

Andrew: This session is about how to find and test a revenue generating program. It's led by a returning guest here today, David Bullock. He is a consultant who helps companies find and grow their revenue. That includes working with them on SEO, pay per click, traffic building, funnel creation, and so much more up and down the chain of command.

He works with newer startups and with more established businesses, like American Express and Kawasaki. You can find more about him on his personal site which is DavidBullock.com or on CEOMastery.org. I just scrolled over a list of his past clients, but you can click around and find out more about him on there.

So David, thank you and welcome.

David: Thank you so much. Good to be here.

Andrew: You are working for this company. Let me bring a screenshot up. it's called "The Nurse Company". Whoa, I just went a little too big. There we go. And they had an idea for a Facebook-like product. What did you think of that idea when they said they wanted to create a Facebook . . . Actually what kind of Facebook-like product did they have, and what did you think of the idea?

David: Well, what they wanted to do was create a Facebook for nurses. That was the original business plan with the idea that typical companies have. Start a Facebook page and if we make it, somebody is going to come in and buy it from us.

Andrew: Mm-hmm.

David: And I looked at them and I said, "Well, that sounds good except the question is what if no one buys you quickly. What kind of money are you going to make between the idea and buyout? And so since that was the case, one of the things we looked at was, wow, there's already a Facebook. So who's going to buy that?"

And what happened is quickly I sat with the CEO and I asked the question. In your marketplace where's the money? Is it in the nurses or is it in employment or education? Basically was it hospitals? The employment in the hospital of the nurses or is it in education? We found the money was in education and in the employment side.

So we went from this idea which is a typical startup idea of "We're going to build it, and then someone is going to come and somebody is going to snatch us up and life is going to be good because it's going to be a big buyout too. What if they don't? And what can we test quickly to find out if there's money in the marketplace? And what I advised them

to do very quickly was let's see if we can learn some straight lead generation using AdWords. And let's find out if we can actually place nurses in hospitals like a headhunter for a finder's fee.

Andrew: Interesting.

David: So, again, we went from this idea which is a typical idea, a great idea, to hold on. Let's go upstream or downstream and find out where the money is.

Andrew: And if they would have created the Facebook for Nurses, I imagine they would have been in for a world of hurt. You told them, "Look, it's not much revenue. You're being a little more diplomatic than I would be. [laughs]

But because of the tactics we're about to teach today, you helped them identify an opportunity. It did bring in revenue and you tested it using AdWords. I've got here in my notes for your conversation with Ann Marie Ward who produced this that you spent . . . In three months you spent \$4,000 on AdWords. Do you remember what your revenue was from that, from the \$4,000 on AdWords?

David: They told me that they created about \$30,000 worth of gross revenue in.

Andrew: So that's it. And not that's it, that's it. That is the point, \$30,000. You're able to test their idea and say, "Look, here is something that shows measurable promise. This is the direction that makes sense for you, and as a result did they go on your direction?

I know we're going to hear about more in the conversation, but did they? They did.

David: Yeah. What they did is actually they did the AdWords in my account. That's why I still have access to AdWords. I did the AdWords in my account. I transferred all the AdWords ads, landing page, as well as the key sets. So I gave it all to them, and then they went on ahead and ran their account. And they continued running it. Again, look at their local advertising for the region, and they used that to create \$30,000 of revenue.

They brought a nurse on who actually spoke in nurse language to nurses, placed them in the hospitals, and that's how they had the initial revenue. I believe it was \$30,000, so it was great.

Andrew: I see. Here are some of the ads you ran. Let's see. Whoa, that's a little too big. There we go. There are the ads that you ran, licensed nurse jobs, Tennessee nurse salary for registered nurse, et cetera.

David: Mm-hmm.

Andrew: That's it. There is the money.

David: Yeah. And look at the ads I want to point out here. Look how specific the ad is, Tennessee nurse's salary for an RN, experienced licensed . . . So I'm asking in the ad disqualifying as well as qualifying people because you see . . .

Andrew: We're going to see that in a moment too.

David: Mm-hmm.

Andrew: Yeah.

David: Right.

Andrew: Disqualification is important.

David: Absolutely, absolutely.

Andrew: Right.

David: I mean, do you decide if you want everybody? No, we don't want everybody. You want the people who can fit the bill for whatever it is you're trying to make money with.

Andrew: All right. Let's go on to the board. The big board of ideas. The first thing we're going to be covering. And this is everything we are going to be talking about today. But the very first thing we want to talk about is to find an undeveloped marketplace. The Facebook for X is already developed. You want to find the undeveloped marketplace. You did that, since at the top of the interview I mentioned Kawasaki. You did that with Kawasaki. I think this is one of their...some of their equipment. Help me understand how you saw their equipment and helped them think about an undeveloped marketplace.

