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#### INSTRUCTION SHEET

Congratulations on taking action and starting your journey to create your Info Product!

One of the first things I would like for you to realize is that this will take work. For some people this will be one of the toughest things you have ever done in your life.

#### **Build A Success Path**

In order to get the most out of this workbook you will want to study it several times. I recommend that as you are going through the workbook you take notes and use highlighters.

As you go through each module, break the sections down to see if each area is one you personally want to tackle or will hire or partner with someone who is an expert in that area.

#### Answer the Questions and Design Your Plan

As you proceed through each module make sure you pay attention to the questions. As you answer each question follow through with the action steps. These actions steps are designed to make sure you stay on track and accomplish your goal-your very own info product.

#### Tips And Hints

*Italics:* Throughout the workbook if you see part of the article in italics, this means that section is from Dan Giordano the workbook editor. Dan will sometimes introduce a contributor, give an overview of the section, or add some comments at the end of a section. It's just our way of letting you know a different person is writing, not the author of the section.

**Section Overview:** At the start of each section you'll have an overview of the article. As we have many contributors, you'll receive a brief introduction of the author. (For a more detailed contributor information go to the Appendix for information on Info Product Blueprint Contributors).

**Things You Will Learn:** In the boxes at the start of each topic you will find a list of key points covered in the section. Other points will be covered, but the section emphasis is on the ones in the box.

**Notes:** Take notes as you read. This is designed to be a working tool for you. So mark it up, highlight and write notes. We want you to succeed and noting important or ah-ha's will help you when designing your plan.

**Questions:** In the workbook, there are questions included to guide you in the development of your own info product. Take the time to thoughtfully answer the questions. This is the basis of your plan. Some questions will look simple and even repetitive. But it's all part of the blueprint. So take the time and invest in yourself. You will use the information to develop your product and your action plan.

Be patient with yourself. There's a lot of information included in Info Product Blueprint. We've included audios, video and plenty of printed material to help you in your product development. We're already planned on some more updated material that will be posted on the resource page. So make sure you register for the updates (<a href="https://www.infoproductblueprint.com/developer">www.infoproductblueprint.com/developer</a>).

We want this to be your reference tool, your guidebook.

YOUR Blueprint for developing an info product.

Seize your opportunity and share your success with us.

The Info Product Blueprint Team

Kenneth A. McArthur



Info Product Blueprint 1st Edition

Affiliate Programs and Joint Ventures

## Module 8

# Module 8: Affiliate Programs And Joint Ventures

Info Product Blueprint was created by Kenneth A. McArthur



# Info Product Blueprint 1st Edition

# **Section 1: Setting Up An Affiliate Program**

Affiliate Programs and Joint Ventures

Module 8

By Peter Koning

Info Product Blueprint was created by Kenneth A. McArthur



#### Section 1



# Setting Up An Affiliate Program

An affiliate program for your information product can increase your sales volume and profits, if done right. Before you jump into

purchasing some affiliate tracking software and signing up your affiliates, do a little up-front planning to make sure it's going to be a success.

This chapter covers the key things you need to know before you launch an info product affiliate program and how to go about launching it once you're ready.

#### What you will learn in this Section:

- What types of affiliate models are there?
- How does affiliate tracking work?
- How to know you're ready for an affiliate program?
- Your 4-point action plan to get started

Notes

# Types of Affiliate Programs

Ever since we had products for sale in the offline world, we had sales agents. You know the ones – the multi-product traveling sales "reps" carrying products and business cards from different manufacturers. They made sales without having to carry inventory, handle payments, and sign contracts. Their focus was to make the sale by getting the order, which was then processed by the manufacturer.

In the online world we now have the same model, with a twist. Instead of agents we have affiliates. Affiliates are highly targeted pay-for-performance agents which pre-sell your customer and are paid a commission when the desired event occurs. The most common reward is pay-for-sale, where the merchant pays the affiliate who referred the paying customer.

For merchants having a well tuned e-business, an affiliate channel has been shown to add 20-30% to their existing online sales.

Affiliates are treated as a complementary marketing channel. As a merchant selling your information products, you still receive your own direct traffic and makes your own sales. The twist is that the affiliate doesn't handle the order. This is taken care of by you and you have a tracking system to determine which affiliate sent you the business.

When you are selling an info product, there are two main types of affiliates – JV partners and affiliates. JV partners are other marketers who typically have large lists and can help you with your sales by promoting your info product to their list. Finding, recruiting, motivating, and managing JV partners is typically



done at the early stage of a product launch. Once your product is launched, you might want to have a regular affiliate program to widen your net further.

Both JV partners and affiliates can use the same tracking system, so if you plan to have a JV partner strategy for your info product launch, then it makes sense to pick one that will also work well for your affiliates later on.

# Affiliate Tracking Explained

Affiliate tracking systems typically use what are called affiliate links, which are the links that the affiliate puts on their site or in an email.

What's an affiliate link look like? There are several variations, but most have the affiliate link embedded in the linking URL. If you ever see a link like "www.some\_clever\_merchant.com/shop/?affid=1232" you can be pretty sure that the affiliate with ID 1232 will receive money from some\_clever\_merchant when someone buys their information products after clicking that link.

