

# **Mixergy Master Class**

## **Buying Ads Transcript**

*with*

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Founder, MixRank

# Buying Ads Transcript

Andrew: This course is about buying ads profitably. The course is led by Ilya Lichtenstein. He's the founder of MixRank, which shows you exactly what ads are working for your competitors right now, and allows you to see their most ad copy, landing pages, and traffic sources across 93,000 sites and it feels almost evil. At the end of the session I'd like you to show how you do this.

My name is Andrew Warner. I'm the founder of Mixergy, a site where proven entrepreneurs teach.

Ilya, can you give us an example of what the viewer who's watching us right now will be able to do at the end of this session?

Ilya: Yes. So basically, you'll be able to uncover traffic sources that you haven't found before. That can be incredibly successful. That can send you massive traffic without worrying about key words or quality score irrelevance, or anything else that you typically have to deal with search traffic. I'll talk about media buys, basically buying direct ad placements on highly relevant sites. So, here's an example of a media buy campaign that I ran as an affiliate marketer. This was for a dating site, and these are all of the actual sites that we're sending each traffic. These are one-day stats.

And you could see what kind of ROI I'm getting from this campaign--300, even 700% ROI in some cases. And the reason that I'm getting these results for these ads is because this campaign is highly targeted. It's targeted to the exact right audience that I know will convert. And I'm not competing with eight other advertisers for the same ad slot, as I would in a typical search campaign. And so, here's an example . . .

Andrew: Keep that up for a second, actually. Go back to that second tab, please. I want to make sure that people understand this. You and I went through this in the pre-interview, and I appreciate all the time you put into it. I want to make sure that everyone else is following along. So, we're taking a look at the second line on the page right there--that's love-only.com. That's a website where you bought an ad directly and people are learning how you found them, how you know this would work, why you knew this would give you a high ROI. You got 26 clicks from them today, six leads from them today. You paid out \$3 today. Your average cost per click is \$.27, and your average earning-per-clicks are \$.69. It's a profitable campaign, \$18 in income today, and that's one website where you bought an ad, right?

Ilya: Yeah, and you could scale this across hundreds of sites pretty

easily, and you're always going to find a few that are just breakout hits, like some of these, here, that can give you massive traffic, and that will just blow away your expectations, basically--especially if you use competing on search, where the margins are really slim, and it may not work nearly as well.

Andrew: All right, one more thing. Go back to that first tab with your website. And the reason I want to do that is I think it's a little, it comes across as a little suspicious when someone shows you their earnings. It seems like one of these . . . well, it feels a little shady. MixRank is a well respected website, backed by some of the most respected people in technology. Can you say who's backing the company?

Ilya: Yes, we're backed by Y Combinator. I just went through the latest summer batch, and we launched a couple months ago.

Andrew: Right. So this is a highly respected entrepreneur; a highly respected site. We're showing stats because I know that all of my audience is from Missouri, the show-me state. They want to see numbers and thankfully the entrepreneurs, who are friends, who support the work we're doing here at Mixergy want to help out, and so you're showing your numbers. You said, just for today. Those are the stats just for today. We're not showing your whole life history of stats. So, those are the odds that you bought, and you're about to show us an example of where you bought the ad. That was the third tab. Let's give people a sense of where you're buying them.

Ilya: I don't have that open. I can show you another media buy, just as an example of what these direct buys look like.

Andrew: Gotcha.

Ilya: Say for example, we're a coupon site or a deal site. We might want to do a buy on Fat Wallet.com, which is a well-known deal site. And here's an example of someone doing a media buys. So, this is Apple. On this coupon site, doing a direct buy, offering a coupon. Basically, it's to list traffic, and that's a great example of traffic that's highly relevant and an ad that's highly relevant. And the way I know that this is a direct buy is that I can basically refresh this page, and I will see the same ad here, meaning that it's not remnant inventory, it's not going through an ad network that's just testing a bunch of ads.

This is really directly, highly targeted to this specific audience, and that's why it works so well. You can basically do the same thing that they're doing. You don't have to be a big brand to do media buys. You can start with just a few hundred dollars and start seeing results almost immediately. You can find the right traffic sources that will give you the highest quality traffic and do these buys very quickly.

Andrew: And I know you're going to show us how to find the right

places and how to get the right deal. You're going to give us the email that you send out when you're negotiating an ad buy. But what I'm curious about is why this kind of ad? You explained to us why it's better than buying ads in Google Search results, where you have to compete with others, and even Ad Sense, where you have to compete with other text links on the page. But why do direct and not go to an ad network, or go any other route? Why go through this trouble of identifying and contacting the website?

Ilya: Well, for one, an ad network takes a big cut, 30%, 40%, 50%. So, 50% of your spend is not going to the publisher. It's going to the ad network, which means you're paying a lot more for that same traffic. That's one thing. The other reason is that a lot of these ad networks will actually not give you this level of transparency and tracking, and accountability. A lot of them are still designed for brands, especially the bigger display networks. So, you're not able to target specific sites or specific traffic sources. You have to sort of target a channel, or a broad run of networks' ad campaign.

And often times, when you go through an ad network you don't even know where your own ads are running, and the reason they do that is that they don't want you to cut out the middle man. They don't want you to go direct and strip them of that 40% or 50% cut that they're taking. And traditionally, the reason the ad networks have been successful is because there haven't been tools available that let advertisers find these types of placements directly. So, the ad network says, OK, we'll find these traffic sources for you, and we'll manage your campaign, and you can cross your fingers and hope that it'll perform well.

Nowadays, what you can do is basically cut out the middleman, run these campaigns directly, and build a direct relationship with the publisher that's sending you traffic, meaning that you'll get the best deal; they'll make more from their ads than they would through an ad network, because that 40%, 50% is not being taken out. It's a win-win; you get more traffic. You don't have to compete with the other advertisers that might also be running on that same ad network and outbidding you. You typically wouldn't even get into a bidding war with something like this. You would just do a direct deal, where you say I'll pay you this much per month for this much CPM, or whatever. And that way you get all that traffic to yourself. It's a lot cheaper and you can get it at a lot more transparency. You can get a lot more control of your campaign than you would going through an ad network.

Andrew: OK. All right. So, we see where the ads will go. We understand how profitable they are. We know where we're going. What's the first step to getting to this? What's the first step to buying ads?

Ilya: The first step is very simple. You basically want to build a list of targets, build a list of sites that are sending the right kind of traffic that you want; build a list of sites that you can assume will convert well. And so, the way to do that is very simple. There are a few approaches. I have one specific approach that I've honed

over years of doing media buys. So, I'm going to show you this one. There are others. And so, we're going to stick with the coupon example, and say, you want to target that same audience of bargain shoppers, kind of a more frugal shopper. Say you have a coupon site, or a deal site, or something you want to target them. But this can be applied to any vertical, to any market.

The way I start is by going through social bookmarking sites. And the reason I do that is very specific. So for example, here's 'delicious,' and I just search for coupons. And that's all you need. All you need is to start with one key word. It doesn't have to be a long tail keyword. It doesn't have to be niche. It just has to be something that's descriptive of your market, or your products, or your audience that you want to target. And the reason that I go through social bookmarking sites, versus just searching for your keyword, is that it lets you build a much more targeted list. It lets you build a list that is maybe not necessarily as obvious. So, sites like Fat Wallet, everyone knows about them, you're going to be competing with Apple, if you want to try advertising on here. Some of these are a lot more long tail, especially if you keep going through this list. And yet, they're highly relevant and you can start very simply and start building this list.