David: Well, I was working with Kawasaki. This was recent, this was last year. They've been here for quite a long time, but their company actually is working in much of a startup mode. So when I came to work with them, I look at their market. They are primarily automotive. If you look there, those are boxes. Everything that leaves a plant goes into a box. Whether it be Hershey bars, Rice Krispies bars, it doesn't matter. It has to leave in a box. That's palletizing in the food industry. So what did I do? I said well you're over in automotive and it's a blood bath. You have everybody in that same place. Profit margins are getting thinner and thinner. The competition is high. Very crowded. I

said let's go over to the food industry.

We went over to the food industry and we found out there were these situations like this where you had to put a robot at the end of the line, to put the box on to a pallet, to get them into the truck. So I went ahead and actually found one of my contacts who had worked in the food and beverage industry for quite a long time. He already had the relationships. And it was an easy way to go in to Niagara water or to Hersheys or to Folgers, Smuckers, or I'm trying to remember the last one, but it was the food industry. And we had a contact. They were not there. Because we knew where the application was, we were to take something that was being used from one side that was unprofitable, to a place where it was completely profitable and green field. Wonderfully green field.

Andrew: Green field meaning [sp]untrowed upon?

David: Untrowed upon. I think they call it Blue Ocean Strategy. I think that's what it's called in startup-ese. Blue Ocean. No one's there. There's no sharks in the water. And manufacturing calls that green field. There's nobody there. That way you can walk into the plant and say "Oh, you know you can automate that? Oh you know you can automate that?" And it just was wonderful. Because all of a sudden now we're not only selling robots, we're also selling service. And we're going into new markets with products and services that over here they were commonplace, but over here they're extremely valuable. The lesson here is your product has multiple uses. And you won't know where it can be used or how it could be configured until you actually take a step to the left or the right of where you thought your niche was. You can still niche. So don't think that when you're being diversified that you're not niching. You're just niching maybe in a more profitable location, or a more profitable industry.

Andrew: So what that brought to mind to me was this interview that I recorded the other day with a guy who runs Superfly Kids, and he used to do ad words for so many different things. He was a marketer. I can't even think of some of the examples. But there were so many mainstream things he could be doing with it. Instead he hooked up with a woman who sells capes for kids. He said all of my marketing techniques that might be commonplace in the rest of the startup world, is completely unused in retail for kids who want capes. And so I asked him what did you do to get going and he said, "Well I came up with a URL that had my keywords in it." I said, all right that didn't work. Then what did work? And he said, "No that worked!" Nobody was using it in the cape space. And no one was using it, or very few people were using it, in a kid retail space.

So it was those kinds of changes that allowed him to build his company. He told me the actual revenue, but all he was willing to say on camera was over \$2 million. Impressive.

And that's what you're talking about. Look for places that don't have as much competition. And for Kawasaki it was going to food. Hersheys and Smuckers as customers. Here is the other thing I learned from you. Kawasaki does more than motorcycles? They do this stuff?

David: They do motorcycles, ATVs, robots. They do jet planes, bridges. They do turbines. They do bullet trains. That is something that people don't know. Now watch this now, Kawasaki has been branded here in the United States as motorcycles. But here it is, they have this wide breath of situation. I'm going to tell you a story that was not necessarily going to be part of this interview. Kawasaki could go to a trade show and they could go put a motorcycle for the trade show. And people because they know the motorcycle they'll come and give, no joke, bags and bags of leads.

And I told her manager, I said, "You're the only robot company who also sells robots, ATVs, and everything else that you can use it as a marketing gimmick to get the people to come into the second auditorium way in the back. And you're the only one with a robot, and you watch them pickup two garbage bags of handwritten, email address and phone number leads just because they wanted the motorcycle.

So, again, when you're with your company the idea is what can you tie with your company that gets enough attention to garner the actual just full out focus of the marketplace.

Andrew: Yeah.

David: Just because you're selling software does not mean you can't tie it with something which is new, cool, and exciting.

Andrew: All right. Let's look at the next idea. This is one that you already brought up which is you want to qualify your customers to increase conversions. You did that before. Tell me if I went into the Internet archive to see if I could find a screenshot of what this company's qualification page looked like. Does this look familiar at all to you?

David: Yes, I built that.

Andrew: You built that.

David: I built that but it looked prettier than that because it had a header and it had footers in the background.

Andrew: Yeah. Our archive does not pull in images, and it doesn't seem to say CSS and

other things, but this is it. What were you doing here, and how did this help?

David: This company was a fleet tracking company, a fleet GPS system is what it was selling. And what this page shows is this is the qualification page. So they were getting a lead from the general marketplace where they would typically go into the front door of their website. The front door of their website was not targeted to grab the person's information.

So what I did is I went and I called their call center first and I called some of their customers and asked questions, like, okay, what are you looking for if you're looking for a fleet tracking system. What do your customers say? Once I gathered that information, I designed the page.

Now on the page I asked for a couple things: names, email address, phone number - now watch this now - best time to call. So if I put best time to call they're expecting a phone call from me now.