Other affiliate links are more complex, encrypted, or set up so that the referring domain is tracked so no affiliate id is even needed in the link. Some sites will cloak their links so that the curious surfer can't detect that they have clicked or are about to click an affiliate link.

There are other affiliate business models like "Pay-per-click," "Pay-per-lead," and "Pay-per-subscription" – but for selling an information product you are best off paying for the sale. Typical commissions in the info product segment are 40-50%. It may seem high, but your product and delivery costs should be very low and be happy to pay someone 50% to get your sale.

# Are you Ready?

Before you jump into having an affiliate program and putting that "Affiliate" button on your website, make sure you are ready. If you answer no to any of the following questions, then you might not be ready:

Have you considered how you will get traffic to your site by

- registering with search engines?
- pay-per-click advertising?
- link exchanges?
- article writing?
- blogging?
- Do you already have an existing website where you have traffic and conversion data, which you can show to potential affiliates to encourage them to send their traffic to you?

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- Are you using some web analytics tool to measure the performance of your site?
- Are you capturing customer email addresses so that you can proactively market your info product to them?
- Do you have other strategic partner sites who might be interested or affected by an affiliate strategy, and you've discussed your plans with them?
- Do you have an affiliate strategy and understand your requirements for platform selection (read on for how to do this)?

If you said "No" to any of the above, it doesn't mean you can't start an affiliate program. It just means you need to consider these other things either before or during your affiliate program launch, as they might bring you more return on investment than an affiliate program.

# 4-Point Action Plan to Start an Affiliate Program

Here are the 4 main steps you need to take to start your info product affiliate program:

## 1. Define your strategy.

Some questions and how to answer them:

What are the benefits to your affiliates? Put yourself in their shoes.

What is the competition doing? Check the websites of your competition and look for links like "Affiliates," "Webmasters," "Make money," "Partners." Sign up with a free email account and see what their Terms and Conditions are, what they pay and how often.

What is your pay-for-performance model? Typically, for info products it's 50% of the sale.

What criteria should be used to screen the new affiliates? Usually you want affiliates with either good-sized and quality lists and sites that are generating fresh traffic – e.g. blogs or other info product sites where you can be an affiliate for each other. Also consider less sophisticated sites which are looking for ways to make money, don't know much about affiliate marketing, and could be a great fit for your info product.

Who will manage the affiliates and motivate them? You need to spend some time regularly keeping in touch with your affiliates – they are your extended marketing department and need to know about new products, upsells, promotions, and contests. Allocate some time like 1-2 hours per week to keep those affiliates happy and motivated.

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How are the affiliates to be paid and does your e-commerce system support the accounting required? If you use an affiliate network, they will take care of this for you.

What affiliate management features do I need? Which ones will differentiate me from my competition?

The main question is the tiers – most info products have a two tier affiliate program which means the affiliate is motivated to help you recruit more affiliates. Don't get too worried about all of the features – just focus on the basics like how to contact the affiliates, number of tiers, how to pay them, and link customization options. The vendor should be reliable and give good support – so send them some emails or call them to test their response.

# 2. Get the Best Tracking Solution for Your Needs

A key part of running a successful affiliate program is being able to manage your affiliates efficiently and cost-effectively. Thankfully, there are software products to help you do this. The trouble is, with dozens of different affiliate software suppliers offering a wide range of features, functionality and pricing, how do you choose the right one?

What affiliate software tracking system or network should be used? You can visit <u>Affiliate-Software-Review.com</u> to compare over 45 systems, but thankfully for the info product space you only need to consider a few options.

For info products, there are two main categories of affiliate software – affiliate networks and shopping carts – each with its strengths and weaknesses. You want access to a large number of affiliates and JV partners who are familiar with the platform. Affiliate networks have the affiliates in place already and are known to be trusted. JV partners might be more familiar with hosted shopping carts.

#### **Affiliate Networks**

The software is hosted and provided by a third-party. You also gain access to an established community of people who are actively looking for affiliate opportunities. Examples are ClickBank, PayDotCom, ShareASale.

#### Pros

- No technical skill or maintenance required.
- Instant access to a large pool of potential affiliates, which can help build your program quickly.




- Usually the network handles the administration of the entire program, including affiliate payouts and reporting.
- Some networks have advanced fraud detection services that you may not be able to do yourself.
- You do nothing but upload your affiliate offers to the network site.

#### Cons

- The network takes a relatively high transaction fee on each affiliate sale.
- Minimal options for customizing the program to your specific needs.
- The actual number of useful affiliates may be less, if they cover a wide range of markets.

#### **Shopping Carts**

Shopping cart software allows customers on an e-commerce site to select items they wish to purchase and store them in their virtual shopping basket, before paying for their purchase in one electronic transaction. Many e-commerce shopping carts include affiliate management features as either a standard or add-on module. An example of a cart that has an affiliate module is 1shoppingcart.com.