Andrew: Like, there's a redplum.com on that list. I never heard of that website before. Maybe coupon people know it.

Ilya: I haven't heard of any of these, but they're highly relevant and these probably have the exact audience that I'm looking to reach.

Andrew: OK.

Ilya: And the other reason that I go through social networking sites to start, is that it really favors higher quality sites. Sites that people like, sites that people want to bookmark and keep coming back to, and that's where you want your ads appearing on. You don't want your ads appearing on a site that's really good at SCO spam and can rank for all these keywords, but doesn't provide a lot of value.

Andrew: Oh, I see.

Ilya: Someone who just stuffs their site with ads without any concern for the visitors. Because that's going to cost you a lot of money. And the reason for that is that site is optimized for getting people to click on ads. And it's not going to give you high quality traffic. It's going to give you traffic that's frustrated and bouncing.

Andrew: Tell me, do you have an example of a specific product and a specific category that you targeted that product to? I want to have an image of a real product that you are marketing, and I want to understand what you would have searched for through Delicious to find a place to market it.

Ilya: Actually this, I used to run pretty big affiliate campaigns for Groupon. And that's why I kind of used this example because I know the space pretty well. So, this is basically the exact process I went through when I would build very successful affiliate campaigns for them.

Andrew: What did Groupon pay you? What was their affiliate commission?

Ilya: I think it was around \$2.00 CPA for a free sign up.

Andrew: So every time you got someone to give up an email address, and agree to get email from Groupon you got \$2.00? And you said "where do I go and run my ads"? Well I can go to an Ad network, but that's overcrowded and they're going to take a big commission? I can go to Google Ads, but then I'm competing with everyone else, including Groupon.com who's buying ads? And Living Social who has a ton of money? I don't want to do that, instead I'm going to think well coupon sites are a great marketplace for this kind of ad? I can't necessarily go to Fatwallet and compete with Apple, but if I squirrel around I can find others that are smaller, assemble a collection of those, then I have a powerful platform?

And the same way you did that for Groupon, the person sitting in my audience who has a web app is going to be able to do it for their web app, when they find the right category? If they have a different kind of product or service their going to be able to do the exact same thing? We now understand the thought process here? OK, from there while you were scrolling down, what were you looking for while you were scrolling down there?

Ilya: I was looking through these tags actually, and I was looking to see how I can expand my list. So, starting from coupons this is a great example of starting from something that's sort of obvious and going somewhere that might not be as obvious. See, it could go to something like bargains for example.

Andrew: Gotcha.

Ilya: Or you could go to deals. And you can kind of run through here and what I was looking at in this list. I was looking also at the number of people that have bookmarked this. Because if you kind of filter through here and find some kind of sweet spot. Where it's not a completely huge site that thousands of people have bookmarked, but there is some core audience, that is highly relevant to this. Then that's what you want to focus on. And there's another bookmarking tool that I use that is actually even better for expanding this list.

Andrew: By the way, that seems like that's a huge business. I keep hearing from entrepreneurs who will not do interviews with me on Mixergy about how their just in the affiliates space. They go to commisionjunction.com, maybe to clickbank.com. They find offers the

way that you found the Groupon offer and then they go and they do ad buys like your doing. And they just do it in secret because they don't have a well funded company that they need to promote. There not out in the open yet. And this is a whole business that's earning them hundreds of thousands of dollars, if not millions of dollars in some cases true? You're nodding, you've seen this right?

Ilya: Yeah, well before getting into startups I was in that industry for about five years. So I know it very well, and I kind of watched it grow and evolve, and it is a very secretive industry. And I think the only ones that are willing to share their secrets are the people that have got out of the space. That is doing something else. And the reason for that is because finding good campaigns is really, really hard. Unless you know where to look. Unless you have that expertise and that knowledge. So once they've found something that's working, once they've found something that's delivering them passive income, where they can find a media by. And run this every day, and keep generating positive ROI on it every day. That's tremendously valuable.

Andrew: And that'll just keep sitting there and working, and working, while you look for new keywords and new websites to go to. I see you've got a big smile on your face. All right, we'll leave it there. So, you were saying you go to other bookmarking sites. What's another bookmarking site that you go to? Boy, your screen just got really dark for some reason.

Ilya: Sorry, we're going to have to edit this out.

Andrew: No, we can keep it in there. Let people understand that . . .

Ilya: My light shut off in my office.

Andrew: Oh, do you want to go and turn it on?

Ilya: Yeah, is that OK?

Andrew: Or is it one of those that you have to move your arm up and down for the light to come back?

Ilya: One second.

Andrew: Oh, go do it.

Ilya: I literally had to move; I was like, sitting still.

Andrew: I figured. I like that. I like how you're very careful with the buck. I did an interview on Mixergy recently with someone who got a ton of funding, and then they went out of control and started buying special chairs, and started hiring too many people. Cheap is the way to go. All right. So you were saying there's another bookmarking site.

Ilya: Yes. This is a fantastic site for research, and nobody knows about this because it's not positioned as a marketing research tool. It's positioned as a bookmark sharing tool. It's called XMarks.com. The site is amazing. It's probably the most relevant data I've ever seen, more relevant than any keyword tool, and this is where you find those long tail sweet spot, incredibly, incredibly relevant targets. And so, basically, what they do is they have a toolbar that you can use, and it's very similar to the Delicious, where you can bookmark things and you can say the topic and category. But where I'm focusing here is this, right here--the related topics. So, I started off.

Actually, if we can take a step back I can show you how I got to this point. All I did was that I started typing coupon, and here are all of the super relevant categories that I can use to expand my search, and actually find the incredibly relevant sites that I know will do well with my media buys. And Coupon Blogs is one such example. Generally what you want to do when finding these targets for media buys is find sites that are not huge, like Fat Wallet. My rule of thumb is that I don't deal with anyone who has an ad sales team. I like to go to the smaller bloggers. I like to go to forums, to discussion groups, to content sites, possibly even sites like Mixergy, where they have a passionate audience that loves the site, that will actually engage with the advertisements; possibly even just to support the site, support the blogger. And that's where the high-quality traffic is. It's not so much the big kind of corporate sites that may be Apple's ad sales team will find, because they have a huge budget. But they're not interested in the smaller sites, and the bloggers, necessarily.

Andrew: I see. You're saying to yourself, if someone sees an ad on Mixergy, is he going to ignore it? Is he going to get upset? Or is he going to say, Oh, I know Andrew. It's a good thing that Andrew's getting some mad revenue. I want to support the sponsor, maybe even tell the sponsor that I saw him on Mixergy. Got it.

Ilya: Exactly.

Andrew: So, XMarks helps you find that. Why is XMarks better than Delicious, which is better known?

Ilya: Well, for one thing, it's a lot harder to spam. Delicious has had a spam problem where people know that it sends significant traffic, because it's better known. And you can basically just submit bookmarks very easily, and you can see that already, just looking through here, if you go probably a few pages back 80,000 bookmarks. I bet a large amount of them are spam, are low-quality sites. So that's one reason. The other reason is that these categories are very well defined, and these sites are also ranked within these categories, which is actually pretty important, because you want sites that are very highly targeted.

