

THE
\$250,000
INTERROGATION



WITH MICHAEL CHENEY

“The \$250,000 Interrogation”

Scar-ridden “Founding Father” Of Internet Marketing Takes The Whipper-Snappers To School On Email Marketing, Traffic, Testing, Facebook, Joint Ventures, And Taking Care Of Bid’niz

(This “interrogation” originally appeared in the PAID newsletter of email marketing legend Ben Settle – BenSettle.com and is re-used here with his kind permission.)

Ben Settle: Michael, I’ve called you one of the Founding Fathers of internet marketing, because I think you are. You were doing this back before most of us even knew what the internet was. I was like in high school at the time. I was still using a typewriter back then. Exactly how long have you been doing this, and how and why did you get into it?

Michael Cheney: Dude, I have been doing this for the longest time. I went to university in ’93 and I got involved with something called Telnet. I don’t know if you remember that but it was like the first version of the internet I came across, before browsers. You would kind of interact with people in little chat rooms and stuff and I thought, “This is pretty cool.”

Then this thing called email came out and I was like, “Wow, this is super awesome!” These things may have come out a lot sooner, I know they actually came out a lot sooner, but in terms of my awareness. Then around a year or so after that Netscape came out and the web sort of had this visual thing for the first time and I was just mesmerized. I was like, “I need a job that revolves around this.”

I didn’t know what it was going to be, didn’t know what the hell I was going to do, but I started off doing web design to begin with, reverse engineering what the web is and how web pages work. Then I graduated and ended up getting a job working for Exxon Mobil for a couple years. So I went from graduating to working for the world’s biggest corporation. I tried to convince them to do stuff on the internet. I was trying to get an intranet up and running but they were sort of behind the times.

It was crippling so I quit the job and set up my own internet consultancy offering search engine optimization. I would actually go around and help companies get ranked on search engines, and I was doing that kind of locally and grew the business to quite a nice level but hit a ceiling. I thought, “Wait a second. I wonder if I could somehow teach this in another form.”

It was ironic that I hadn't seen I could actually use the knowledge that I got about the internet to actually sell via the internet. So then I started selling what I knew. Rather than locally to individually and businesses, I started selling it globally to people digitally, and that's when things really took off. So yeah, I've been doing this for a long time. I kind of formed my company in 2000 and it's been a while journey, dude.

Ben Settle: I bet. I want to hear about that first website you launched. I want people reading this to understand. You didn't have the tools or the push button ease with which we do things today. I remember you telling me it comes out to about \$400K in today's money with inflation, and this was way back in the day. Tell us about that.

Michael Cheney: This was like the founding moment I suppose in my online career. It was a series of videos that I released about AdSense, the Google program where you put ads on your site and all that stuff. I thought it would be pretty cool to teach other people what I'd done.

Initially I was going to teach them everything that I knew about internet marketing because I was pretty naïve about marketing at that point. I thought, "Oh yeah, I'll just teach people absolutely everything," but it became too big to do so I narrowed it down. I thought, "I'll just start with this. I'll start with this AdSense thing and then I'll do everything else," so I started with this AdSense thing. I created this series of videos showing people what I'd done to get that revenue.

This was 2006. I put the website together, put the sales letter together, and got some affiliates on board. This was the first thing that I'd really announced and promoted with affiliates, and it went mental. It went absolutely crazy. Within I think about a 7-day period it brought in over \$250,000 gross. I walked away with about half of that, the rest went to affiliates.

I still worked from home but I was working from a very kind of modest apartment at that time, so that money – even now it's a serious amount of money, but back then it blew my mind. It was insane. I couldn't sleep. Sales were coming in so fast, you'd literally hit Refresh and another few hundred dollars were in. It was mental. It was kind of a baptism by fire.

I'd learned a lot of stuff and that was kind of the moment where it all came together, but as you said it was early days. There weren't templates you could use. WordPress didn't exist. You couldn't just grab something, insert a bit of code and have a sales letter. You needed to hand carve this out of HTML stone. It was prehistoric.

Ben Settle: That's good stuff. Just WordPress is so easy now compared to just 5-6 years ago. I could imagine what you were doing back then, just the technical side of things alone. That's awesome, man. Looking back in hindsight, knowing what you know now,

which is infinitely more probably than you knew then, what would you have done differently?

Michael Cheney: The one thing – and I knew this pretty soon after – is to have upsells. Now upsells are just kind of par for the course. Everybody’s got a one-time offer or the added value and all that stuff, but back then that was new.

I wasn’t even aware that that was a thing. I just thought you put a product out and you sell it and that’s it. You move on and do the next product. I’d never heard of an OTO (one time offer) and never heard of an upsell or downsell or cross-sell or backend. I didn’t know any of that stuff, and obviously it went great. At the time I was like, “Whoa, this is awesome!” But then when I heard about that after the launch I was like, “Oh shit!”

What I did is I retrospectively went back, of course, and put on a couple of upsells and pulled in – I can’t remember the exact figures but it was at least an extra \$50K historically, just from the sales that used to trickle in from that product after the big fanfare of the launch, by adding an upsell.

I don’t remember exactly what it was, but the main product was videos that showed you how to do this. They’re not online anymore because obviously they went out of date and I just moved on to different stuff, but the main product was videos and I think the upsell was interviews, more information about how to do that, some templates and that kind of thing.

That was really what you could call the big mistake, was not to have anything else on the backend or as an upsell to all those buyers that came through, although I did of course have a list on the back of it. Some of those guys I’ve still got on my list to this day 8 years later.