#### **Pros**

- E-commerce and affiliate management functions are integrated into one program, making maintenance easier and less expensive.
- The affiliate module is not typically based on volume so fees remain the same as your program grows.
- Some can handle two-tier affiliate programs and are hosted by servers which can handle high loads at launch time.
- Many high-profile JV partners use <u>1shoppingcart.com</u> to sell their own info products.

#### Cons

 Affiliate management is not the vendor's primary focus so the software may have less functionality than other software options.

# 3. Purchase and Setup

Sign up with the network or shopping cart as a merchant and follow their instructions for setting up your affiliate tracking. You will need to:

configure your own terms and conditions



- update your website with an Affiliate button/link and an affiliate program sales page.
- walk through the process as if you were an affiliate to make sure everything works cleanly, confirmation emails are being sent, and make a test purchase to ensure commissions are correctly tracked and calculated.
- get familiar with the affiliate control panel where your affiliate will login – so that you can explain the benefits of the features to them when it's recruitment time.
- have someone else try it out, as if they were an affiliate of yours.

## 4. Advertise, Recruit, Manage

While the bulk of your advertising should be spent on your info product, you should also point out the affiliate program to the affiliate market, which may not be exposed to your regular product advertising.

As a minimum, you should have a link on your site for Affiliates. Make sure you mention the affiliate program to prospects and customers. Put a link to your affiliate program in your info product itself.

There are services which can announce your affiliate program, but generally you are better off knowing the kinds of sites which would make good affiliates and targeting them directly with a phone call and follow-up email.

Once you have affiliates signed up to your program it is important to communicate with them regularly. One way is to have a blog which is for affiliates only – located at a hidden URL. Another way is to email your affiliates using the tools in the affiliate system you have purchased.

If you are part of an affiliate network, like ClickBank, you may not have much choice in who your affiliates are, as anyone who is a ClickBank affiliate can sell your product if they know your ClickBank vendor code. This makes it easy to explain to existing affiliates, since they know how it works, but also harder to screen the ones which may waste your time.

Another note if you are using ClickBank - you may not be able to easily create a list of your affiliates as anyone could be your affiliate. To solve this situation, you can have an opt-in form on your site where affiliate prospects sign up to get more information on your program. The downside to this is that you are creating one more click in the affiliate signup process, so you will get less affiliates, but at least you have their email address.

Communication with affiliates is important, so among the affiliate networks I would recommend ShareASale, which has




more tools for affiliate approval and communication than ClickBank.

Once your affiliates are in place and sending you traffic (and hopefully sales!), your job isn't over. You need to keep in touch with them – especially your top performers – to let them know of price changes, upsells (higher-end products), cross-sells (related products), and upcoming promotions. It is generally accepted that only 5% of your affiliates will bring in over 95% of your sales, so make sure you are staying in touch with these super-affiliates, but also looking out for which of the other 95% have the potential to also become super-affiliates.

#### **Affiliate Resources**

Here is the complete list of forums that I recommend you follow. Many are ecommerce or merchant focused. You might come across some of my postings in the forums, where I try help answer merchants' questions.

ABestWeb Affiliate Marketing Forum

WikiPedia Article on Affiliate Marketing

ReveNews.com Online Revenue Blog

Digital Point Webmaster Forum – Internet Marketing & Search Engine Forums

NetProfitsToday.com - Index

Affiliate-Software-Review.com Blog (with RSS feed)



# Setting Up An Affiliate Program Self-Assessment Questions

1.	What type of affiliate program will I set up (such as single tier, two tier)?
2.	What will the commission structure be for my products and/or services?
3.	What steps will I take to partner up with new affiliate/JV partners?
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Next . . . How to Leverage Your Assets With Joint Ventures



# Info Product Blueprint 1st Edition

Affiliate Programs and Joint Ventures

#### Module 8

# Section 2: How to Leverage Your Assets With Joint Ventures

By Kenneth A. McArthur

Info Product Blueprint was created by Kenneth A. McArthur



#### Section 2



# How to Leverage Your Assets With Joint Ventures

The basics of joint ventures are simple – two people get together – share assets – and create something better than what they had when they started.

In the case of marketing on the Internet, usually those assets take one of two forms – you have products to sell or you have people who want to buy products.

#### What you will learn in this Section:

Notes

- How to leverage what you already have
- Use what you may not realize you have to partner/JV with others

# Leverage Your Assets

Whether you are a product developer or a list owner, you can't keep selling your customers the same products all of the time.

That is where the leveraged advantages of joint ventures come in

Let's say for instance that I have a list and it has 50,000 people on it. Let's say that you have a list and it has another 50,000 people on it.

The people on your list are not the same people on my list.

That is where the advantage of joint ventures becomes very valuable.

If I send my 50,000 people to buy a product that you might have to offer and you send your 50,000 people to buy a product that I might have, then we're doubling our potential for profit with exactly the same number of assets.

What I've just described is really a form of barter. You advertise to your list and I advertise to my list. We don't lose anything and it doesn't cost us anything, but we double our profits.

You can start to see that joint ventures can be powerful when used in the right way.

Okay, we've talked about the theory. Now let's just talk a little bit about how it works in the real world.