So here's an example, this is a site that would be a good example of a media buy that we'll get to in a minute as an example. You can see

it's ranked highly in some of these categories that might not be very obvious to you, but that nonetheless, have a big, very focused niche audience. So Frugal, for example, is a great, great example, where all of these sites would be a really great fit for your deal site or your coupons or even is you're an e-commerce merchant that has a sale, and you want to do some media advice for your products to promote whatever coupon you have or whatever you have on sell. A lot of these sites will be a really good target for that. I have a very active, very passionate community. You can find this for almost any niche. I bet you any hobby or any interest or any audience you can think of there's some blog or forum or article site out there that's targeted directly to them that is a pretty fit for their interest, that's a site they trust that has credibility with them, that has worked with them.

Andrew: Let's try it now together. Let's pretend that I was going to sell my premium program and I want, so, not selling coupon or not selling someone else affiliate program, I want to sell my membership program. Maybe I think that start-ups are a good place to look for . . .

Ilya: Yeah.

Andrew: . . . potential customers.

Ilya: Look at this by the way. Look at this.

Andrew: So, start-ups advice . . . Where would you go? Would you go directly to the first one or do you go to all of them?

Ilya: I would probably browse a few just to get a sense of who's there. So, start-up blogs might be a really good idea. The reason that you want to go there is . . . And see if you're into start-ups you probably know all of these sites already. But, someone who might not necessarily be as attuned to this world might not. Also, as you keep going down this list, take a look here, so, actually we can do even better. How about this? Well, see, I don't know if you're in here. You might not be in here. But, hey, look at that. OK. Perfect. So, you can start with your own site and you can go through here. Here are similar sites . . .

Andrew: I see.

Ilya: . . . and here are the categories that you're in. So, say you want to target entrepreneurship traffic, for example. Here are all of these sites about start-ups. So, looking through this list, what do I see? I see here an entrepreneur forum. That's probably a good fit. That seems like it's a very finely targeted audience. So, yeah, let's go here and see if this would be a good media by target.

What do I see here on this target?

If you want to do a media buy, here's something I forgot to mention,

there's a great tool for a Google Chrome called Chrome SCO. It's a free extension. It gives you a ton of information about a site. I have it installed here. This is the first thing I always do when I visit a new site that I don't know that much about. I've never seen this site before, so, I don't know much about it. So, I'm going to open this Chrome SCO extension and we'll see what I find.

This gives you a ton of data, basically aggregated from all of these other sites that's all in one place. We have how many back links they have. We have their [??]. This is pretty good [??]. We have their traffic estimate. Comcast is not always accurate, but it gives you a sense of how much traffic they're getting. Looking here, this site probably goes in my sweet spot where I was talking about before where you don't want it to be a huge site.

If this was several hundred thousand or several billion visitors, this would probably not be that good of a fit. I would probably have to go through an ad sales team. I would be competing with friends. I would probably have to go through this whole process to do a media buy on this site. If it's a relatively small site where I don't have to spend a ton of money to test this traffic and I don't have to spend a lot of time negotiation this buy, it's a perfect fit.

Looking through this site, what do I like here? Here's one thing that I like immediately. I noticed this right away on this site. What we'll probably do for this course is I'll probably write up a checklist of things that you should look for in a media buy target. This is one of them, this is they have a newsletter which means two things; one is that if they have any number of subscribers to this newsletter as I'm sure you know, that means they have really high quality traffic on that newsletter on that email list highly targeted and traffic that they could reach very, very quickly.

If I could do some kind of deal with them where I could say, "Let's advertise on your newsletter or maybe even send something out about my sight" then this would be a fantastic way to get a ton of traffic very quickly because you benefit from all of the visitors that have come to this site for months or years. Some percent of them, the people that are most likely to convert, to sign up for something, to sign up for a newsletter have signed up to this list. This is an incredibly high quality list. It's a highly targeted list and you would want to put in a lot of effort to somehow to promote yourself to this list.

Andrew: How do you get someone to put your ad in an email newsletter?

Ilya: You send them a compelling email.

Andrew: We'll talk about that later.

Ilya: You just have to align the incentives and make it valuable for them to do that and add value. So that's one thing I saw. Another

thing that I see here is that this is a content site with blogs. This has articles. It has pod casts, which is pretty relevant to you, and it has a community. That is another thing I always really, really like. For one, because you have accurate stats. Usually a forum, you can look at a member list or you could look at something like that where you say, they have 100,000 members. That means they've got my attention. This is pretty valid. This means that I'm not going to be wasting my time going back and forth with them, negotiating with them for maybe just a few clicks.

So that's really good and they have active forums, that's another thing I look for, and they have classifieds, which is kind of interesting because that means that this is how their monetizing right now. The one thing that I always look for, when I go to any site, is who is advertising on there right now? How many ads do they have? Who are they monetizing and how? Do they have some kind of premium section? Do they sell something? Do they have advertisers that are consistently . . .

Andrew: Why do you want to know which, why do you want to know what kind of advertising they have on their site right now? How is it different for you to know that they're doing direct sales versus working with an ad network versus selling their own products?

Ilya: Well for one, you know that they do direct sales if that is what they do. The problem with some blogs or some smaller sites is that they don't want to deal with your advertising. They say, 'Oh we have our Google AdSense Ads and it's doing pretty well, so why stir the pot? Why try something new? Why take a risk? If you want to advertise on our site, just use Google AdSense,' or whatever and that's mostly a problem with the smaller sites. There are ways to get around it, but that is an issue where people are not willing to engage in that conversation.

The other thing that you want to see is . . .

Andrew: I'm sorry, before you go to the other thing, do you prefer a site that is working with an ad network or with Goggle to run their ads or do you prefer a site that's already doing ads directly?

Ilya: It depends to who so, if they're doing ads directly to big brands, if when you email, they respond and say here's our media kit and it's very brand centric, then you're going have a really, really tough time competing and actually finding that you can negotiate with them and get a good deal. Because brands consistently overpay for traffic. They don't care about performance. They just want eyeballs for their brand.

If there are a lot of brand advertisers going direct that is a problem. Conversely though, if they have an ad network with a lot of brand ads that's actually good. Traditionally those brand networks don't pay very well and they have trouble filling all of their

inventory through that ad network. Because the ad network takes such a big cut, generally what you'll see is that the traffic that's going through an ad network is remnant inventory, it's unsold inventory, it's inventory that they weren't able to sell direct, and so they'll be happy to sell that inventory directly to you.

Looking through here, we see that these are brand ads and we see that these are not necessarily very highly targeted brand ads. I've been looking through the site and seeing whose advertising on the site and where. So, we have this 300 x 250 unit right here, that's an AT&T ad, we've another non-standard format, bigger ad unit here, that's another AT&T ad and it is sort of relevant in that it's business-targeted but I bet you could get better performance from your ads. I bet if you said, "Learn how to take your business to the next level. Learn about entrepreneurship.", you could probably beat the click rate of these ads right here.

Andrew: How could you tell if it's an-, I see. So then already I have an advantage.