Andrew: Mm-hmm.

David: Right? Then I was asking for position in the company. So now I know are they a decision maker or not and then questions, like how many trucks do you have. Then I ask the question what's the potential of sale here? And then further I asked do you let the people take the trucks home? Now that's an insider question that would tell them actually what I was talking about. And then yes or no, yes or no, and then at the end do you have any comment.

So when I get that lead now, it is a warm call because I'm going to say "hi". You fill out this. You answer these questions. You said you wanted me to call in the afternoon. It's about two o'clock. Is this still a good time? So the questions disqualify . . .

Andrew: Let's see if we lost the connection there. If we did, we'll piece it all back together. Oh sorry. We lost you there. You were saying the question just disqualifies and then we lost you.

David: Yeah, right. The question disqualifies them because I was asking the question within the dropdown. It was a minimum of two trucks, two. If they had one or zero, then obviously I didn't want to talk to them.

Andrew: But I look at this though, and I see reduced conversion rates, meaning . . . I saw the look. I wish I had brought it up on camera. I saw the look you gave me as soon as I said reduced conversion, but I do see that. And I say every extra field is going to

mean fewer people fill it out. When I look at my AB test software to see did I increase conversions or not, this would definitely reduce it because of all of the questions you are asking.

So why did you make that face? It's important to understand that.

David: Are you looking for subscribers, people just filling out your form, or are you looking for sales?

Andrew: I guess, I feel like the more people join my mailing list the more opportunity I have to make a sale to them, and if they're on the mailing list and they're not qualified, how much does it cost me a couple of pennies a year to keep them on the mailing list? Fine, maybe they'll end up doing something else, like promoting one of my pieces of content, sharing with someone else who they know is in business who might be interested and so on.

David: And, again, in a business where you are looking for volume and you have an information product, that makes perfect sense. But then when you start looking at your actual open rates and actual response rates from a subscriber's list, it's very different than a buyer's list. I'm in a situation here where one sale would produce a minimum of \$20,000 in revenue in this particular marketplace plus they have a call center which means they don't have a sense of cost. They have people who are on the phone. So they're paying people to make sales.

Andrew: I see, okay.

David: Those leads close at 20% in the call center. They were ecstatic because before they were getting five to 10%. I doubled their actual call to close rate for the people that they're paying to be on the phone. So, again, you have to look at the infrastructural systems to determine whether it's a few cents or it's actually someone's salary every year and they're not making the grade. So that's really what it is.

Andrew: And you know what, actually? There is a time in a product development where I do add more questions, lots more questions; where I do want to qualify people. And that's when I'm just launching something new, and I don't just want anyone in there because I want to have very specific feedback. I want the person who really cares about it, not the person who's just checking me out and is going to have all kinds of issues that don't relate to the person who really cares, you know? So, at that point I add more questions.

Here, let me actually be clear about it. I had this course that I did about how to deal with

the inner critic that we all have in our heads. I said, "You know, let's get as many people in as possible." In fact, I did, as I grew the list. And then I said, "I'll have some people over to my house, and get some real live feedback from them." I said, "Let's let as many people as possible, who cares?" I had one guy come in, and I just couldn't give him the feedback on his ideas that would work. And it felt like maybe what I'm working on just doesn't work because it's not clicking with him- he's loud, he's giving me negative feedback.

I said, "All right, I should go back to the drawing board." And then I looked and I saw everyone else was happy except for him and I understood why. He was only participating because he wanted to hang out with me, and he couldn't get me to return his calls. Everyone else was actually in for the issue. So I should have disqualified him. I should have said, "I only want the people who are good fits."

This is a very long story, actually. I don't like when I talk this much. I'm here to hear you talk that much. But what I'm saying is, early on in product development I do want just the right people and I could see how something like this would make more sense. And, yes, definitely I could see how it would make sense when you're selling things on the phone, and it costs a lot of money to talk to every prospect.

David: Well, I'm going to give you something here which I typically don't share- something called story alignment. There's four stories that are relevant in a marketplace: product story, market story, client story, and your story. There's only four. Now, within those four, one informs the other. Typically, if you look at the way people work, typically they're either product focused or themselves focused. They forget about the market standards on this side, and they forget that the actual customer has a story that has to align, which is [what] you're speaking to.

There's a whole methodology around story alignment that I do with companies, because once you get those stories aligned- just like when we were talking about the nurse company, the stories aligned- and when the stories align, as well as when the GPS systems align, you get sales. You can't not get sales. So that's a whole other methodology that we go through.

But one of the things you spoke to was the inner critic. A lot of times we cannot hear our stories because of other people's, and that's the problem.

Andrew: All right, fair point. I think we've explained this and I think it's time then to move on to the next idea, which is to run a quick and dirty video campaign test. You did this with an education company that was rushing to launch tablets for kids. How many videos did they create before they started to create their product?