# Case Study: Affiliate Showcase

Several years ago, I sent a simple email to Jim Daniels. Jim is a world-famous Internet marketer who has been around for a long, long time.



Over time, he's built up a list of probably 160,000 subscribers that know him and trust him and listen to his opinions about new products and services. During the same period of time that Jim was building his list, I'd been working on the Internet slowly trying to build up my subscribers one at a time, trying to find people who would buy my products and services.

I had built up probably 2,000 people on my lists that I've built up over a period of a year or two. I decided this was not a very fast way to build up subscribers. So I put on my thinking cap and I finally realized that if I wanted to reach people I had to go to where they were. Even better, if I wanted to talk to people and get them to buy my products and services, I needed to get somebody who they trusted to tell them that my products and services were worth what they'd have to pay for them.

Since I'd been reading Jim's newsletter, I decided I'd send him off a simple email.

Here's what I told Jim...

"I've been working on products. I have some great software that I use to build portal sites and I think that you and I could work together and that we could put together something that would be of benefit to both of us."

Jim and I emailed back and forth – we shared ideas – we talked about possibilities for websites, and eventually we came up with a system that we called <u>AffiliateShowcase.com</u>, which is a search engine and directory for affiliate programs.

Affiliate Showcase has a special twist. You can insert your own affiliate links and your own affiliate programs into Affiliate Showcase, advertise your own version of Affiliate Showcase and earn all of the commissions from all of those programs. So it gives you a place where you can promote multiple programs all from the same location.

After we had done our planning, some programming and put together a beta program to try and encourage people, we launched Affiliate Showcase.

It almost immediately went into the top sites on the Internet! A large part of that was due to the fact that Jim Daniels was promoting this to his lists. Now Affiliate Showcase has done hundreds and hundreds of thousands of dollars worth of business and has earned thousands of dollars for many individuals that have become Affiliate Showcase members.

All of this started from a simple email, and all I did was approach somebody who already had contacts and who had trust built up already. I convinced them that I had quality services and products that we could work on together, and



leveraged his people and my products so that we could make something that was even bigger than what Jim or I had separately.

I could go on and on about all of the joint ventures that I've participated in since then, and <u>ivAlert.com</u> itself is the result of a joint venture that Sid Hale and I put together as a result of our relationship that we built up from AffiliateShowcase.com.

# How Do I Make It Happen?

Now, I have joint ventures growing out of joint ventures – all of the people that have joined <u>jvAlert.com</u> are becoming partners with me in all kinds of different projects – so it just grows and grows.

So, the next question is how do you get started in this? How do you take what products, services and resources that you have and leverage them to make your business better and to grow with joint ventures?

There are a few things that you want to think about before you even start to go out and approach somebody about a joint venture:

- You want to know what the short and long-term goals of your venture are.
- What kinds of deals you want to get involved in.
- What you should offer and what you should not offer.
- You want to get a sense of what people will accept and what they won't accept in a joint venture offer.
- You want to know who is going to have what responsibilities.
- You want to know who is going to own the product.
- You want to know who has the copyright or how do the income and expenses get split.

If you know – even before you start – exactly what you want to get out of a joint venture, you'll have a lot better luck convincing somebody else to agree to your terms.

The one thing that we do know is that we want to make this a win-win situation. So let's look at this from the other person's side for a couple of minutes.

#### What Does a JV Partner Want?

What kinds of deals would people like to get involved in and what do you think will work for them?

Imagine just for a second that you are that high-powered, top-level affiliate or top-level Internet marketer – what types of things would you be looking for?

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Well, I think one thing for sure would be that you would want to have something that is going to generate a reasonable amount of profit for not too much effort on your part.

So ease of use and dollar volume always comes into play on these types of deals. Let's face it, we're all lazy, and the easier that you can make this for somebody the more chance that you have of convincing them of working with you.

Secondly, let's remember that top-level Internet marketers are getting dozens of joint venture proposals probably almost every day. You really need to make yours stand out.

The next question becomes how do you find people to partner with who are going to be top-level and give your products and services the most exposure.

Or, if you sit on the other side of the equation, how do you find products that are quality that you can promote and make the highest possible profits from them?

With thousands and thousands of Internet marketers out there trying to get your attention, how do you know which ones are successful?

One of the places to start is <u>Alexa.com</u>. Alexa is a site that gathers Internet information and has a toolbar that people can download to tell how much traffic a particular site is going to receive, or has received in the past.

This toolbar is not an exact representation of exactly how much traffic people get, but instead is a representation of how many people who have actually downloaded this Alexa toolbar have gone to a particular site.

What Alexa does is rank sites from the most visited sites on the Internet down to people that get almost no traffic at all. They give you a rating for that particular site and you can even get traffic details that will show you over time what a particular site has done.

So, does this mean if the site is rated number 2,000 in terms of traffic ranking that they really are in the top 2,000 sites on the Internet in terms of the traffic?

Not necessarily, but it's an indication of a site that gets at least some traffic to it, and by comparing sites and their Alexa ratings you can tell whether or not people are going to a particular site on a regular basis.

High Alexa rankings, by that I mean the lower numbers, generally indicate that a website has traffic, and traffic is one of the criteria that you want to look for when you're looking for a partner.