Ilya: Yeah.

Andrew: I'm better targeted than they are so I'm in a better position to monetize than they are and pay more . . .

Ilya: Do you like how they're split-testing, by the way? I don't know if you picked up on that.

Andrew: No, I haven't.

Ilya: I recently picked up on that. So it's \$70 a month here but if you go down to this one it becomes \$75.

Andrew: Oh, get out.

Ilya: Yeah so it's all these little things that they split-test so that's . . .

Andrew: You know, what that tells me first of all is that you have a really different eye for this than I would. What is it about this that tells you whether they're working directly with an ad network or if-, sorry, whether they're working directly or with an ad network? Do you look at the source or do you just take a look at that and you can tell?

Ilya: So if I just hover over that you can see in my browser that that's going. I know that's an ad network tracking URL.

Andrew: Got you. Right.

Ilya: And then you could follow the link and all to see where it goes.

Andrew: Keep it on there for a sec. Oh, yeah, OK. You're just. . .

Ilya: Yeah.

Andrew: . . . if people can see it, I think, on their screens, they can see the bottom left-hand corner where it's . . .

Ilya: Yeah.

Andrew: . . . where it's showing the URL that the ad goes to, is clearly an ad network. He just right-clicked and opened it up in a new tab.

Ilya: Yeah.

Andrew: So there we go. Right there. It's clearly an ad network that's redirecting.

Ilya: Yeah ad network.

Andrew: If it was AT&T.net or AT&T.com . . .

Ilya: Right. And also you could look at things-, you could look at, like, where the ad is hosted. So this is hosted on that same ad network tracking URL. So going down here, here is another thing that's interesting. This is their house ad in this advertisement slot. Which means that they literally can find nobody to buy this inventory right now. And the reason for that is that they're probably not big enough to go direct. So this place right here - they're probably making next to nothing out of. And the reason that it's unsold is because it's below the fold, is one of them.

So if you look here, this is important, especially if you're paying CPM for these ads. So this ad is above the fold. All these are below the fold. And so here are all of their ads. If we go back to the homepage you can see something also very different where you see this. These are all sort of, basically, ad network low-paying brand ads that are, sort of, business-targeted. These are education paper-click ads, investment ads, charity ads, meaning this is probably completely unsold. And then more of these AT&T ads. Here's another interesting thing here. So these might be more of a direct buyers, some kind of direct deal that they did where it's outside of their traditional ad channels where they say, "We'll spotlight your product." And these are all, of course, business targeted products.

Andrew: So, actually, when I first brought this up, I thought, "Start-ups are a bad topic to use as an example because the people who have blogs in this space are guys like Mark Suster, Fred Wilson, who have blogs about their venture capital activities and their opinions and they don't need money from advertising. And I thought the same thing about TechCrunch. You just proved that even in this space, where there's a lot of money . . .

Ilya: You could find it anywhere.

Andrew: . . . that it's competitive. You can find it anywhere. OK.

Ilya: There are so many. OK. So the next step is expanding our lists a little more and looking at actually identifying our audience a lot more precisely and trying to go through demographic or psychographic factors. So can start with this one and we can go to Quantcast. Quantcast is a fantastic site that will give you really, really relevant demographic data that you can use so then expand your list further because you don't want to be on just sites about start-ups. You want to be on sites that are probably targeting that same audience and that may be as interested in entrepreneurship, or what have you, but not necessarily the ones that are going on start-ups sites because those guys go to other sites too all around the web and we want to find where they're concentrated. So if you know the demographic of your audience-, so I just type this in here-, so you know you want to target higher-income people that are also highly educated.

Andrew: Now would I type in my own website at the top or one of the sites that I found on XMarks or one of the other bookmarking sites?

Ilya: You can do your own too. Basically you want to identify where you're demographics are that you're reaching now and what demographics you want to reach. If you want to reach an audience you're not currently reaching, you want to test something new, then you would basically look for other sites, here the site that we looked at before was probably a little more descriptive of your audience. What you want to look for, things here that stand out that are highly above the mean. Already we can see that you're audience, at least according to Quantcast is more likely to have kids and more likely to be college educated, but what we want to do is find as wide an audience that's possible that's relevant.

Quantcast has this tool called ad planner, it's a free tool you can sign up and you can start finding targets that way to buy audience. What you can do is look for either the specific demographic factors that you're looking at so, maybe high income, maybe highly educated, and you can start filtering that way. You can look for -- what you want to do here is -- the cool thing is you can filter by their estimated traffic. You don't want the very high traffic sites. You want within that sweet spot of maybe even 10k to 100k, the other thing that you can do is go through here.

Andrew: That's right on the left, on the filters that's where you're doing it? So, if for example, we saw that everyone in the start-up world was running a website either as expensive or popular as TechCrunch or as lacking in ads as Fred Wilson's blog, I might say I'm going to stay away from there, but what I'm going to do is find who reads those sites? What ages are they? What stands out about them and I'll go look for other sites that cater to them.

Ilya: Yeah. The cool thing here is that you can actually find sites that are similar to another site. People who visit Mixergy also visit, oh, they don't have that, but people who visit TechCrunch.

Andrew: Let's pause there for a second. I want people to see what you're typing, you're doing this very quickly. There it is, it's right on the left, on filters. You hit apply and then you can find other websites that are similar to that site, that accepts advertising and you're also narrowing it based on traffic.

Ilya: Yeah. If we actually go back here, TechCrunch is a great example because it's a high traffic site and so, oh, they hide all their stuff, how about that, but we can go back here to Mixergy and what we can see is that, all right this is a bad example.

Andrew: Can you do a [??]? I want to get a sense of maybe the coupon space, if you were going to go back to that first example, what that would look like.

Ilya: Yeah. This is perfect, [??] is a huge consumer site and generally this does well for a consumer site. You could see these categories that audience also likes, here are the sites that they are most likely to visit, and actually we can go to another tool called Google Ad Planner, this is a more comprehensive tool, it's kind of like Quantcast, here's Mixergy and the cool thing that you can do here, is here you go, here's the site Affinity so, people who are likely to visit Mixergy are also likely to visit TechCrunch. I can go through here and people who visit TechCrunch, visit Venture B, and Search Engine Watch, and all these other sites. You can go through here and keep building your list, keep seeing where you can get good traffic.

Andrew: That's the goal of this stage of the process.

Ilya: You want to build a big list. You want to build a list that's as big as possible within those constraints of traffic greater than X. Going back here, I think the site that we found was this one, Startup Nation. This is my spreadsheet that I would typically fill out with some of the data. I would just start building this spreadsheet and basically, you want to have a comprehensive list and then you want to start filtering it as much as possible.

Andrew: Let's see what's on your spreadsheet. It's the site . . .

Ilya: Yeah. Sorry. I'm going to go back here and grab this data from . . .

Andrew: That's where you grab the site data because there are so many places to grab it. You're keeping it consistent and it looks like you're going for Quantcast?

Ilya: Yeah. This is U.S. traffic, Quantcast basically monitors U.S. traffic. If we want to target U.S. Traffic, that's where we want to go. We'll go here and we'll fill in, so this will be 25,000 and up, another really interesting thing that you want to look at and this will be in Google Ad Planner is that you want to look at what are some of the usage patterns for this site; how do people use the site. Do people come back; is this a quality site? So, you have to keep in mind that when you're doing these ad buys, you're probably paying CPM, or per impression, and you don't want to keep bombarding people with the same ad over and over again. They're not going to convert. They're just going to waste your money.