David: They created one wonderful 30 second video. It took six months. They had the right pictures and the right script, and the perfect music, and the perfect child- it was great. And then they put it out to market and nobody moved because it was a call to action.

Andrew: Did they do this after or before they created their product, the tablet?

David: They actually had created the product, they had prototypes and they created it before. So they were running in parallel paths, which is OK.

Andrew: Okay.

David: So they did it before, and I remember looking at the video. And I said, "OK, um, what is this supposed to do?" And they said, "Oh, this is going to give us our sales." And I said, "No, this is a commercial lauding how wonderful the company is, but not necessarily giving them a strong 'The tablet will do this, this, and this, your child will do this, and you can buy it over here.'" None of that was there. So what we did is as I'm looking at the video, I said, "Can I use the video, thank you. Sliced it, diced it, used a piece of it, did the script, did the voice-over, put it together, and then we created our own video in like three days. Then we turned around and took our video, put it out and got 20,000 views within about the next 10 days, and found out what the market wanted and what they didn't want by how they handled this video.

Andrew: What do you mean, "How they handled this video"? How can you tell from a video which features they wanted and which they didn't, so that you know how to promote it in the future?

David: Well, what we did in this particular case, we used the company virtues that that they said were important to them. Again, this was very much customer focused, they weren't market focused at all. We did that, and what we found is we got 20,000 views- we did get click-throughs, traffic from the video itself, but then it didn't pull the only [??] website, so we knew that there were people that wanted a tablet. We knew that at least they wanted something from this company because there was market recognition, but we also knew there wasn't enough emotional push from the video to [??] the sales page [??] actually make sales.

Andrew: Okay.

David: And you can actually see that by looking at the tiers in the analytics. First of all, was the video seen? Great, it was seen. How long was it watched? Okay, that tells you

the engagement factors, where are they dropping off. Then the question is, did they actually go to the link which is under the video on YouTube, or are they going to actually click the one that's on the interior of the video itself.

Andrew: And you used two different URLs, one underneath and one within the video to see - oh, okay. Here is the video, let me see if I can bring it up here. There's your site on my browser. Here is the video, and now I understand.

David: That's part of [??] Vimeo.

Andrew: Yeah, now it's on Vimeo on the link that you sent me. Now I understand why you have - oh, this is just an image, this is another image that you took. This is software that - the software creates this, it's not like you actually did this, right?

David: [??] look different, right.

Andrew: And now you're testing to see internet connectivity. Do people care about that? Here is video from them, I imagine. The mother giving her daughter a tablet. Actually if you scroll back you can see the daughter is opening up - let me zoom in. What am I doing, there we go, right? Oh, zoom in does not work. Okay, I will fix that. There we go. And more information, using that software. And then at the end there's a link within the video. And so that is all information for you. What are they interested in, what are they watching.

David: Right. And again, I used pieces [??] from their video to make that video. Their video was wonderful, it was whimsical, it had beautiful music, it was lovely. But there was no hardcore action, real features and benefits that people could grab onto. And I could just look, I was like, well they care about this, this, and this, but not that. And the nice thing is, when you're doing your own videos, you can swap pieces in and out at any given time, and you can find out what people care about. It's very easy with video.

Andrew: I see, yeah. It is these days. These days.

David: [??]

Andrew: I used to do that when I sold - before I did video courses, I created videos to sell guides, like document guides that were based on my interviews. And I remember I shot a video and people weren't exactly getting it. And I could see that they didn't understand that it was a guide with multiple pages, that they didn't have to wait for it to come in the mail. And I got that through feedback from people, but then I could go back into the video and make an adjustment and show that it's paper and you can flip through

it and suddenly I can see, because of my analytics, that people are watching it, and that its sales increased. That kind of stuff is very helpful. I forget the video - video is actually a bear to edit, but it is editable.

David: Oh, and [??]. First of all, if you do a voice under, which you do to script, you can cut and chop a script easily with Audacity or even within Screenflow or Camtasia. It's just easy in there. And even Snagit now does a great job. It's like, 40 bucks, maybe. And you can speak the screen, you can get all the stuff. And just again, when you do your audios or your videos, if you do an [??], like you think of it, okay, this is this point. you can always take pieces and parts and move them around and find out sequence [??] people enjoy things, or whether [??]

Andrew: You know what that is [??] If you create as much as possible the modules ahead of time, because even if I have the same mike, the same set up, the same room, if I come back three days later and record an extra feature, my voice sounds different enough that when I slice it in the audience can pick up on it. I know I can when I'm listening. So yeah, what I often will do record without my video being on if it's something I plan to edit in and out, and then at the end of recording also create these other snippets that I could slice in and out.

David: Exactly. [??]

Andrew: So that's how you're doing it, that's what you're telling us to do when we're testing the value prop onto the big board. We're going to take a look at the next idea we're going to cover, which is, use what you have to leverage other revenue streams. You did that at the [??] company. You were CMO, right? Chief Marketing Officer at that business?

