had that knowledge it became very easy for me to build the business.

Heather: So, if someone is listening in and they are starting out, they might have their <u>ClickBank</u> ID, but maybe nothing else in their tool arsenal, what's the first thing they should do in their attempt to become a successful <u>ClickBank</u> affiliate?

Tim: Well, as I said, the first thing they should is learn all they can, OK. There is much more to it than just getting a <u>ClickBank</u> ID. Learn about affiliate marketing. Order some of these products that you are willing to push, and learn. If you are interested in affiliate marketing, there is no better book than <u>Ros Gardner</u>'s. You can learn all about <u>ClickBank</u>, there are books out there that will help you do that. Although <u>ClickBank</u> is really a very simple <u>Marketplace</u>, I mean it's very, very easy to do, but the thing that you need to learn about is marketing because that's 99% of this business is driven by marketing. So, I would find a product, I would learn about affiliate marketing, again, <u>Ros Gardner</u>'s book is probably the best to do that, and then once I have that knowledge, I would start maybe some <u>Google AdWords</u>, build a website of your own. You can sell the products from there.

The other part of it, other than marketing of course, is traffic. You can't sell anything without a customer. So, you need to learn about traffic, about building traffic. One mistake, Heather, I just see so many people make is, they will go out and buy traffic. We hear from them all the time, "well, I bought 8 million hits, and I didn't make a single sale," and we'll look at the statistics and there would be a spider that would sit there and hit it. And the reason you didn't make any sales is just because it's not a human. But really, really, really the best thing you can do is learn about this business, learn as much what not to do, as what to do, but once you have got that knowledge base, you just jump in, and start slowly, don't spend a ton of money. Let me give you one word of warning about Google AdWords, you can spend a lot of money, really fast. We are talking about mistakes, that's one thing I did, I had set my Google AdWords campaign to where I was going to spend, I think it was \$50 a day, and I had inadvertently typed in two zeros, and over the weekend did not check it, and had spent about 1500 bucks. And I kicked my back end all the way to the bank on that one. So if you do the Google AdWords, make sure you start slowly. Do not go out there and spend \$500 a day off the bat. Again, learn all you can, start slowly, it's all about baby steps. But the more you know, the easier it will be for you to succeed in this business.

Heather: But when you spent that 1500 bucks, you didn't make anything back?

Tim: Very little. (Laughing). I think the cost was about \$1500 and we had probably \$300 in sales.

Heather: OK.

Tim: And a lot of it had to do with, it was a bad product. It was just, it was a fiasco, that was my biggest mistake. That was just sheer stupidity on my part. It was not... with me a mistake is a well intention maneuver that just didn't happen to go right. This was just a mess. (Laughing)

Heather: OK. So, what's your one final word of wisdom as they are out there learning, failing, and just waiting for that success, what should they keep in mind?

Tim: I keep harping on it, but it really is, it's all about knowledge, take the time. I see this over and over and over. People will email me or they will call the office here, and they're like, they are so desperate to get started. They are very unhappy with where they are in life or they are unhappy with their job and et cetera, et cetera and they just, if they don't make a \$1,000 by Friday the world is just going to crash to a halt. And in talking to these people, you realize that they haven't taken the time to learn anything about the business. They really think that the Internet is just, it's like slot machine, you put in a quarter, you pull the arm and hope you make it. So, I tell everyone slow down, catch your breath, you are not going to make a \$1,000 tomorrow or maybe the next day or the next, but you can learn how to make \$100, then \$500, you know, build, it's all baby steps. And if you do not have the knowledge, it's very simple, you are going to fail. This is not a business where you really want to learn as you go. You want to have a good working knowledge of this business from the beginning, and that is going to help you avoid a lot of the mistakes that people like I had made in the past. So, final bits of wisdom, slow down, catch your breath, learn all you can, become a sponge in this business. If this is a way that you want to make money, and anybody can make money in this business, learn all you can. And then put it into practice and you will be OK.

Heather: OK. Well thank you so much, Tim, for sharing your knowledge and expertise with us today.

Tim: Happy to do it Heather.