So, if you look here, this is actually a really bad example of targeting, because they're paying for this ad and they're paying for this ad. And they're probably going to keep paying for more ads. If I keep refreshing this page, I'm going to keep seeing their ads as we've seen a bunch of times, and they just keep spending money on this. So, we're cost them like ten impressions, now. And so, you don't want sites that have a ton of page views per visitor, necessarily. You don't want sites where people will keep refreshing the page. And so, that's where this comes in, at Google Ad Planner.

Andrew: The Google Ad Planner, that's Google.com/adplanner.

Ilya: Yeah. And we could probably link to all of these tools, after.

Andrew: Yeah, we'll have it all in there.

Ilya: And so, what we see here is the number of visits that they get a month; and here is the number of page views. And so, what we're looking at is the ratio of page views to visit. It's about six, on average.

Andrew: What are we looking for? Are we looking for a higher than six, or are we looking for lower than six?

Ilya: We're looking for lower. So, you want to expose your ad to as many people as possible. And you don't want to keep showing it to the same person. If it's a site where every visitor views a ton of pages, and every one of those pages costs you, because they're seeing your ad, that's bad. If you were to go through an ad network you could set some kind of impression cap, and you could say, I want you to only show this ad to a unique visitor three times. But if you can't do that, if you're doing it direct buy, usually what they'll negotiate is, they want to sell you all their impressions, right? They don't want to say, OK, we'll only sell you the first impression, the first time someone visits our site and sees your ad. That impression is the most valuable.

So, they're going to try to bundle in as much of their inventory as possible. And that's kind of part of the negotiation process. But, that's why you kind of have to look at the sites' stats, and you want

to also ask the web master for these numbers, if possible. But they might try to tweak them, and inflate them, or they'll give you the global numbers, which could be different.

Andrew: Once you buy the ad, you can keep track of how many impressions you're getting on your own, right?

Ilya: Yeah. So, what you would do then, and this is actually tying in nicely into the next step of what we're going to do.

Andrew: Before you go to the next step let me put a pin in that for a moment and take a look at your Excel spreadsheet one more time with the audience, so we can all see what's on there. The goal of that section that we just covered is to put this list together. You want to know how many sites meet your criteria, what types of sites they are, what are the uniques, if you're targeting U.S., how many page views per visit you've got. Cost we don't know yet, right?

Ilya: Yeah, this will come later as we start negotiating.

Andrew: Gotcha.

Ilya: The costs, the minimum amounts of time I need to run an ad, or the minimum commitment I need to make. And then, this is just the status of the buy that we'll keep updated on.

Andrew: Got it. Did I buy this ad or not?

Ilya: Yeah. And how did it do?

Andrew: How did it do? OK. I was asking you about how we keep track after we buy. Is there software that you recommend?

Ilya: Yes. Usually ad servers are designed for brands, and most ad servers, or the software that'll actually serve your ad and keep track of it are super expensive, and they require very high minimum spend and are very brand focused. But there are a couple that you can use, and here's one. There's one ad server called Ad Shuffle, and this is a tool that's very much self serve. You don't need to be a huge advertiser to use this. It's relatively simple to use. It has a fifty-dollar minimum spend. So, this software may seem expensive in that they charge you per impression.

Usually, they'll charge you like between \$.01 to \$.05 for 1,000 impressions, or CPM, your ad is shown. It's not like a fixed monthly rate. It's not like you could pay, like, 20 bucks a month or something. But it's definitely worth it. And the reason that you want to use something like this--and it's kind of like a whole process of getting an ad up through here, but it's very step-by-step--is that basically it gives you two things. It gives you reliability, and it gives you accountability. So if you were to host an ad yourself, then. . .

Andrew: There are the lights again. Cool. There it goes.

Ilya: Sorry about that. OK. So if you were to host an ad yourself, then basically what would happen is, say your server slows down because you're all this traffic from your new media buys, your ad that is getting served from your server, from your websites, gets slowed down, as well. And that could hold up loading the whole page for the site that it's appearing on. And so that can be very, very bad. That can piss off the publisher. So a lot of these publishers will not even deal with you unless you go through an ad server.

Another ad server that I want to mention very briefly is this one. And this is Google DoubleClick for Publishers. And this is free, but it's designed for publishers, not for advertisers. So if I want to have an ad on my site, or I want to sell ads on my site directly, I would use something like this.

So there two approaches. Either you could pay for an ad server, like AdShuffle, that you can control, or if you're going doing a direct buy on a site, you could go to the publisher and say, sign up for a Google DFP and give me whatever I need to get set up in here and I'll upload my ads and we'll go from there.

And the reason that you need these, aside from reliability, is accountability. Meaning that whenever you do a media buy, you always want to go, especially if you're doing a CPM type buy, meaning that you're paying for 1000 impressions, versus something where you might be paying a fixed monthly rate, you always want to go off the ad server numbers, off their stats. And so that means that, however many impressions the ad server says it served, that's how many you pay for.

That means that the publisher can't con you. They can't just say, well, my site gets whatever, x number of impressions, so pay me this much, or pay me this much upfront. Also, you can't lie and say, well, my stats show more clicks or impressions than your stats, therefore go off my numbers. So you want a neutral third party. You want something that's well-known and trusted. That's why you want to go off this ad server.

And it's pretty self-serve. Basically, the way the process works is you upload your ad creatives and you basically put in the URL that you want to link to, and it will spit out a tag with some code. And you say, OK, just paste in this ad code in your site. Very simple. Paste in this ad code and replace your existing ads with it. Or put it in rotation with your existing ads.

Andrew: That's it. You just give them the code. It's ready to go. It's being monitored. You know exactly how well it's doing.

Ilya: Exactly. And you want it to be as simple as possible, for them and for you. So you don't want it to be a lot of work. The reason that

publishers use ad networks is that the ad network takes care of monitoring the ads, tracking the stats, geo-targeting rotation. All of that. You can do all of that yourself with an ad server, and that's what you want to do.

Andrew: All right. Let's see the next step. What's the next step that our listener and viewer has to do?

Ilya: So you've signed up for an ad server.

Andrew: Yep.

Ilya: And now you have your ad tag that you're ready to send to publishers. And you have your list in here. Presumably it will [??] be a big list. You could pull it from here, all these sites. You have this big list of publishers that you want to target. And what you want to do at that point is actually start doing these deals, start sending out emails.

And what we want to look for on a site, the first thing that we want to look for, of course, is something that accepts advertising. So I'm going to look on this site that I found from XMarks, and I'm going to see if I can find any contact info on here. So I would scroll around, and here's this little link that says, email me. So I would email them and I would say, I want to do a media buy, I want to appear in this sidebar. Some sites may have a more formal process for this, but a lot of these smaller sites don't even have a dedicated advertised link, necessarily. These guys do, and that's what I was looking for.