David: Yes. Exactly. In 2010, correct.

Andrew: When you started with them, what did they do, before we get into this point.

David: Oh, they were the Facebook for Nurses [SP]. They had this idea, we're going to create a Facebook for Nurses, which is going to be more of a forum in a community for Nurses. And the first task was to build that and then they wanted me to help them with the social media. So we built it. Okay, what did I do for them? I came in, found out, I did the first [??] piece which put them on the map. The second piece I did with them, I went into Facebook and actually used Facebook ads to put 5000 people into their membership within 30 days, and that got the investor to say, "Oh, wow we have growth here." Which then got the investors excited, and then from there I said, "Okay, two places to go." Again, education and employment. So, we started doing lead generation,

head-hunter work for hospitals. That was one side. Then we went to Chamberlain.

Andrew: Hold that thought. We're going to get to that in a moment, because that first thing is important. Once you realize that creating a social network for nurses doesn't make sense, but we have all of these nurses in our system that I got for the company from Facebook. What can we do with what we have to find other revenue streams? And that's when you said, "Let's try nurse placement," and that's when you tested it. You said, "Same pool of people; let's see if we can be," as you call it now, "The headhunter that helps hospitals find nurses." That's the model that you eventually shifted to?

David: We shifted there, and then we shifted to selling advertising into that nurse community to the educational institutions.

Andrew: That's the part I want to get to because it helps make the next point that we're getting to. But, what I want to understand here is the big idea, which is to say you have the resource: what else can you sell to them? What else can you use to bring in revenue? How do you find these other revenue sources, right? I have a Mixergy audience, for example. Someone listening to us might say, "You know what, I've sold 1000 or 500 people on my software and service. They're all paying me month to month. But I also have this list of 10,000 people who aren't buyers. I'm going to look for another revenue source." David, how do they find another revenue source?

David: I'll tell you a story first. I remember I sat them down in a room and said, "There's nurse Betty sitting across from you. Let's look at nurse Betty's career. Well, nurse Betty is going to need shoes, a stethoscope, books, scrubs; she's going to need continuing education. Of what we know about her, what of those things can we sell to her? Because nurse Betty has a life outside of just education, and outside of just employment. Let's go into the employment: what does she need while she's being employed? What does she need while she's being educated?" And then started finding affiliate programs and developing joint venture relationships with the people who supported either one of those sides of her life. Again, we talk about customer life cycle. You have to put yourself into the place of the customer, and start really looking at what all would they need to support the happiest life they can have as a human being in that particular role.

Andrew: So, you thought about scrubs, and you thought about multiple other ideas, but also job placement. How can you test these ideas quickly, and see will they make sense? Without having to create a scrub-based business that manufactures and ships scrubs. I can see how you can actually test that fairly easily; maybe drop-ship. But how do you test the other one, which is the idea of doing job placement? Do you start doing job placement for them? Do you start making calls to hospitals and saying, "Hey, I have

some nurses here that might want to work with you. Can I get paid every time I send them over?" Or is there another way? How can you test your idea?

David: Well, you did something very important. You did this part. The phone is a very significant marketing tool, and research development tool. It was exactly that, "Hi, I have these nurses. They're here locally. Do you have a need for registered nurses?" It's a simple question.

Andrew: Calling up the hospital HR department?

David: It's either yes or no. If you don't have a need now, might you have a need later? Yes or no? What type of nurse would you want if you were wanting one? And they'll tell you. And you have the nurses; you have 5000 nurses over here, and you look at the list and that's it. Now you're a matchmaker.

Andrew: The hospital says, "I need a nurse." You have a list of people who happen to, because of the way that you were targeting when you got started, happen to be in the same state. You go to them and you say, "We have a job opportunity. Are you interested?" And you send people over, and you get paid every time they join.

David: Right. When you spoke of the software, this was people. Let's take the metaphor and go over to software as a service. Who bought your software? What are they using it for? What other things does that person need, either upstream or downstream, of what they are doing with your software that would either make their life easier, make things faster for them, or make things more profitable in whatever it is they are doing? Either save time or save money.

If you ask those two questions; upstream and downstream of whatever it is that you are doing, you will always find money. Don't get me wrong; it's a little bit hard for people to do that when they're focused on their business. So, typically you have someone like me come in and say, "Let's look at this," and then we can do the brainstorming upstream and downstream. And you also need someone who's not been in your market so long because a lot of times because you're in your market we're told to niche, niche, niche, niche. Then we get a little bit blind so it's available. And we're also told not to diversify. If you look at my website, you see I work with robots, jet plans down to vitamins and software.

That gets to a point where I can see a great many different types of products and services that are available, right? If you go there, Kawasaki's Robotics, heavy industrial equipment. School Zone, that was flash cards and laptops. Ensemble, that was the nurse company that then turned into Nurse Place. But then . . .