Ben Settle: It’s almost scary how many people – even people who know what they’re doing – still don’t have some kind of upsell right after the sale, you know?

Michael Cheney: I don’t think it’s ignorance anymore, I think it’s a mindset about “Is this the right thing to do?” People get hung up. You still get refunds from people. “I can’t believe you sold me this thing and then you try and sell me something else? How dare you, you darned marketer.”

What I always teach people with upsells is yes, it can’t be essential. You can’t sell a car on the front end and sell the wheels as an upsell. You can sell a car on the front end and sell Go Faster Stripes as the upsell or a better interior or a cool sound system, but it can’t be something essential. It’s got to be something that gets them there easier, quicker, and just makes their life easier and gets them from A to B quicker. That’s what an upsell is. It shouldn’t ever be something that’s essential.

I think people mistake that and get it confused. They kind of think it's an ethical thing. "I don't want to do an upsell because it's a real shady thing to do. I just want to give people maximum value in the front end and then maybe they'll buy from me again." That's the wrong way to do it because not everybody can afford to have all the stuff that you've got available.

In one of the recent products I've launched, the Fan Page Money Method, which is all about where the money is on Facebook and how to get it, the front end is a report and it's \$7 but it gives you all the information you need to be able to go through and start building a list from Facebook and start making money from Facebook, but you've got to be able to follow all that information. You've got to be able to follow steps and be disciplined and all that stuff, but it's a standalone thing. If you go and do all that, you'll get a result.

But if you want to save yourself a whole bunch of time and money, then you can get the upsell which is the templates that I've used to build my fan pages and optin pages directly on Facebook, and watch me over my shoulder as I go off and do this and get traffic and monetize it and everything else. For a modest investment you can save yourself all the time of having to do that. It's an added value, it's not essential to get the outcome that I promise in the sales letter.

I think that's what people get caught up on. They think, "I don't have anything else to sell," and a lot of it is people just look at it as too much work and just think, "I'll throw an ebook up and that's it. I'll be laughing all the way to the bank."

Ben Settle: Some people can do that, I guess. I used to partner with this guy in the weight loss niche and he built this \$70,000 a year business by writing like 1200 EzineArticles.com articles, and for like two years he was bringing in about 5-6 sales a day – no backend, no affiliates, no nothing. It just amazes me the amount of money that guy left on the table – no paid ads, just leaving articles up there. It's crazy.

I want to backtrack a little bit. I'm not trying to make you sound old or anything – "Way back then" – but what did you use for your payment processor? Were you using Clickbank or PayPal or what were you doing back then?

Michael Cheney: It was Clickbank. It was dead easy to do. The payment processing thing was really cool. It was just taken care of. Obviously they paid the affiliates so there was none of that messing about. That was probably one of the easiest parts of the jigsaw, to be honest, to put together was the payment side of it. The difficulty was in the members' area, crafting the sales letter, the funnel, getting people on an email list – all these things that now we take for granted.

Back then you're starting from scratch just to try to find if these things were even possible. It's not like everyone was saying, "Yeah, you should do this" and it's just common knowledge. It was like, "Is this even a thing? Does this even exist?"

Ben Settle: They've definitely come a long way too. I don't use Clickbank for much. I don't like them because of how easy they make it for people to refund even 5 minutes after they bought – but I get it, but it's a good service. At the same time I really think they do a good service for people and it gets people going.

You were talking about that you used affiliates before and I'm sure you're using affiliates now. What's a big lesson you've learned about affiliate marketing that you wish you had known when you first started that you know now?

Michael Cheney: Boy, there's so many. It's like me saying, "Okay Ben, tell me what's the #1 thing about email marketing?" Probably that people are what it's all about. This business, you can forget the internet, it's all about people. It's a bit of a cliché and people have probably heard it 1,000 times but that's what it's about. It's about relationships with people on a personal level, and sometimes guys forget that.

I'll give you example. 16 minutes ago before we started this call somebody pinged me on Facebook. I'd just been added to a group, which was fine because I knew the guy who added me to the group and it's a cool group, but a member of this group reached out to me and said, "Hi, how you doing?" with instant message on Facebook.

I knew where this was going. I'm sure you know where this is going as well. So I said, "I'm fine, how's it going?" and he said, "Oh yeah, I've been following you for a while and like your stuff." "Okay, cool."

A minute goes by and "Have you got a launch coming up?" he says, and I'm like, "Yeah, I've got a launch coming up end of February." He says, "Oh, I've got this one. It's a 50% commission. Here's the thing." I'm like, "I met you like 120 seconds ago, dude, and you're like stuffing this thing in my face. I don't even know you from Adam."

That's what people forget. They think the speed of the internet allows them to accelerate the courtesy that we expect with common everyday human relationships, and it's just not true. You can speed things up, of course, using email, using video, using web pages to communicate with people and trying to form that 1-to-1 connection a little bit quicker, but there still needs to be a relationship there.

I think that's probably the biggest thing. It's not really a technical thing. It's not something that people can write down and go off and do after they read this, but it's old-school going out there and meeting people.

I'm a bit like you. I don't really get out and about. I'm a bit of a recluse. I kind of stick at home. I've got my family at home and I travel a little bit, but I don't really do much face-to-face stuff in a business context, but I do a lot on the phone. I do a lot on Vox and instant messaging, talking to people that way.