When they have advertised link, the good thing is that you know exactly who to reach. You know they're willing to sell advertising directly, because they have this whole site; and you know what the rates are. Usually the rates are not displayed on this page, and because they are varied so much. So if you go up to them and say, I'm a huge brand, and I just want as many impressions as possible on your site, they're going to give you very, very different rates than if you say, I'm an entrepreneur, just like you. I'm trying to get more attention for my site. I want to negotiate some buy with you. Let's do a test. So usually, what you'll see is something like this, where it just says, our CPMs vary, based on the size of the ad, the percent of inventory available, and so on.

Andrew: And you're saying that is what we want? This is the ideal situation?

Ilya: This is typical. Obviously, the ideal thing would be if they say here's how much it costs. Here's how much inventory we can give you, and here's what you have to do. Usually this will not be published on here.

Andrew: Why do you want someone who's that clear about their pricing? Don't you want people who are undiscovered, who haven't sold

a lot of ads yet, so that you can come in with the cheaper price to not have to compete against other buyers?

Ilya: Well, it depends. What you'll actually find is that a lot of these publishers that maybe haven't sold ads before, or have only gone through certain ad networks or only dealt with brands have very, very unreasonable expectations of what they're traffic is worth, and how much you should pay, and how the process works.

And so, there's kind of a middle ground, sweet spot where a publisher has maybe sold a few ads directly, can run things smoothly, can give you a fair deal. But at the same doesn't have a bit ad sales team, doesn't have a big rate card that they give to agencies and big brands. You want someone like this, where they at least are interested in accepting advertising. And here's what's funny . . .

Andrew: They say our ads vary if they have a rate cards.

Ilya: Yeah, over here it says vary. And the reason for this is that a lot of the time agencies or big brands will demand some kind of media kit, and this can be good for you. This is kind of a warning sign for me, almost actually, because they will tell you that our audience is a very premium audience, which maybe a good fit for you. So something of this age range, this income, maybe that's really lucrative to brands. So you want to watch out for that.

On the other hand, 71% of their traffic is existing business owners and 29% are aspirational business owners. That might be a really good fit for you. So, this is something that I always look for that might give you really good data, especially qualitative survey data like this, where you can sort of match it up to your own audience. And you can look at traffic quality, and see, OK, this audience is the exact audience I want. I want people who are small-time entrepreneurs who are starting out, who want to grow their business. I want people who visit the site a certain amount of times. But again, you have to be cautious. You have to be cautious with their metrics. They may be somewhat skewed.

Andrew: Yeah, Comcast had different numbers than they have over here.

Ilya: So, it's not perfect. It may be right, but it's in their interests to make these numbers look as good as possible. If you notice this really interesting, actually, they break out the number of page views per visit. And remember, you want a low number of page views per visit. The number of page views per visit is normally very, very high on forums, because you're clicking through, you're paging through these threads, and you may not be paying as much attention to the content of the page. You want people who spend a long time on the page, who have read through the article, and are looking for, OK, what am I going to do next? What's my next step?

Well, maybe I want to learn more and click on this ad that's highly related to this article. That's why they break it out, so now when you negotiate a buy maybe you want it negotiated so you're not advertising on the forums, you're advertising on the articles that people are spending a long time on. This is a perfect example of the data that you want to collect before doing this buy-in on stuff like this right here.

Andrew: All right. We understand that stuff. What do we do now? You're looking to see their prices.

Ilya: The prices are there and these prices are absurd. Basically these rates are exclusively for brands and for agencies that say, send us your media kit.

Andrew: Can you hit command plus on your keyboard so that we can see it a little bit better on our screens?

Ilya: Yeah, let me see that.

Andrew: Yeah, now let's see the prices.

Ilya: I bet you're not getting these kind of CPMs anywhere right here.

Andrew: \$30 CPMs is what they have. Run of site \$35.

Ilya: Yeah, exactly. So this is not for you. This should not be a baseline that you're negotiating from. This is really for agencies that get paid a percent spend and so they want the high CPMs because they can go to their client and say, hey look, we're putting your budget to work. We're spending all this money and getting traffic.

By the way, if you read the fine print, we were talking about this before, newsletter based opportunities are available and that's probably where you want to advertise. When negotiating these buys it's kind of a balance. You don't want to seem like you're going to waste their time.

You want to seem legitimate and credible, but you don't want to come off as someone who's willing to spend a ton of money testing, you're just going to throw down this crazy CPM for run-of-site traffic. You want to kind of start off at a much lower number. The way to reduce CPM prices, usually the way to get these prices down is buying anything. Unfortunately, you have to buy in bulk and then you get the bulk discount.

You say OK, well I know that you're having trouble selling all your inventory. Let's do some kind of sponsorship for a monthly deal and this is kind of the example of the sponsorships they offer where you'll probably be paying much less than this once it actually comes down to it.

You'll actually probably be getting a lot cheaper traffic overall advertising on this site than whatever the brands are paying. Basically what you want to do is create some sense of certainty for the advertiser. The reason that direct media buys are so much more effective than going through ad networks and the reason they're so much better for the advertiser is that it creates certainty and stability and predictability.

If you're going through AdSense you could get slapped by Google, you could get Smartpriced, a big advertiser could decide they don't like you anymore and blacklist your site, Google could ban you, the ad network could decide to place your site in a different category that pays less.

Day by day, all of the time, all of this stuff can change so much, versus doing a direct buy where you come to a site and say we'll sponsor you for a month or 3 months if it's doing well and you're guaranteed this income. That is really appealing to a lot of these publishers and they're going to be willing to take a lower rate as long as it's a stable payout.

That's why they have all of these sponsorship opportunities here. You can even see the difference between a monthly sponsorship and a 3-month sponsorship is pretty significant and you can negotiate that down quite a bit more I imagine.

What they're trying to do here, as in any good negotiation, is they're trying to anchor you to these prices. They're trying to say, OK, our traffic is worth \$30 CPM, but you're a nice guy, how about we give you \$25 CPM?

Andrew: And now \$25 doesn't seem so high, they could pay \$30.

Ilya: Exactly. What you want to say is, I know how much this traffic to me is worth. I know what my CPA target is. I know what I'm looking for. Let's start with \$5 CPM and test if it does well, so what you want to say is, 'Let's test this for like a week or two weeks, where maybe it won't cost that much.' and you could see, even here, this is actually a pretty reasonable minimum budget. You could probably get it down to 500 bucks even or maybe even 200 bucks and you say, 'OK. Let's just test it for a week.' and what you want to start with is an anchor. You don't want to start with this where you ask them, 'How much do you want?' You want to start with, 'How much are you getting now? How much are you selling your cheapest inventory for right now?' So, the magic word right there is the remnant inventory, meaning the inventory that remains.

That's a good question. So, how much are you getting right now for your remnant inventory? Exactly. So, inventory that you've not sold, that's the inventory that I want to buy. You don't want to be competing for the brand premium inventory. You want the rest that's on the same site, it is still a quality inventory, but it might not be

exactly as targeted to these brands.

All right. So, what's the next step? Now that we've figured out where to pitch our offer, how to figure out the pricing, where to contact the person, what's next? Actually, before I ask what's next, if the contact information is not on the website, how do you find the site's email address? That depends. If you go through Who Is, you can almost always find some contact info there. In fact, you're required by the Registry to keep updated contact info on your Who Is. I would argue though that, generally, if they don't have an advertising page, if they don't have their contact info anywhere on the site, which is honestly pretty rare, at the very least they'll have a contact form or something usually, but if they don't have that info then they probably don't want to be contacted.