Andrew: Ah, yes. Here's where it became this company now. This is their name, Ensemble. What does Ensemble do?

David: Ensemble is actually a piece of software that actually does an evidence-based management system for hospitals and universities. So it actually comes in and says, okay, this person's in accounting. Based against their peers, do they know everything an accountant would need to know? They do a 360 degree assessment of them, and then they basically match them against everyone else in the department to find out are they actually up to par and improving. And are they getting the training that they need?

Andrew: I see.

David: Role-based, not job-based because what they found in the nursing situation is if you help the nurse know and understand her role, then everything from doing the administrative work to changing bedpans to being a good, friendly nurse to the patient was part of the role of being a nurse.

And so that's what they've evolved to from a Facebook for Nurses. Then they're in software and human development and [??].

Andrew: This is what they became after all of these changes that you're talking about. Look for revenue. Where else can we find it and so on?

David: Right. And now that they're software-based I believe that. I believe if you do the research, you'll see that they got picked up with a partner, I'm going to call El Severe [SP]. El Severe is like a 400 year old multibillion dollar publishing company. It is now their partner. They wouldn't have been able to get there unless they came through the route of "We did the nurse piece. We did the social media piece. We did the membership piece." Okay, now let's move up the line now to software, and then they become more attractive to other companies.

Now this company is sellable. This is one that they would have built [??].

Andrew: Yeah, I peeked through my notes. This is the before shot. This is where they started, and that isn't sellable as a business. This is where they moved to and this looks like a Marcel business. Their design looks better too, but the business idea as you've explained it is better.

David: Yeah.

Andrew: All right. Let's move on to the next big point, and again we're going to come back to this business that you worked with. But the next idea is find the profitable offer. This is the offer that they ran. You said they did both education and employment. What is Chamberlain? Oh, a college of nursing.

David: Right.

Andrew: So what is the deal that they had with them?

David: So they were actually selling leads to Chamberlain. Chamberlain was looking for nurses that needed to continue education or were going on to start. Ensemble, the nurse company, at that point had all these nurses. They had a bunch of nurses in the membership, and they were then selling leads to Chamberlain. And Chamberlain was advertising within their community that they had.

Andrew: I see.

David: And that was a profitable offer.

Andrew: That's pretty typical where someone has a mailing list and they say, "I can't keep creating products, and I can't find advertisers for it. I'll partner up with someone, and every time a member of my mailing list goes and signs up I'll get payment. That's essentially what it was, or did they take every lead fast . . . Actually how did they get the leads? How did they get their people to convert into Chamberlain leads?

David: Well, actually Chamberlain, there's a couple of things that they did. I have a couple of models here. One of them, they had banner ads within the community. That was one. And the other piece was . . . Actually I remember being in a meeting. I was actually going to do lead generation straight into a Chamberlain landing page and drive leads, like an affiliate because, again, we knew AdWords. We knew how to get nurses. We knew where they were, so it was a matter of using AdWords, a skill we already had in our quiver. And actually push them for lead generation for Chamberlain.

Andrew: To be honest with you, that feels like a desperate move, that a company that's doing well. Really?

David: Wow.

Andrew: Isn't it a desperate move when they're saying, "We're now going to buy AdWords and send it to Chamberlain's website so that we can get leads for Chamberlain. Then you become your main focus as a business. Then you start to

become an ad buyer.

David: But wait a minute? If this is something that's easily set up, you already had the market intelligence, it just basically runs itself. Okay, I'm going to take . . . I hear what you're saying. I'm going to take a step backward.

Andrew: Mm-hmm.

David: Okay, so the work I was doing with Fleetmatics [SP] that was the fleet GPS system. That revenue stream, for me, was \$9,000 a month. That stream for them was \$20,000 per sale. So if you already had the market intelligence, and it's easily set up, why not get the money? Because that reduces your burn. It's not a desperate move if you already have everything in place. We already had everything in place because we learned the skill set when we were placing [??].

Andrew: All right, I get it. It gives you some room to experiment with ad buys and see what you can learn about buying ads for nurses. At the same time, I am so single-mindedly focused that I wouldn't do that, but I accept that that's what worked for you guys. If someone comes in here and says, "You know, we could start doing ad buys for," frankly, if they even come in and they say, "We should be doing software for entrepreneurs," I say, "No, no. We are focused on education. We don't get away from that."

David: But, here's the thing. You have people who are available within your community. I remember when we spoke about this early one, I was like, "Andrew, if I were you I would set it up so that you had this community and I would do this that and the other thing," and then lo and behold, you migrated to that piece where it become a profitable thing. You weren't just giving the information out. You built a following, and now, the following is big enough with your critical mass, you're in a position that you could say, "If you want access to this stuff it's going to cost you some dollars." That's a good model. That model is the same one that they were using. It's like, "Look, we've built this community.