Notice that I say it's only one of the criteria. Many sites have traffic, but haven't really built up a level of trust with the people that go to their site.

## Trust: The Essential Key

You can generate a lot of traffic by buying co-registration leads or by buying advertising, but you haven't really built up a relationship with that customer until there is an interaction that's back and forth between you and the potential customer – where you give them some sort of value and they learn to trust you and your opinion on things.

This trust factor is a huge factor in determining whether or not you'll purchase eventually from the person or company that is associated with a particular website. Some people have built up this trust over years and years and years and you can capitalize on that.

So how do you know who's built up trust?

First, look at the people that you trust.

- What newsletters do you subscribe to?
- Who do you know is a reliable source for information?
- What websites do you find that are great resources for the type of people you want to attract
- Where will those people be going and who will they be listening to?

#### How I Did It

When I started <u>jvAlert.com</u>, I knew that I wanted to reach the top marketers in the world.

The first thing that I did was subscribe to every single newsletter that I could possibly find.

There are a number of quality directories of e-zines and newsletters. If you go to <u>AffiliateShowcase.com</u> and put e-zine in the search engine, you'll get a list of all kinds of resources that you can use to locate publishers of e-zines.

If you subscribe to all kinds of e-zines, what do you get over a period of time?

Well very quickly,

- You get a sense of who you can trust and who you can't trust.
- You get a sense of the people who put out quality work and a sense of the people who don't.
- You know who is just putting out hype.

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I talked to my girls when they were growing up about liars. Notes I told them, you may not be able to catch somebody in a lie, but over time, you usually know who the liars are. The same holds true when you're reading somebody's work over a period of time. My guess is that you're not going to buy from a liar and that you aren't going to buy from somebody who just produces hype and therefore, that's not the type of person that you're going to want to partner with. You can recognize quality and so can your potential customers. The main point is to always deal with quality. So you've gone out and you've identified all kinds of publications and all kinds of Internet marketers. You can grab even more if you just look for search terms such as Internet Marketing Guru lists. You'll find lists of people that you may or may not want to partner with. Pretty soon, you develop a sense of who has high visibility in the marketplace. Now does this mean they're the best people to market with? An Easier Way to Find Partners Absolutely not. What you need to do is find people that recommend quality products to the types of markets that you want to reach. There are some products out there that will help you to make this task just a little bit easier. One of the products is a system called Super Affiliate Generator. You can find that using the Affiliate Showcase search engine at AffiliateShowcase.com. Just type in the words 'super affiliate' and you'll find a listing for their program. When you install Super Affiliate Generator, you can select from a number of search engines and then search for keywords that are related to your product or services. Super Affiliate Generator will then go out and search the search engine that you selected and come up with a lot of information for sites that show up under those search terms. You can find the link popularity, you can find the Alexa ranking,

you can find the position in the search engine results. It will also collect information such as email and phone numbers from



public data. This tool gives you a fast way to collect information about people that have websites that might be in the field that you're interested in.

## Make a Plan and Do It Right

One of the things I want to encourage you to do – is to do this right.

You need to take the time that it takes to build relationships with people who will really be effective at marketing your products and services and partnering with you.

Long before you approach somebody with a joint venture offer, subscribe to their newsletter. Spend some time looking at exactly what they're saying and taking it all in.

Build a dialogue with them – don't make the first words out of your mouth be "This is what I can do for you" or "This is what you can do for me."

Every Internet marketer on the face of the earth has seen emails that start out with "Boy, I really enjoyed your article" or "I'm sitting here right now at your website and I really like what you're doing. I think that this is the perfect opportunity for me to help you out."

Guess what? Immediately that first reaction is "What are you trying to sell me?" If you've seen it in a form letter, you know that the Internet marketer has seen the same thing thousands of times.

# **Build A Relationship**

So what can you really do to build a relationship?

Make honest comments on the work that they're doing – ask questions – get a dialogue going. Make this thing two-way and do it without asking for anything.

Then just let some time go by. It's really hard to believe, but there are people on the other side of the email – they're human just like everybody else. They have wants, desires, they have friends, they have wives and children – a lot of things that you can talk about besides just making a buck.

Now I can hear you thinking right now, but I haven't got that kind of time – I don't want to waste time trying to build up relationships with people when I need thousands of people to come to my site and buy my product and I need it to happen right now.

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# Case Study: jvAlert

Part of the reason that we put together jvAlert was to help people do exactly that – to build relationships with people that they hadn't had any contact with and to know that you are only dealing with quality people that are serious Internet marketers.

So what Sid Hale and I did when we first started jvAlert was go out to people that we knew and we trusted and we invited them to come in and join us in a very, very select group of people where they would know that they were only working with top-level people.

Then we asked them who do you respect? Who do you like to deal with? Who are the top people that you would recommend,

We opened up the group to people who received invitations from our members. The people who got invitations were the people that top marketers thought were the best in the world.

Next, we started testing the system.

The system really consists of a very, very specialized search engine that puts together resources from top-level marketers and matches them with joint venture offers.