It's all about the relationship you can build up and finding a group of people that are at your level that you can form kind of an alliance with, that share your work ethic and share your moral compass, if you like, for the type of products and the type of information you put out.

What can happen is if you get into bed with the wrong affiliates, they'll come back knocking. It's great when they promote you, but when they come back and say, "Oh, can you promote this Instant Push Button promoted by strippers Instant Cash Out of the CD-ROM machine thing," you're up shit creek without a paddle.

I feel it's about that relationship that you form with people, and find people who are at a similar level to you, and you grow with these guys as your career grows and as your profile and everything else grows.

Ben Settle: That's a good point. I've often observed that same thing. When someone asks me about, "How do I get joint venture partners?" I'm like, "Why don't you go to where people are who are kind of at your skill level." Don't try to go for Frank Kern when you're just starting out. It doesn't work that way.

Then there's another problem that I always see when people pitch me this stuff. They haven't even asked me if my list is even interested in something. If my list is waking up in the morning wondering about a problem they need solved I'm happy to sell it, but if I have to educate somebody on why they need something, screw it.

Michael Cheney: The other thing as well – and this goes contrary to what I just said, to be honest, but that's just the way it goes sometimes – on the likes of the JV Zoo Network, which I'm sure you've seen, if you've got an offer that converts then people will come to you. That's always going to happen.

When I did that launch of the Front Page Money Method thing, yes I had a core group of affiliates that I've known for a long time and they would promote for me regardless, but that was my first-ever product release on JV Zoo. There are 47,000 products on there, and that product is listed now I think #12 out of 37,000.

It's sold over 9737 units and only a small percentage of those sales have come from affiliates that I even know, because when you get that traction, when you have a good offer that converts and a product that people like, it builds that momentum as long as you're able to get the snowball rolling in the first place.

That's what people struggle with. They don't have somebody to open the door. They don't have a connection on the ladder, if you like. They're operating in isolation and it's chicken and egg. They've got to get out. They have to get out of the bat cave and go and meet people to break through that initially. Then they can kind of retreat back to the cave and continue to grow those relationships, hopefully create a good product that gets that momentum, and they'll find all these other people coming out of the woodwork.

I got over 2,000 affiliates for that launch and almost all of them I'd never heard of, and quite a few of those did a lot of sales. Yes, there was a bunch of people that didn't make any sales, but there were a lot of good strong affiliates on that list that only found out about me because the product converted so well and got Product of the Day and all that kind of stuff on JV Zoo.

Ben Settle: What I think is cool about listening to you talk about this stuff is everybody gets so caught up in the "ninja stuff" and it's all fundamentals. No matter how much you can tell someone that, they still want to hear, "Oh, I need the secret ninja stuff." There is no secret ninja stuff. It's just what you're saying.

Let's switch over to traffic. You've done AdSense, you've done all these different things. Today what's your favorite traffic method?

Michael Cheney: It's probably two things. Still affiliate and JV traffic is up there because obviously it's free, although 'free' because you're paying these guys a commission, and then Facebook. Those have been the two ways of getting traffic that I prefer. I've not tried everything, nobody's tried everything, but I've certainly tried a lot, from tens of thousands of dollars at LinkedIn, and Google ads the same.

It's interesting about the article thing. I've gone that route. I used to have 300 videos on YouTube, several hundred articles out there, and I've gone that whole route as well, but to me it's about leveraging your time and leveraging your relationships. That's why I really like the method that you teach with the style of writing emails, because it enables you to leverage your time and leverage your output.

Right now I've got a person that I outsource to for an embarrassingly low amount of money that I'm not going to divulge, and they take my emails and put them on my blog every day. So whenever I send an email it's there on my blog and it's got all the share buttons so people tweet it and post it on Facebook.

As you've probably seen, I take some of my kind of favorite emails and put them on Facebook as a post and get discussions going and stuff like that. It's something I've done one time, but it's a pitch and that's the best thing.

I've been trying to spread the word around. Guys are like, "Yeah, but you should be putting free content out. Don't you have to put free content out?" and I'm like, "Dude, the pitch is the content! It's a revolution." Anyway, you probably know this, since you taught me.

Ben Settle: Dude, I've been enjoying reading about your adventures, and you're starting to probably finally get all the people off who are going to complain. It takes a while. I would say just see how much more mad you can make them. Those are my favorites.

Michael Cheney: I think my best one so far for doing that – as I think you probably saw on Facebook – was an email last weekend that I put out. I haven't told you the results of this I don't think, but I've got a coaching program. I had a couple of spots, 2 days, because obviously I'm emailing daily, and I had Saturday and Sunday last week available with nothing in the calendar.

I said, "This is not going to happen. I'm not going to go a day without mailing unless I'm pushing up daisies," so I sat down at the computer on Saturday morning. I had an hour and I thought, "Tell you what, I'll promote the coaching program. I'll run an offer on it and I'll do it for Saturday and Sunday and then I'll close it down."

I cranked out about 10 emails maybe, something like that. I wrote all these emails, queued them all up in the space of an hour using the Settle-trademark copyrighted infringement method, and came in on Monday and made an absolute truckload of money and got all these new coaching students on board just by doing that, using these days that were just going to be dead days.

One of the emails – and this is the point I was getting around to – I was just kind of shooting from the hip. I wasn't thinking too much about the emails. I was just kind of trying to be myself, almost like mental diarrhea onto the page, and one of them was, "It's time for a pussy clear-out," because I remember you talking about, "Oh yeah, you've got to weed people off the list, but don't ever say you're doing that." I think I forgot that. The subject said, "It's time for a pussy clear-out."