Now, how can we leverage the community, keep it growing, and just find other revenue streams?" As a CMO as well as Chief Revenue Officer, where can we make money here? Where can we show revenue dollars to the bottom line? Because I was an SCO pay per click media [??], I said, "Oh, what we can do is," and I started making connections and moving things around. Again, it wasn't costly to the CEO. It wasn't anything to me. I could outsource it, and it actually created revenue, so it depends what your focus is.

Andrew: Okay, fair enough. We'll see what the audience thinks, also. I like when we have a disagreement, or different points of view.

David: No worries.

Andrew: I actually would like more disagreements here, but when we have different points of view I like to hear the audience because it does bring them out. It does make people say, "Andrew, you're stupid. Now let me give you some reason behind it," or, "Andrew, you're brilliant. The other guy's not right." I don't mind as long as people have solid information behind what they're going to say to us. Onto the next big point. There is it, which is to borrow credibility. You did that when you worked for this company. I'm going to just bring up their Facebook. This is from Facebook. There it is.

David: Hugh [SP]. Borrow credibility, absolutely. Look at those pictures. Do you see the Rolls Royce, and what not? That's one piece of it. Those pictures speak of a high-end product.

Andrew: You're saying this is the way that you also borrow credibility, with the photos that you post on Facebook and the way that you communicate what your brand is about.

David: That's one way.

Andrew: Okay.

David: The other way that I was actually really thinking of when I said that was, on their website, we got press, I believe it was the LA Business Journal, several trade journals, ABC, NBC, Fox, The Wall Street Journal. We took all those icons, put them on the website, "As seen on," because then when you're in the marketplace because you have the credibility...

Andrew: Here, this is from the site. Where is it?

David: Right. I said, "Just put these at the bottom, and put this into your investor's package." Why? Because, when I'm speaking to investors about this particular project they want to know that you already have traction in the marketplace. When you're a startup, like a real startup, you have nothing and you have to borrow credibility from somewhere. So, to be able to say that these people have covered you says that you have some credibility, like the market does care.

Andrew: Okay.

David: We also did some work on Birchbox. Birchbox, they have well over, I believe, 200 reviews on Birchbox, so now the investor can say not only do you have market credibility but you actually have customer reviews and people saying stuff about your product. Subsequently, just this past weekend, they were able to take all of this credibility, go sit in a meeting with investors, and guess what? I believe they'll be funded within the next couple of weeks. Done. Why? They had these things set up beforehand and not just a good idea, you see what I'm saying?

Andrew: Okay. All right, and you're saying even being in Birchbox added credibility to them?

David: Right, because people know what Birchbox is, they have feedback from the marketplace, and now people are looking for it in stores and they were looking for what? Distribution. So, since they now have market credibility, people are saying, yay, nay, we liked the product, we didn't like the product. Now when they go to the Neiman Marcus or the Macy's, they can say, "Look, we're out in the marketplace. We're already making money online and guess what? The marketplace is saying that, 'We like this,' and, 'This is an underserved market.' But all these things add up in the narrative that they speak that gives them credibility and value to whoever they're speaking to.

Andrew: Okay. All right. Let's move on now to the final point. There it is: Move to where the money is. Great line.

David: Business 101.

Andrew: Yeah. Let's bring up the company that did that. Again, I'm opening it up on a tab, but there it is. What is Videoo, with two o's?

David: Videoo is a mashup between YouTube, Twitter, and Reddit, meaning you can take a video, upload it to this particular application, along with the hashtag. It will then put them all into one playlist. Then you can vote up or vote down the video that you like. So now you have customer interaction mashed up with video mashed up with the hashtagging of social media.

Andrew: Okay.

David: So for customer engagement, for a contest, or product reviews, this is a perfect application. They're new in the marketplace.

Andrew: Okay. So then how did you help them find the money?

David: Well, they were doing plays at the network level, meaning ABC, NBC, Univision, that type of thing. They were looking at television platforms. Why? Because television platforms have the biggest eyes. What did I do? I sat and thought about it for a moment. I said, 'Hmmm. Music. Musicians are looking for customer engagement. Let me go into the entertainment side and let me use this here.' I'm finding that that is where the money is.

Andrew: With musicians is where the money is?

David: Not even with musicians, but in the entertainment piece because music videos are the most viral things on the planet number one. Behind that, if you drive interaction in those particular cases, you have merchandise sales, you have album sales, you have that type of thing. And, again, they went to the network platform side, I went at the consumer brands, big companies, like large beverage companies and whatnot, who aren't necessarily looking for [??], but they're looking for engagement and looking for branding. So there's more money there.

Andrew: It looks like they haven't gotten it yet. I can see that you're saying, "Look to see where the revenue is." It doesn't seem like they've gotten that, right?

David: What do you mean?

Andrew: Have they figured out where their revenue is yet?

David: Well, I have. I'm the business development manager. I'm in those conversations right now.

Andrew: Okay.

David: There's more money, just like with Kawasaki, in different underserved markets for the same product.