Because the members of jvAlert know that they're only dealing with top quality people, they're willing to give better commissions, better deals then they would ordinarily in the public marketplace.

This data system has run along really well for a long period of time. We built up a very, very tight-knit group of people that were top, top quality and we still hadn't really invited the public at large into jvAlert.

After we worked out all of the kinks and bugs and fine-tuned the system, and made it even more powerful, we decided that we would start the launch off and we allowed our members to invite anybody that they wanted into the membership of jvAlert.

Almost instantly, <u>ivAlert.com</u> went to the top of the charts at <u>Alexa.com</u> for the traffic rankings!

People were moving to jvAlert in record numbers and we were generating all kinds of traffic and suddenly we had new members all over the place.

All of the new members and all of the traffic generated all kinds of joint venture offers, but did that make the resource more useful?

Well, not immediately.

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First, people had to learn how to do joint venture offers that worked. The quality of the joint venture offers at jvAlert was the real drawing card for the members there and suddenly the quality of the offers was slipping.

The first thing that we did was to put in a manual review system of all of the offers to make sure that the quality of the offers was as high as what our members have been experiencing before we let everybody in.

Secondly, we began a process of educating people. We really needed to teach them how to do joint venture offers that would stand out above the crowd, that would be really something special.

So how do you that?

Well, the first thing that you need to realize is that if you're going to go in and just offer the same thing that you offer to everybody else to a top-level marketer, you're not going to get very far.

So, if you go to a top-level marketer and say, "Look, I've got this great product and I'll pay you a 10% commission on it," you're going to get absolutely zero.

The next thing that people wanted to do was to just say, "Okay, well, I'll give more commission. So lets make this a 50% commission or a 75% commission and people will jump all over this."

# What a Top Level Partner Wants

Well, most people probably would jump all over a 75% commission, but if you're a top-level marketer, you're looking for something a little different. Sure, you want the high level of commission, but you want something extra in addition to that.

One of the things that you need to realize is that high-level marketers generally only have so many opportunities to promote. You can't keep promoting over and over to the same list with the same products or the same types of products and expect response to continue in the way that you would like it to.

What you have to do is hand pick products that match exactly the type of clients that you're working with and which have extremely high value for them.

Then you have to give them something extra to make it even more enticing to them.

Why not add another product to your offer?

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Don't be satisfied with a single offer – give them some bonus to give away, give their members an extra discount, offer to promote one of their products to your list, give them a related article to publish in their newsletter, or offer to combine your products with some of theirs.

Remember that joint ventures don't have to be just between two people — a lot of people can join in your joint venture and sometimes the more the merrier. Once you get one top-level marketer to join your joint venture, go out looking for some more. You can use the participation of your first marketer to encourage other marketers to join in. It will give you a sense of credibility and a sense of value for other top-level marketers.

In general, top-level marketers are looking for either high levels of commissions, meaning high dollar values, or recurring commissions, which also over time equals high dollar values because they have limited numbers of slots that they can promote in.

One great way to produce a high dollar volume and high quality at the same time is to combine multiple products into the same package. Start with your contribution, then capture your first high-level marketer and ask them to add their product to the list. Then go to a series of other marketers and see if they will add theirs to the package. What you can end up with is a great product, a great value and a large number of people who are all promoting your product.

Email may be the fastest way to get a hold of somebody, but it's not necessarily the best way to build a relationship.

In most cases, you can get a sense of a person much more easily and faster using the telephone. Believe me, I know how you feel about using that telephone, but drop somebody an email and say "What's a good time to call?" Then, when they respond back to your email, you already have an invitation to give them a call – a time and place that's convenient for them and you've started to build a relationship.

Remember, you don't have to make that phone call to say "Buy this, work this deal with me" – just meet the person, ask a few questions about their business, explore some of the possibilities that they have and ask them about their products and services. You know they'll be happy to tell you about that.

Then you can expand from there and look at the possibilities and how they can work with you and your business. You'll get a sense of what they're doing, what types of things they're looking for and how the two of you can work best together.

Throughout this whole process keep in mind that it has to be win-win.

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Both of you have to benefit from a joint venture relationship or it's just not worth it. The key skill that you need when negotiating a joint venture is to actually listen to the other person so that you can make it valuable to them and hear what their potential problems are.