I said, "Look, if you're the type of pussy that expects to be given stuff for free, or has a sense of entitlement, or wants me to work for free and then you pay me from the profits," which is my world's #1 all-time favorite thing, "please leave. Exit stage left."

The reaction, dude, was absolutely incredible. It was like black and white. People were emailing back like, "Yeah, go Cheney, pick them off! Pick these dickheads off!" and people were like, "Oh, I love your emails." Then obviously there were people on the other side, "How dare you!" Somebody said, "Were you raised by aliens?"

Ben Settle: I wish I'd get hate mail like that. That's awesome!

Michael Cheney: That's the thing, the hate mail is awesome. I'm queued up with emails now for a good couple weeks. I don't need to write anything. I'll just come up with the subject line. One I used the other week was, "The attack of Baron von Douchebag III." You just paste it in one of these hate mail things.

I got 171 unsubscribes from that email, which is a world record for me, and I'm totally proud of that. I almost feel like framing it because some people are of such a nervous disposition that the word pussy is like, "Oh my god! This is insane! Please stop giving me all this valuable information and recommendations to help me grow my business." They're offended by that, or of course they were a tire kicker or wanting stuff for free and wanting me to work free or whatever, and that's fine.

I had guys emailing me back saying, "You shouldn't be running your business this way. You should be doing it this way, and this is what I do." No, that's your business. So what if this loses me clients. It's the type of clients I don't want. This is what I tried to get across to you with that case study I gave, which you said we might talk about as well.

It's not about the money, not about the clicks, not about the open rate, not about the revenue or the credibility or the kudos or anything. It's about being yourself and that's it. If you can be yourself, then everything else falls into place.

The money will come. The followers will come, the people that you connect with because you're being yourself, who are a similar type of person to you or resonate with you. They will come, and everyone else can frankly go to hell because you don't want to be working with those guys anyway.

To begin with, if you're just starting out and you're reading this and thinking, "I know but I don't want to upset anybody, I don't want to upset the apple cart, I need the money, I'm still holding down a job, I don't want to kill sales, I don't want to get anybody off my list," it's one of those counterintuitive things that you just have to do.

You just have to have the balls to do it, because when you set your stall out and say, "This is who I am and this is the way that I communicate," that's when you first start doing business. Before that you haven't set your stall out and you're just vanilla. You're just like everybody else. "Eh okay, it's neither here nor there."

As you talk about, it's lukewarm. It's not going to get a reaction. It's not going to get an emotion, and that emotion is what's going to get people to engage with you, positive or negative, which is exactly what you want.

Ben Settle: When you did some of the more controversial ones, like the one where you basically told people to get off your list, did you get any sales that day? What were your sales like that day?

Michael Cheney: I don't know specifically for that email, but that was during that campaign, and that campaign was the most successful campaign I've run for that coaching program, outside of a launch. At the end of it all told, in those two days I sold 40 slots of the coaching program, and it's a \$3,000 coaching program.

I've done a launch before of another product, and I've sold a coaching program on the back to thousands of people that came into the launch. I've sold 50, and that weekend I sold 40 without a launch, just sending some emails out to my list, so it was very, very successful. I know for a fact there were people that bought that day that that email went out, because obviously I could track it and see where they came from.

Ben Settle: That's basically what I was asking, because had you played to not lose instead of playing to win, we can pretty much guess that the sales would have been way less than that, had you been really nice and trying to tiptoe around everyone's feelings.

Michael Cheney: Yeah, you've got to stand out. That's really the thing. The typical kind of person's prospects inbox at the moment is just full of "Last chance! 50% off! Here's how to SEO – traffic, links, special, blah blah blah."

If they get an email that says, "I punched my wife this morning," which I did in a gym class by accident, by the way, it was a mis-timing thing, or "I slept with the 7 dwarves last night" was another one I put out which people loved, which was when my little baby ended up having to stay in our bed one night and it made me Grumpy. I was Sleepy, then I woke up and I was Dopey, so it was like I slept with the 7 dwarves, but it jars people.

They're reading through their inbox of pitch, pitch, "50%, last chance!" pitch, pitch, "Bad news" or whatever, and then it's like one of those subject lines, "Vampire Apocalypse" or whatever, and it's like, "Wow, what's this?" You have to read them.

It's like your emails. You have to read them. I bought your stuff and I still read every single frickin' word of your emails. It's a pathological thing. I have to see what you're saying.

Ben Settle: It just makes it so much more fun, just to write it and for them to read it and for them to buy from it.

Michael Cheney: Yeah, that's the thing. That's what I was saying. It allows you to be yourself. You don't have to come up with some cheesy ridiculous new angle for the same old thing.

I must have probably sent thousands of emails about traffic, for example, and I would probably end up shooting myself if I had to do that again in the old style. But now I can just link it to something that's either happened in my life personally or it's happened in my business life or a movie or anything. Have fun with it and not really care what the outcome is, but the outcome has been better because people pick up on that fun. They're getting a laugh.

I haven't shown you half the emails that I've got back, but I've got a huge folder of these things, like 30-40 emails, people saying, "I love your emails. They make my day. You make me smile. I get a laugh every time you email. Keep emailing me." Somebody said, "I nearly bought this product again just because of your email, even though I've already got it."

I was never getting any of that before, none of that. I would never get any of those emails before. You can ask anybody in my close circle of friends. I've just been preaching the Settle method to these guys. I'm just like, "This has changed my entire business," and I've only been doing it probably 4-5 months now.