And you would stay away? You wouldn't try? I would probably stay away, especially when there are so many of these traffic sources that do want to be contacted and that have a lot of inventory that's unsold that you can buy and get a lot of traffic from. You want to basically start off going for the low hanging fruit. You want to optimize for advertisers that have decent traffic that's relevant and that can decide quickly that you can do a deal quickly. You don't want to go somewhere where they have these ridiculous CPMs and they won't budge and you're trying to go back and forth, negotiate. You want to basically send a few emails, do a buy and then move on to somewhere else because you want to be able to do this quickly and you want to be able to do it at scale.

So, this site will not send you a massive amount of traffic, but 10 or 20 or 50 sites just like this combined, will. In aggregate, this traffic will be much cheaper than the traffic you would get anywhere else and you're not limited by search. Once you have these going and in place, the same rule of stability applies. This traffic can be incredibly stable. Once you find these golden targets that are working well, you could basically be running on there for months and you don't have to worry about someone else coming in, like you would on search and outbidding you or getting slapped with a low-quality score or anything like that. Once you have these buys going, you're pretty much set and you have passive income or passive traffic coming in consistently and so that's what you want.

All right. What's the next step? So that's pretty much it. I would say the only other next step is, going back, if you have our spreadsheet and just filling all of this in and tracking the status and going through your analytics. There's a tool called URL Builder that you can use very easily to set up your Google Analytics to track these buys or you could just set up your URL manually.

You just Google for the words Google URL Builder? Yeah, it's kind of your URL, but if you search for Google Analytics URL Builder, you'll find it. Basically, what this will do is, it will set up your tracking URLs, that's going to be the destination URL for your ad. The way you

fill out this tracking, and this is in addition to setting up goals in Google Analytics and tracking your conversions and all that, but the most important thing here, is tracking as much as possible. What you want is to basically fill in pretty much all of these fields, minus the keyword one.

So, right here what we would fill in is say, startupnation.com and maybe we're getting on a CPM basis. So, we're paying per 1,000 impressions and if we're testing and say maybe this campaign is targeted toward start-ups and we're testing different creatives. So, you always want to create different banners and different creatives. So, if we are testing a few of them, the most important thing that probably 90 percent of people don't do and they miss out on a ton of money and conversions is to track everything. It's kind of a pain, but you have to do it.

So, if you have four different ads that you're testing on the site, you want to track each one. So, this one will be maybe 300 by 251, I'll call that. And that's the way you're tagging the URL to say, 'I used the 300 by 250 ad.' The first one? Yeah. Now, the URL on the bottom? This is the URL that comes out and so that is the destination URL.

So instead of sending traffic to Mixergy.com, where people would buy, I would send them to that URL that you just created? Yes. That's what I give the publisher when I buy the ad from him? Exactly, and that's where you put in your ad survey and whatever. The reason you want to differentiate ads and track each one is because different ads with different copy, or even possibly appearing on different pages, could actually convert differently.

So, when you're thinking of how to optimize a campaign, a really big mistake that a lot of novices make, is that they optimize for click-thru rate. They say, 'OK. I'm going to test four of these different ads and I'm going to track the click-thru rate for all of them, but I'm going to focus on the most attention grabbing one. The one that gets the most clicks and that's the one I'm going to use going forward.' That's a huge mistake because what you really want to focus on is traffic quality. What gets you the most qualified clicks? What gets you the most relevant traffic?

And so, if you're testing different ads with different headlines, different copy on them, you want to make sure that you track every single one, all the way through your final and be able to say, 'OK. List ad copy on this specific site, converts this well for me.' If you track it down to that level and actually figure out the ads that convert the best, then you can see much better results and that's how you get to the really big ROI, verses just focusing on clicks and ending up paying for a lot of clicks that might not be very high quality.

And you don't have go to Google Analytics and enter the URL in? Google

Analytics automatically reads that URL properly? It has the refers and all that, so you can run custom reports in Google Analytics and segment it however you want. You can see the specific pages that are sending you traffic, specific sites and then, you can also actually, the really interesting stuff, and I'm sure someone who is more of an analytics expert can speak more to this, but what I have tested before, pretty successfully, is optimizing not just for conversions, but for things like time-on-site in analytics, for example.

So, which media buys are going to be sending me people that are going to be spending a lot of time on my site, that are going to be spending time watching my videos, that I know are going to be coming back and be high-quality traffic. So, the main thing to always remember is that you're interested in traffic quality and that's why we do this whole painstaking research process, because we don't want to just find sites that are about startups. We want sites that will actually send us really good, really high-quality traffic. If we traffic everything and find those, then that's how we get successful media buys going.

We're almost out of time, but there are two things that we promised people that we would get to, that I want to make sure that we're going to get to. The first is, the email that you sent out. Let's take a look at the template and we'll give this template to anyone who is taking this course. Yes, there are a few templates I can show you. This is a very basic one. It says, 'Hello. I came across your site. I represent Mixergy and we're interested in advertising. We would like to buy ad space, both in the U.S. and internationally. We have this budget for this test or we can launch a campaign immediately. Please put me in touch with the right person to discuss this further. And there are a few points that I want to touch on in this email. The first one is this very important thing; it says, 'We want to buy ad space from you directly.'

And that means we want to do a direct buy. We're not going to waste your time. We're not interested in going through ad networks. We're not advertising through AdSense. We want to do a direct buy. So, that's one thing. The other thing here is that I say that I want traffic both in the U.S. and internationally, and that's very important, because a lot of the advertisers coming in will be U.S. consumer packaged goods brands that would want geo-target ads, not just to the U.S., but even maybe to a specific local market. And so, if you say that I'm interested in your traffic. I know it's a good fit for my audience. I want to buy it both U.S. and international traffic, and even if you're mostly interested in the U.S. traffic, you should still always say this, because that'll open them up. They'll respond. They'll say, OK, well we have some U.S. traffic, and then we also have a ton of international traffic that we haven't sold, that we're very interested in selling.

The next thing is the budget thing. This is pretty important, and I've actually split tested different numbers, and this is the number that we're expressed. Even if this isn't my specific budget for this

specific site, my budget could be \$2,500 for the site, but you still say this, because that means that they can take me seriously. That means that they're not going to have to deal with someone and go back and forth through negotiation with someone who's going to say, OK, I have \$50 that I want to spend.

Andrew: So, by saying I have a \$25,000 budget for this test, you're saying I'm worth dealing with. But what happens later on when you want to come back and say, I only want to do a \$200 a week test?

Ilya: All you say is that is just that. I want to do a test.

Andrew: Before this test.

Ilya: Right.

Andrew: You're saying, basically, \$25,000, you've split tested it, gets their attention, and gets the right response. That's just an opening comment . . .

Ilya: If you're putting in a dollar and getting four dollars back, even if you start with \$2,500, you would probably be happy to put in \$25,000. So you say, we're ready to spend this much. We want to see that this traffic is going to do well first. We want proof; we want data, and the other thing, we can launch a campaign immediately. So, we want to get going. We have this money that's waiting for you. Let us give you this money, and let's get going as quickly as possible.