# Here are ten easy steps to joint venture success.

- 1. <u>Define your goals</u>. If you don't know what you want to achieve in the first place, how are you ever going to get there? Don't forget to include both long-term and short-term goals. Make the short-term goals little steps to get towards what you want to get to eventually. Know what kind of a deal you want to make know what kind of profits you want to make out of that deal know how much time you're willing to put into it and what results you expect to get out of it. If the deal that you come up with doesn't meet your goals, scrap it and start over again.
- 2. Make the key ownership decision. Who owns what, is important. And while you're thinking about ownership, remember that with ownership comes liability. Who's going to be responsible when this thing doesn't work out the way that you think it will? In almost every case, the person that has ownership also has the greatest liability. Make sure you're covered for that.
- 3. <u>Get the responsibilities right</u>. Make sure you know exactly who is going to do what, when they're going to do it, and what happens when they don't.
- 4. Create deals that people want to participate in. That goes back to the win-win situation that we were talking about before. Make sure that you're offering something of value and make sure they make money off of it and you'll have repeat joint ventures that will do even more. Be creative. People are looking for deals that are new and different.
- 5. <u>Find top-level partners</u>. You want to do this right, so take your time. Go out and find people that you trust, find people that you know and respect and that others will, too.
- 6. Write an irresistible offer. Make this something that's going to stand out in the crowd and then put it down on paper not so you're locked into it, but so that you have something to work from that clearly expresses what goals you've set up and meets them. Keep it flexible enough to be adapted for any marketer that you might come across.
- 7. Negotiate a winning deal. That's back to the win-win again, but this time you want to make sure your behind is covered and that your goals are met. There is no need to give away the whole farm. What you need to do is meet the needs of the




person you're dealing with. Listen to them and find out what goals they want to meet – make sure that you meet those goals and that you meet yours at the same time. Remember that anything that you don't give away is money in your pocket.

8. <u>Make sure it happens</u>. An incredibly high percentage of deals that have been discussed, negotiated, all set up, never happen – and usually the reason is just simple follow-up. People's lives are busy. They get distracted. They do other things. Just make sure that it happens.

Consistently follow-up with your partner. Make sure they're still on the same table. Verify they're meeting the goals and the responsibilities that they've agreed to meet, then do the same thing for yourself. Be certain that you have a list of exactly what you've agreed to do and then step through that list, one step at a time, making sure that everything you agreed to do – you actually do.

9. <u>Double your profits by tracking your results</u>. So many times, we leave out this aspect and it needs to be set up in advance. You need to know where every sale comes from. You need to know what resources you use to get them and how much they cost, both in time and money.

To get your return on investment, do the following:

- Number one, put a dollar value on your time.
- Number two, calculate the total investment for each marketing possibility. That's the time, times the value of your time, plus any cash required and that equals your investment.
- Number three, estimate the number of sales or sign ups from each marketing possibility.
- Number four, divide the total investment by the estimated sign ups or sales.
- Number five, rank those by the return on investment and then naturally as you go on, test, test, test and retest to see where you're actually producing the results and then re-rank your list. That way you know which joint ventures are actually working for you, what they are taking up of your time and resources and what the return on investment you're getting actually is.

The bottom line is that you want to invest more time and effort into the techniques that are working for you in actual practice.

Also, you want to identify the areas that might not be worth your hourly rate that may be worth someone's hourly rate. Repetitive tasks may not be your cup of tea, but you may find areas that pay off big time that are just a matter of putting in time. You may not have the time, but if it makes money, you can find resources that may pay off for you when you outsource

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repetitive tasks that generate income. And joint ventures are a great way to find those resources.

Or maybe you are on the opposite side of that – maybe you have a lot of time and not so many resources. Time is a great resource to use in a negotiation for a joint venture. If you have a lot of it, it's a great commodity to bargain with.

10. <u>Do it all again</u>. Once you've gone through the process, you've developed a great set of resources. You already know some of the people – you have partners and you've built relationships. Now all you have to do is leverage those resources over and over.

# Tips For Exponential JV Results

Now let's talk about a couple of ways to produce exponential joint venture results.

The first thing to remember is that endorsements always work better than advertising. If someone that people know and trust is recommending a product or service then sales results are going to be exponentially higher.

If endorsements are detailed and enthusiastic, they always work better than short, little blurbs. Endorsements that are made by people who endorse relatively few products work better than people endorsing your product that endorse other products everyday.

Generally, the more endorsements that you have the better they work, but that's not always the case. A very personalized endorsement will always work better than something that reads more like a form letter.

As customers, we want to know that we aren't being ripped off. We want to know that people are offering genuine value for the hard-earned cash that we give them.

That's why personalized endorsements always work better than ordinary advertising.

Now don't get me wrong, advertising works.

The question with advertising is what is the price that we can get that advertising for?

The nice thing about advertising is that you can usually get more of it. So if you can get into a situation in which you can routinely generate the same profits over and over and over again, advertising can make those exponential profits just by increasing the amount of advertising that you do.



The nice thing about joint ventures is that we can work both advertising angles and product angles and personalized endorsements all at the same time, and the effect will be exponential, too. Why stick with just one thing? The more joint venture possibilities that we combine, the bigger the result.

Another way that we can exponentialize our joint venture profits is to concentrate on the back-end.

Many times, we don't have the time or resources to build products that are complimentary to the ones that we already have.

If you can joint venture with someone who already has those products, you can create exponential profits just by offering their products to an already eager customer who is interested in a particular line of products.

Many times, you can use a low price item to sell an even higher priced item, which creates even more profits.

#### Mistakes

So what kinds of mistakes can you make?

The sky is the limit. You have to watch out for the potholes – that's for sure – and you need to protect yourself.

Legal and accounting issues can hurt you big time so you need to know what the liabilities are, what the responsibilities are and you have to know who the ownership sits with.

First, you need to know what form your agreement is going to take.