Ben Settle: I certainly appreciate you spreading the word like that, and I really thank you for that and I should have a long time ago. I always appreciate that. It's just been fun watching your Facebook posts about it. That's awesome, man.

Let's segue to something email-related that I've been wanting to ask you about. What's a couple best ways that you like to get new optins – and not just optins, but good optins?

Michael Cheney: One of the ways, as I said, is Facebook. It's actually getting people directly from Facebook. This is the thing that people kind of miss out on. What most people do is they want to get people off Facebook. They want to get them onto their page where they can control it, and I can understand that and that's what I used to do, but it's actually better if you get the optin page on Facebook for a number of reasons.

Firstly, you get the viral factor. If you've got an optin page on Facebook, then people can click the Like button so you're going to get that kind of viral thing going there where other people can see it, so that's the first thing.

The second thing is you get the kind of credibility of the Facebook brand. They're not leaving Facebook. They're not like, "Who the hell is this?" They're still on Facebook, so even they know intelligently that this is not Facebook marketing to them, they're still in the safe comfort of Facebook, which let's face it, for pretty much every person on the planet it's a member of the family now.

People spend more time on Facebook than they do communicating with their families in some cases, so there's a big trust factor there. By keeping the people on Facebook initially to get them to optin, and then taking them elsewhere, is very, very effective for that reason.

Ben Settle: Are you saying that you have an optin to your email list on your Facebook?

Michael Cheney: You can have an optin form on Facebook on your fan page.

Ben Settle: I see, okay. That makes a lot of sense.

Michael Cheney: The other cool thing about it is it's cheaper. If you're advertising and you're driving traffic to this, there is an incentive for you to keep people on Facebook. You won't get charged as much to keep them on there as you will by sending them to an external link, which is obviously Zuckerberg's master plan.

Everybody knows this. If you put a status update out there and you put a link in it, guess what? Nobody's going to see it. Very few people see it. If you put a status update out there with no link and then you put the link in the comments, more people see it. It's something you can sense very, very easily and everybody knows it.

It's the same with advertising. You get this incentive. If you keep people on Facebook and you send them to that link that's within the Facebook landscape, then your clicks are right from the get-go cheaper.

So that's one of my favorite ways to do it, is to get a fan page up and running, get that optin page on that fan page as part of the fan page, and drive traffic to it – organically yes, but obviously it's quicker and easier to throw a little bit of money at it if you know what you're doing and get optins that way. That's definitely one of my favorite ways to get optins. Is that what you mean?

Ben Settle: Yeah, that was great. That was really good, thank you.

Michael Cheney: So that would be one. The other one is just that simple again, and it's just with an exit pop. Back in the day, exit pops used to be like Satan. Everybody was like, "Oh my god, I can't believe there's this pop-up." Now people kind of – I wouldn't say they expect it – but if they see an exit pop or a little hover-over thing it's not the end of the world. They're not like, "Oh my god." They're used to it now, so having one of those on all my sales letters is what I do. It gets a ton of people on my list.

What you do with them after though is very, very important. If they see the offer and they don't buy it – which to be honest in some cases is pretty rare. The fan page, mine that I keep talking about, that's getting a conversion rate of about 15% which is pretty high.

But the guys that see that and don't buy, they get presented with an offer to get a series of videos that show them some of the stuff.

It's like, "Look dude, if you don't believe this or you're not quite ready or whatever, or you've got to sell one of your children to get the \$7 together, heaven forbid, then here's some videos to show you a little bit more of this stuff."

The videos take them through the process, and of course at the end of every video it says, "Okay look, if you really want to do this you've got to go and get your report. Here's the link" and so on, so you get them on the list but you're also giving that incentive and that kind of push to get them to make that decision.

I don't send them masses of training. I'm only talking about two or three videos. I'm not a great believer, same as you, in this hard training and saying, "Okay, I'm going to give them all my content and give them the kitchen sink for two months, and just pray that they give me \$7 at the end of it." No, screw them.

I'll give them some of the best stuff I've got over two or three days, and if they've not got it after that then forget it. Obviously I'll keep them on the list, but I'm not going to keep on giving them free stuff. They'll just get promos and edutaining pitches, as somebody once called them.

So those would be two of the ways that I use to get optins.

Ben Settle: Those are really cool. I like that.

Let's switch over to something else I wanted to ask you about. I feel like I'm talking to a sports star or something. I'm all excited to talk to you about it. What are some big insights you've learned from the tests you've run over the years that you're like, "Oh wow, aha!" you know what I mean? Like it just blew you away, some test results?

Michael Cheney: The sub-text on this sounds like, "Give me some ninja stuff."

Ben Settle: Not really because sometimes it's not a ninja thing, that's the thing. A lot of times it's like the boring shit like, "Wow, that actually worked?" and that kind of stuff.

Michael Cheney: This is one of my kind of favorite stories about testing, and again it's about this fan page thing. Obviously I've been doing this a long time now so I knew I was definitely going to have an upsell.

The report kind of shows you how to get the optin page on Facebook and a little bit on advertising, then the upsell is the templates that give you the optin pages and the videos that show you how to get traffic and all that stuff. Then the second upsell is a traffic

program that I sold for \$6,000 and sell for like a fraction of that, that shows you everything I know about driving traffic from Facebook.