Andrew: OK. So then where did they find their revenue?

David: I'm finding the revenue right now. Can you see me?

Andrew: Yeah. Yeah, I'll bring it up. I was looking at their site, but there it is. Yes. So where did they find their revenue then, or where are you finding it now?

David: In the entertainment space.

Andrew: By going into entertainment. Can you be more specific? What did you do?

David: I will say this. There are some protocols within entertainment in the music side that are very, very profitable. One of them is country music. Another one is rock. They are looking to actually continue the experience of the customer at the concert.

Andrew: So the musicians are paying to be connected to them after the concert.

David: Right. That's the whole thing. If you think about musicians, look at this for a minute. A musician is a small business. It's like a startup. Their product is the music. That's what they have. The typical artist is about 7-10 people. It's really a small business. Now, what do they need to have? They need to capture a mailing list. They need to drive customer interaction. The cell phones that everyone has with the selfies is what the video product does. Then they now know exactly who their customers are, they're driving interaction, they're building a list. If you have that, guess what? The next time you're playing at that particular venue, you push the button, you drive people, you make money.

Andrew: I see. So now they're partnering up with musicians and those musicians are using this platform to build their mailing list and the musicians are going to pay to be able to do that.

David: Right. Yes.

Andrew: That's what you're thinking anyway, but you're not there yet.

David: I am in the conversations. I'll put it to you like this: I'm right where I need to be.

Andrew: Let's step away, then, from video. The idea here is you want to move where the money is. So what you're saying is, 'Look to see who has the revenue, where's the market that has enough money to pay and help you build your business.'

David: Yes, and I'll say something else too. The SAS model works in certain markets, and the software as a service market does not work in other markets because with anything, and I want to really stress this, any one of these applications or any one of your ideas is just a tool. But it takes someone from just the tool to but it takes someone from the tool to a result that they actually want or need in their business. That gap is really where the money is, and I typically play there.

Between the idea and implementation to result, that's the biggest piece, because I could

give you a hammer and you can build a dollhouse, a doghouse, a castle, or a bridge. Every one of those is going to actually bring more money, but it's the same tool. You have to get really clear that it can be used in multiple places. And again, that takes, typically, someone stepping back, coming from several different markets to see "where can this be used?"

Andrew: Okay. All right, so that is what you do. You help companies find their revenue, and help them grow their revenue. We've talked about a few examples, and if people want to follow up with you, there's this page that I've been showing quite a few times. By the way, the reason I'm showing that page every time I go to a webpage is for some reason, the software that I'm using right now, won't allow me--here's what happens when I just try to show any old webpage: Blank! Until... I show David's page, and now I can go back to that same tab.

David: Wow. So I guess I'm special then.

Andrew: Weird. It will not show it unless I first show your page. I don't understand. Actually, I think I've got a sense of why, and now I'll have to and troubleshoot that.

David: Mm-hmm.

Andrew: For now, though, I will say thank you, David, for doing this. You do work with start-ups, you do work with companies that are further ahead, and the best way for people to connect with you is it to go to--in fact, for me the best way to see any webpage today is to just go to davidbullock.com, but...

David: You could either go to davidbullock.com or you can go to ceomastery.org.

Andrew: CEOmastery.org, and you prefer that to davidbullock.com.

David: Well, either or. Both of them will get to me. One's my celebrity site, and the other one's my actual consultancy site, which shows client results.

Andrew: Gotcha.

David: And what I'll do for this audience is if you call and tell me that you came from Mixergy, we'll spend fifteen minutes and we will find out another way for you to make revenue quickly with your business, and then we'll work from there. I typically charge money for that consultation, but for your people, if they call and we set up an appointment, we will find a revenue stream for you within that first consultation, and then if we decide to move forward, we'll do that. But I'll do that for your folks for no

charge.

Andrew: Whoa. All right, that's a really big offer. There's a way to really shock people and get their attention. All right. And the phone number is right up on the site. Do you want them to just call you cold, or shoot you an e-mail first?

David: Shoot me an e-mail first.

Andrew: I would suggest that, too.

David: Yeah; david@davidbullock.net is my e-mail. It will come to me, and what I want you to put in the subject line so I know it's you, so you can take advantage of this offer, is say "Mixergy offer." Put that in the subject line.

Andrew: Sure.

David: So if you email david@davidbullock.net, "Mixergy offer," I will respond to that and we'll move forward. If you just e-mail me and say "Hey, Dave, I thought the thing was great," I'm going to say "Great, thank you for the kind words." But if you put "Mixergy offer" in the subject line, then we'll get back in touch with you, set up an appointment, we'll have our little debrief, and we'll figure out what we can do next. But the goal is to help you find another revenue source as quickly as possible, that is low cost, very high value, and low risk.

Andrew: Well, that's a really generous offer. I appreciate you doing that. Wow. Thank you and thank you all for being a part of it. Bye, everyone.