- Is it just a contract?
- Is it a partnership?
- Do you form a new corporation?

A formal corporation may offer the benefit of limited shareholder liability, but many times contracts require personal liability.

A partnership can even be scarier with the prospect of unlimited liability for all of the partners with the result that limited liability can be more of a myth than a reality.

Also with a more formalized joint venture, there is the added cost of setting up and maintaining the accounting expenses for those structures that you've created.

Most often some type of a contract is the form that is most used and it allows the parties to separate their respective contributions, and there is some flexibility to actually sharing




responsibilities and whether or not you carry out your own part, or what expenses you may be able to write-off in the joint venture.

Also, don't forget the taxman when you set up the form for your joint venture. Eventually, you're going to have to pay on any profits that you may produce.

You also want to take a look at how you dissolve the relationship.

- When is the relationship over?
- How can one person or another get out of the agreement and what consequences come as a result of that?

If you plan right and think about these potential problems before you start, you've ruled out a lot of problems.

#### OK, So Can I Do This?

Now you've got all of these complexities going on in your mind and you're wondering how you could possibly do something like this and still make it work. Is it really worth all of the effort, the time and the planning and the building of relationships to create a joint venture?

The answer is absolutely!

The next question is can you do it?

- What if you don't have 50,000 people on your list?
- What if you don't have a great product?
- What if you don't have a lot of money?

The truth is that as human beings we all have something to offer.

Usually the first things that pop into your mind when you start a project are that it takes either time or money and usually both.

The "usually both" is where you come in.

If you don't have time, maybe you have money.

It certainly helps to have both and sometimes it's easier to put two people together to get both aspects of this relationship.

Maybe you don't have time and maybe somebody else does.

If you can work with that person, it makes it a lot easier for you to reach your goals.

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If you have a lot of time, but you don't have much money, maybe you can find somebody who has something of value that you can spend time on to produce more profits for both of you.

Don't underestimate creativity.

Ideas may be a dime a dozen, but good ideas are worth something. All that you need to do is put your good ideas together with the assets to make them happen.

The biggest asset that you have is the ability to make something happen – to actually follow through on it and see that something is done.

That particular trait is so rare that true entrepreneurs jump all over it the second that they see it.

If I meet somebody who can actually get something done, who actually follows through on what they're promising and who does what they say that they will do, it's a great value to me as a marketer.

Honesty, reliability, sincerity and the ability to get things done are things that you can develop in yourself and you can sell them as assets. Once you produce for someone, they will come back to you over and over again to joint venture with you again.

I wish that joint venturing was more difficult, more complex, more secret. Just think of all of the things that I could sell you. But the truth is that joint venturing is all about building relationships one little step at a time – person to person – meeting someone in their own backyard.

# Building JV: The Short Version

It's getting to know them, building piece-by-piece the little things that make a friendship, and then using those assets that both of you have naturally to come up with ideas, with projects and with exponential results from your efforts.

Here are the basics again.

- First, put together your ideas.
- Know what your goals are.
- Think about what you want to do and how you want to achieve them.
- Think about what you want to give up and what you don't want to give up.
- Plan for the future.

Then locate people who can help with your projects. Use the available tools to find out who's trusted. Who has an audience




that listens to them and who you respect, and who you feel that you can trust?

Build relationships with those people one step at a time - one simple phone call - one idea tossed back and forth between two people.

Don't push. Simply explore the possibilities. Build the relationship before you try to make a deal.

Listen to what people have to say.

Respond to their needs and try to find situations in which both of you can win.

When you find those situations, make sure that you meet your partner's needs and your needs, and when you've done that – stop. There is no need to give away the farm, but you do need to make sure that everybody wins.

Hammer out all of the responsibilities. Find out who has the ownership and who has the liabilities. Then check those situations and find the best form that you possibly can for this joint venture.

Build your joint venture so that it produces exponential profits.

Combine with other joint ventures, work with other partners, make something even bigger.

Don't forget the back-end. Many times profits can be much higher on the back-end then your original sale, and joint venture partners can help you to build bigger and more profitable products by combining resources, by combining promotional attempts and by combining products to make something even better.

The key to joint venture success is finding people to joint venture with who can enhance your products and services and with building relationships with those people.

<u>ivAlert.com</u> is a great resource for building relationships with some really terrific people.

If you're really looking for high quality, if you really want results and if you really want to build relationships, I don't think you can get much better than going with jvAlert.



But the most important thing is to actually do something. If you don't start – it will never happen. The sky is really the limit. Just go out there and do it!

If I can personally help you in any way, just drop me an email at  $\underline{\text{ken@jvAlert.com}}$ . I'd be happy to help you in any way that I can.

I wish you all of the best of success in whatever you do.



# How to Leverage Your Assets With Joint Ventures Self-Assessment Questions

1. Who are 3 to 5 people you would like to JV with? Make an effort to go out of your way to meet an help the potential JV Partners anyway you can. (Go to events to meet them personally. Surround yourse with people who can help you.)
2. Which seminars do you plan to attend within the next 6 months?
3. Which marketing forums do you plan to join to meet people and learn more?

Next . . . Module 9: Launching With Style