Here's where the test came in. Let me try to get this right, because I'm a little confused in my mind how I tested it out. Both of these upsells were in video format. The main sales letter for the report is just a long-form sales letter. The first upsell for the templates and the videos was itself a video. It was a sales video that walked you through everything you're getting, and the second upsell was also a sales video.

When I went live they weren't doing great. The upsells weren't doing great. I can't remember the figures but they weren't satisfactory, put it that way. So I was like, "Okay, I'm going to have to do something about this. The front end's doing great, the report's selling really well, but the upsells aren't doing that well."

Incidentally, I was giving 100% commission away on all these products, which is something else I probably should have mentioned to do with getting JVs, is to appeal to their greed glands. I was giving 100% on all these products to get these products out there. It's not that anymore but it was to get that initial bang, so that's an extra kind of ninja thing for free thrown in there.

What I did on the first upsell, which as I said was a sales video, is I switched it to a sales letter. I took the content of the video and basically just took the slides from the Powerpoint, and I was in such a rush that I just screen-grabbed the slides from the Powerpoint. I didn't have time to even copy and paste the text. I screen-grabbed the slides, pasted those images of the slides into a web page, added a couple bits of stuff – it was the same content as the sales video – and put it up so that what was a video was now a long-form sales letter. Nothing else had changed apart from the style of delivery.

That one change – just changing the format of delivery of the message – made a 200% increase in conversion. Again I can't remember exactly what it was but it doubled the conversion rate, which is an important thing. So I was like, "Wow! I've got to do this on the other one," so I went ahead and did it on the other one.

The second one consisted of a slightly higher investment. It was a longer video so it took more time to do it, and I did the same thing. I took all the slides, screen-grabbed them, and turned it into a long-form sales letter. I thought, "This is going to go great," and it did worse, like a lot worse than the original.

That is my kind of ultimate testing story. There is no one thing, I don't feel, that you can ever be certain of outside of the bubble of one product or one offer. There are kind of generalities that, yeah, a headline is generally going to perform better than not having a headline, but as you said yourself, look at the Wall Street Journal. There's no headline.

That to me was really mind-numbing because people might have looked at that and thought – well, first off everybody thinks video sales letters are the best, so let's just stick up videos. A lot of people would have just left it at that and thought, "Oh well, it's not converting great. Maybe I'll tinker with the price. Maybe I'll tinker with the offer," so that's the first lesson – never assume anything about video sales letters or about anything in fact about marketing.

But to then think, "Okay, it's done great on the first one. Let me just throw up the next one and leave it," no, you've still got to test it because it turns out that the video works great for that higher-priced offer for some reason. I don't know why. Maybe the people are skipping down the page on the first upsell. They're in more of a rush.

I don't know and I don't really care quite frankly what the reason behind it is. All I care about is the fact that I tested it and I found the way that converted best. Obviously with that one I switched it back and it is now still a video.

That's one of the things that I've learned about testing, is that you just never ever know. You have to test. I've known about testing for years and years, but I've only probably been doing it for the last two or three, and I've left a lot of money on the table by doing that but I just thought it was a pain in the ass.

I was one of those guys that just thought, "Yeah, I could test," and you'd look at all these percentages and all this stuff and get bogged down in all the scientific numbers and whatever, "Or I could just put out another product and make money that way." But it's really easy to test. This was something that took me probably about an hour.

That first upsell has made over \$30,000, and it wouldn't have made anywhere near that if I'd have left it as a video as it was originally. You're probably looking at at least \$10,000-\$15,000 for an hour's work, so now I'm obviously a convert to testing.

Ben Settle: What I like about your story is that a lot of people would have only told the first part and left out the second part to accentuate the ninja-ness of what they did. Then everybody who would have read this would have just stopped and did it and say, "Oh, this is what works." But I like how you did that. You balanced it off and actually showed the reality of it and not just the fireworks.

Let's switch gears to that case study you sent me. You remember the one you sent me. I know there's the email side but I'm guessing you learned a lot of this stuff just from that one product promotion, because it was all over Facebook. I saw you constantly promoting it and talking about it and I thought, "This guy's got to be learning some cool intel during this."

Michael Cheney: As I described it to you it was like the perfect storm. I was kind of feeling like I was finding my feet and mastering the email style that I learned from you. This product really, really converted really well. There was an element of scarcity there and I had a great story behind it.

I was able just to out-perform way beyond what I'd ever done before in an affiliate contest – not numbers-wise; I've done affiliate promos in the past where I've earned like \$100,000 back in the day when everybody was just throwing money into internet marketing – but in terms of just the result for the input. It was pretty phenomenal.

It was a couple guys in the industry and we're close friends and we know each other really well and we speak pretty much every day, and I'm always kind of vying with them on these leaderboards. I'm always trying to beat these guys on leaderboards, and sometimes I get close to one of them.

There's another guy – and I'm not going to name them because I don't have their permission and I don't want them to feel like I'm ripping into them – but I'd never really got close to beating them. I've never actually beaten them. In this contest I actually beat them combined, so I got more sales than they did added together, which was just like, “Wow!” It was just totally unheard of.

There's a lot of factors that play into that, but one of the main things was being able to send just a lot of emails out about the promo and not piss anybody off. I sent 19 emails for this promotion. I'm just trying to remember how many days it ran over. I think it was live for four days, so it was live Thursday, Friday, Saturday, Sunday, but I sent a few emails before it opened up, kind of warming up the list and telling them about the bonus that I offered.

As a result of this promotion and other things that I've been doing, I've now kind of developed this little – I don't know what you'd call it – like a blueprint, I suppose, that I use and I'm going to be teaching other people. This is what my next product is going to be about.