And so, if you fire off, say, 20, 30, 50 of these emails, to highly relevant sites, you'll get a whole bunch of responses. And then you can kind of triangulate. You could say, OK, well, 80% of the guys that responded to me said that they have this much traffic at a \$5 CPM. So, the guys that are offering a \$30 CPM you say, well, look all these other guys in your space have this ad rate. Your ad rate is not correct.

And so, you have a lot more leverage if you just send off a bunch of these and this is the email that I found gets the most responses. It's sort of generic enough, especially with this part; it just says put me in touch with the right person. It's generic enough to basically get across to small bloggers, to bigger sites that do ads sales. It has a high enough budget to get people interested. It shows that you're willing to buy their traffic that's unsold right now, especially international traffic.

And it's a good fit for your audience, meaning that we're a high-quality site. We're going to provide value to your users, and it's not going to be a spammy ad. It's not going to be an ad that's going to turn off your visitors from coming back to your site. And that's something that a lot of publishers are very sensitive to, as I'm sure you know; especially if you say that I represent this site. I would actually probably say you can come . . .

Andrew: I see, by being very clear about the site it does help a lot. I get people who suspiciously say, I have a customer who wants to buy ads. And as I look at the email I'm thinking, I know what you want to do. You want to buy some kind of Viagra ad, with the right [??] text. All right, I want to save enough time to take a look at MixRank. Now, let's bring up the website, and I'll set this up this way. Tell me if I understand this right. People have been talking about you. I've been talking behind your back about this site. Here's what we've gotten. It is this, you used to spy on other, well, not spy, but you used to check out where competitors were buying ads.

Where were people buying ads for the exact same thing that you were? And you're figuring if they're buying ads a lot, that means those sites are really effective. And so you said to yourself, huh, I bet I know this stuff. Some other affiliate marketers know this stuff. Let's just systemize it and bring the rest of the world into our little quiet world that no one's talking about and they don't have to create crazy scripts. They don't have to figure out the process on their own. They just go to one site; they type in their competitors' website and boom. They know where they buy it. That's the idea behind MixRank. We see where our competitors buy ads and then we go and buy those ads, too.

Ilya: Exactly. So basically, this whole process that I went through, I've done probably a hundred media buys; and every time I have to go through this long, arduous research process where I found this big list of publishers, but I wasn't even sure if those are relevant, if those work. So what I realize is, well, I can just look at the big advertisers--the guys that have already spent a ton of money testing, and let's see what works for them. Let's see where they're actively spending money every day and building campaigns. Let's just advertise there. Here's an example report for Coupons.com, going back to the coupon space 'cuz I know there's a lot of traffic there. Here are all of the text ads that they're testing.

Andrew: So now, I can see the exact language that someone else in my space is using. Let's take a look at the top of that screen there for a moment.

Ilya: Well, let's actually look here. That's even better. We can automatically identify what their highest performing ads are, what they've split tested, what's actually taking off for right now, as this is.

Andrew: So, we see for example, in this case, free grocery coupons do well. But free coupons-print now does even better.

Ilya: Yeah.

Andrew: And that's if we were going to do a coupon ad, that's the way we want to write our ad.

Ilya: Exactly.

Andrew: That's what we want to keep in mind.

Ilya: And the thing we're looking at is that we're looking at its position, that ad sense block, because if they have a good click through rate, or it's highly relevant, they're going to have a better position. And so, this ad's average position is much better, and that's why it's taking off. And you can see that this is really good copy. It has a good call to action. It has a sense of immediacy and urgency.

And instead of me writing all these different headlines, and spending a ton of money testing to figure out what works, I would just basically look at what's already working and do that. And the same thing for their banner ads. This is all the different banner ads that they're tested. You could see exactly what design choices they've made.

Andrew: I don't understand how this is possible. I don't understand how this is right. I know that you've been vetted by good people, so it's all good.

Ilya: I mean, it's all publicly available information, so you could find all of this out there, right? You could go to those coupon sites and look manually. We're basically just collecting it and aggregating it for you, and showing you, here's exactly what's working. We're just collecting it, basically.

Andrew: So, if I was in the coupon space, and I wanted to know what kind of coupons to use to promote my site I'd say, look at this. General Mills . . .

Ilya: Yeah, they really test different foods to see which ones you like.

Andrew: Yeah, I don't even have to test different foods. They tested it. I can see from this, cereal is worth my time to test. I can see in this that Pillsbury rolls are worth my time to test.

Ilya: And then one more piece of MixRank is this, which is probably the most valuable piece, which is the traffic sources. This is the exact publishers that they're buying on traffic right now, effectively. Their ads have been appearing on for weeks straight; that they're paying for traffic from every day and here's what's working for them. And you can see here the cereal [comps] right there. So, if I sell cereal, or if I'm selling coupons, that's exactly where I would want to advertise. And so, you can just go and export a list of hundreds of these in seconds.

Andrew: And that is the Excel spreadsheet link right at the top.

You don't even have to create your own Excel spreadsheet to do this.

Ilya: There it is. So, that's been the goal--to automate a lot of that media-buying process.

Andrew: So, this doesn't take away the process that you just described to us right now?

Ilya: No, absolutely not. It's far from comprehensive.

Andrew: But if you're in this space, and you've got to see what your competitors are doing, you've got to see how your competitors are writing their ads.

Ilya: This is a good way to start, to get an overview of the market, and then you can go deeper and check out these sites manually, go find related sites on XMarks or Delicious or whatever. If you don't know where to start you can go to a mix rink and see where to start and then go through the whole process that we discussed earlier to actually evaluate these sites and start negotiating buys and going through them.

Andrew: All right, let's go to the top of the page and go back to the homepage. In fact let's go back to MixRank.com.

Ilya: MixRank.com

Andrew: Do this guys, if you're in the audience. First of all use everything in the session but the easiest thing that you can use, and this is in and out. This fits so perfectly with what we're doing that we have to talk about it. We couldn't have this conversation and leave out Google Analytics or leave out the software that serves up ads. We also can't do this conversation and leave out MixRank. Can you bring up MixRank.com? Is it coming up on your screen because I don't see it on mine? I just want to see the homepage.

Ilya: Oh, I see it.

Andrew: Oh, maybe things have frozen down. It froze. It froze at the perfect time. We'll leave it up to the audience. Go to MixRank.com. Type in your competitor's name. Just do it for fun. Just do it to see what others are up to and it's going to blow your mind. Use everything that you've done here and let me, and let Ilya know what you guys have been able to do. We've love to hear your feedback. We'd love to hear your progress.

Ilya: We can also definitely put out my email. If anyone has any more questions about this or wants me to look at their specific case or anything I would be really happy to do this. I posted something on hacker news sometime ago where I offered to help anyone with their ad campaign and I had about 150 start ups email me and I got back to every single one of them with really useful, actionable advice for how

to get more traffic. I love doing this stuff. I love helping start ups and learning about your campaigns and all that. Please email me, Ilya@mixrank.com, any time and I'll be happy to help.

Andrew: Thank you. Thank you, Ilya, for walking us through all this. Thank you guys all for being a part of this course. Go use it, give us your feedback and of course contact Ilya and check out MixRank.com. Bye.