It basically talks about how there's certain steps to doing this, steps to having a winning affiliate promotion. Just like anything there's a process. It's not just you throw stuff against the wall and see what sticks. I've learned now there are components that need to be put in this every time. I'll go through these if that's okay.

Ben Settle: Yeah, dude, whatever you want to say. It's all good.

Michael Cheney: Cool. I really feel there's four things. #1 is product selection. You've got to choose the right product. You can't just promote anything. That doesn't just mean what's selling well and what gets huge EPC (earning per click). There's a number of

factors involved in it. Do you know the product owner? Have you used their product? Is it a good fit for your list? All these kinds of things, so product selection is #1. You've got to get that right.

#2 is the story that you decide to weave with yourself and the product. This extends beyond the emails. This is really the starting point for, "Okay, where is this promotion coming from?" I feel the worst thing you can do is basically say, "Here's a bunch of stuff. It was \$1,000. Now it's \$10. Go and buy it," because that's what everyone else does and you'll just get lost in the noise. There's got to be some sort of story.

I'll go through these four and then I'll tell you what I did in this particular example to give people some examples to flesh this in. So that's #2 is the story.

#3 is the bonus. It's very, very important, particularly if you're wanting to dominate leaderboards and you're wanting to become a super affiliate rather than just a guy who hops from one thing to the next. You've got to be putting out bonuses in the right way and promoting bonuses in the right way. I want to talk about that as well if we've got time.

#4 is the messages, which is your domain but I kind of added a little bit as well, and maybe we'll come onto that. That's the promotional messages you put out.

We'll talk a little bit about product selection and we'll kind of tick that one off, and the story. Let me give you the examples for this particular campaign. I didn't really choose this product. I wasn't looking out in the marketplace saying, "What can I promote?" I know this guy personally. He's helped me massively in my business and he was releasing a coaching program, so that was the product selected. It was, "I'm going to promote this guy because he's really helped me," so the product selected itself.

The story again almost wrote itself. He'd helped me make a lot of money. He'd given me a lot of insights and a lot of advice. I'd taken that and then applied it in my business and I've made a truckload of cash, so that was the story. But I took it a level further because that's an okay story but it's not new. It's not different. It's not particularly revolutionary.

What I did is this guy used to be a paramedic in the New York Fire Department, and I wanted to get that into the story that I told to people about this guy because it's part of his DNA. It makes him who he is. He's a really helping guy who'd go the extra mile and I wanted to get that in there.

The story that I came up with, or the angle, is CPR. He used to give people CPR. He was a paramedic before he got into internet marketing, and he gave my business CPR. I wasn't in a hole but I would hit a plateau and he gave my business CPR. He took it from flat lining to doing awesome, and that was the story. This guy gave my business CPR,

which has a lot more kind of punch, interest, and curiosity than “This guy helped me make a truckload of money,” so that was the story.

We then move onto the bonus that flows from that story. In this case the bonus was the CPR bonus. I went above and beyond with this. I just threw everything at this. I’ll just give you a real quick rundown of what I gave. I gave a cash payout as the first thing, so whatever prize I got in the contest for the leaderboard I divided up between the people that bought through my link, so that’s the first thing they got. They were going to get an instant payout.

I then taught them over three live webinars everything that he taught me to give my business CPR, so they’re going to get the insight of exactly what he did to help my business.

I then set up a website for them. I got my traffic dude to send them some traffic, I gave them a video consultation, and some other digital products and stuff like that, so I threw a lot at the bonus and I developed a bonus page, a page online that talks about all these elements, and it’s a sales letter in its own right.

What happens when you do this, if you throw enough weight behind it – because you’ve got a greater connection to your audience than anyone else, so it’s almost better in some cases if you really want to dominate a leaderboard and do well with an affiliate promotion is to get people buying your stuff rather than having to try and weave a story or convince them to buy somebody else’s, and that’s really what I was doing with this. They were mainly, or at least 50/50, buying this to get my stuff.

Ben Settle: Yeah, you were leading with the premium basically.

Michael Cheney: Yeah, I was leading with the bonus.

Ben Settle: I would love to take credit for that phrase, but they do that in direct mail a lot and it’s brilliant. I don’t understand why more people don’t do that, I really don’t. It works so well.

Michael Cheney: Yeah. The tricky part about doing it is when you’re emailing is where to email. With a bonus of that size you cannot do it justice in an email. I mean you could, but it’s difficult if you’re also trying to educate them about the product. They still need to know about the product they’re investing in. They’ve got to believe in that and see the benefit of doing that as well, so you’re faced with this challenge of “What do I email about? Do I email about the bonus or do I email about the product or do I do 50/50?”

Having a bonus page online makes that a lot easier, so this is what I’ll do. I’ll try to keep this short because I know we’re going long. What I did is before his product went live I

sent people to a version of the bonus page video that told them the story about how he'd helped me, the business CPR story, and I broke it down into three parts. Day 1 was the first part and "Continued tomorrow," so I was kind of pre-launching my bonus.

Then when it went live I was like, "Okay, now we're live," and I emailed my list and said, "Look, here you go. Here's the bonus pages," so they were anticipating the release of my bonus and then they went and a ton of people bought at that point. Then after that I would then alternate between sending them to the bonus page or sending to his sales letter, assuming that most people were at that point educated about what my bonus was.

What I also did – and this is a little ninja thing that I learned; I don't think anyone else has done this and it works really well for me – and this is where it gets difficult. As I say, with a bonus page and a sales page, where do you send to? What I did is I took a screen shot of the bonus page as an image and I linked to that image in the email.

I said, "Look, if you want to get all this..." and then put a link to the image, so they just click that link and it takes them to an image on a server, "...then blah blah blah" and then I put a link to the sales letter.

So rather than getting them to go to the bonus page where they see my video again and maybe they get distracted, they can just see an image. There's nothing they can do on that image, they just see all the stuff that they're getting, then the call to the action in the email has got the link.

That worked really well. It kind of reminded them what the bonus is, without kind of distracting them and having to send to two separate web pages.

Ben Settle: I wonder if you could have done an HTML email and just inserted that image in the email, or was it too big of an image?

Michael Cheney: It was a big image. I possibly could have done that. I wanted them to click like, "I've clicked that, now I'm going to click this," just get them on the click train. So that was the bonus, and then the messages were obviously using your kind of style with the stories, the controversy, the shock, the movie themes, all those different kinds of things.

As I said, the frequency, I was able to really up the ante with it, and I just went mental on this thing. I sent 19 emails over 6 or 7 days. On the last day I think I sent 6 emails in a 24-hour period. The thing is, throughout this period I didn't get a single complaint. Not one person emailed me back and said, "Dude, what's with all the emails?" because every single email was entertaining and had value in it.

This is the other thing I like about the way that you teach, is that people can drop in and out. Like if somebody came into that kind of week-long promotion at the end, then that's fine. They would still know what's going on, but somebody could come in at the beginning and read all the emails and not get annoyed by it.

Normally if you're on somebody's list who's promoting a launch, it's annoying, particularly if you've bought the product already and they don't take you off the list and you're getting "Only 4 days to go," "There's only 3 days," and they just run out of stuff to say. "There's only 2 days left!" "Now there's only 1 day!" I'm like, "Dude, I know this. You told me a week ago!" where with this it's building. Every email is building a different way.

One of them was a little case study about what I'd done. Another one was a bit more personal about the product owner. Another one was about the bonus, and so on, so they kind of compounded on each other in terms of their effectiveness.

Ben Settle: I heard Ken McCarthy talk about this. He's like before he sends an email out, "Does this warrant interrupting my prospect's attention?" If people just send "Last day" it's a waste of their time. If you tell them a fun story they get some entertainment out of it and they love it.

Michael Cheney: Yeah, definitely.

Ben Settle: Dude, this call's been really cool. Let's plug something, man. I want you to sell us. Give us a link or tell us where we can go to get more information about you or buy your stuff or anything you want to plug.

Michael Cheney: Cool. I've got a special for your Players guys because I feel like part of the family now so I want to run a little deal for you guys. I've mentioned quite a lot on this call the Fan Page Money Method, which is basically a method that I discovered on Facebook.

As you know, I'm big on testing. I did one test on Facebook to get traffic and generate sales. In version 1 of the test I generated \$21,000. In version 2 I generated \$175,000, and the Fan Page Money Method tells you what I did. It explains what I did. It's all about how to get this optin page on Facebook itself, how to drive traffic in the right way, the right way to set up ads, and stuff like that.

The URL to go and get this is www.FanPageMoneyMethod.com. It's only \$7 anyway, but there's a couple upsells, as I mentioned, which I would recommend if you're reading this and you're a serious player. If you want to get optins and traffic and grow your list and get more sales on Facebook, I suggest you strongly consider getting both of the upsells.

The first one will get you the templates that you can actually copy and paste so you've got that optin page directly on Facebook, and videos of me showing you how to get all this ready and how to drive traffic, how I run my own ads. Then the second one is everything I know about how to drive traffic on Facebook.

What I'm going to do as a special offer for Email Players is I'm going to give you guys 33% off everything. 33% off the report is no big deal, go and get a Starbucks, but 33% off the other couple upsells – I'm not going to be a bad marketer here and tell you how much they are until you've seen the offer – but what you need to do to get that 33% off each of these is on the cart page for each of them – because there's a separate cart page; you buy the report and you'll see the cart page – is to enter the little code in the coupon code area: players.

If you enter that on the cart page for the report you'll get 33% off that. If you enter it in the cart page for both of the upsells they'll get 33% off those as well. That's just my little thank you to you, Ben, for all the help that you've given me.

You said you were excited about this call. I've been telling my wife about this call for weeks! I'm like, "Oh, I finally get to speak to him, I can't believe it!" I hope your guys get a lot of value from it.

Ben Settle: Man, this has been great. I cannot thank you enough for doing this. I just really appreciate it, and I appreciate all you've been doing for all of us over the last decade-plus. Hell, it's been 20 years. I don't want to date this for you but you're one of the pioneers. A lot of people take what we can do today for granted, but it's guys like you who were out there testing all this stuff for us, so thank you.

Michael Cheney: I appreciate it. I don't want to take credit for that. I'm just out there learning and I never stop learning. I think that's another lesson. You've got to be constantly educating yourself and finding out the new stuff, because it changes so quickly. There are fundamentals of marketing and fundamentals of direct marketing and everything else, but in terms of some of the nitty gritty stuff and traffic and building a list, you've got to be abreast of that stuff; otherwise you can get left behind. I'm a newbie in that sense, just like everyone else.

Ben Settle: That's the way to look at it. Thank you very much. I do appreciate it.

Michael Cheney: Cool, you're more than welcome.