Dear Maverick Business Insider,

Welcome back for issue #2 of Maverick Business Insider!

This is going to be good! I'm really excited for you to dig into our Maverick success interview with Tim Houston. You'll hear his story of starting with \$5 and now doing over \$100,000.00/month online! But before we get there I have a couple updates...

In the U.S., we just celebrated Thanksgiving and a perfect time to reflect and count our blessings (no matter if you're eating turkey and watching football or not)...

I believe focused gratitude is more powerful than we realize. My friend, John Harricharan, has a great program called "Power Pause" (thepowerpause.com) and thinking of everything you are grateful for is the last part of his 3-minute exercise. Personally, I find when I get negative and stuck feeling sorry for myself (it does happen every once in awhile) I can quickly knock myself out of that non-productive state by increasing my gratitude.

I think I heard self-development guru, Bob Proctor once say, "Gratitude keeps you connected to the source". Think about that. The more you're thankful, the more you're going to get of whatever you're grateful for.

Consider about your own life. If you are grateful for something don't you get more of it? On the other hand if you neglect it or you simply start assuming it should come to you – doesn't that seem to turn off the "spout"? Even something as simple as when I check my e-mail and have or-

ders come in, I actually silently say, "Thank you".

Being grateful is one of the most powerful forces you employ for your own benefit. Take a minute or two right now just to think about the things in your life for which you should be thankful for. I promise if you do this - you can't help but feel incredibly happy and joyful because we can only focus on one thing at a time. Most people tend to focus on what they don't have and that only creates more lack!

Even the little things like enough food in the fridge, a warm house or a dog that likes to lick your face. Or maybe the fact you made your first dollar (or million) online this year?

Here's my very incomplete list of what I'm grateful for off the top of my head:

- 2 incredibly wonderful and healthy kids
- An understanding and loving wife who allows me the freedom to live my life to fullest jumping out of planes at cruising altitude and driving Power Boats and Baja buggies.
- An article in Financial Times this past Tuesday on Maverick Business Adventures® plus the numerous PR mentions we've got in our first year.
- Fun neighbors who invite us over for their grand Thanksgiving feasts or who pop-in for a random Thursday night happy hour!
- My Dad being able to almost figure out what I do now.;)

(continued on page 2)

- Good friends who provide insight and support for business and personal issues – but who aren't afraid to tell me I'm an idiot sometimes.
- A stocked cellar of delicious wine (comes in handy for the neighbors too).
- Nearly 5,000 new Maverick Business Insider 'Tribe' members who be the core of a new community we're building.
- The opportunity to follow my heart on projects I'm excited about and create an incredible living doing so.
- One of my biggest business heroes becoming someone I can email now.
- And finally subscribers like you who read my ramblings in email, on my blog, via Twitter, etc and who share their hopes, excitement and success stories with me that keep me going.

And I'm so grateful to already be getting back positive feedback from our Maverick 'tribe'. Here are a few messages I've got on Twitter.

business on the Internet, your insight has given me several "aha" moments. I particularly related to how you combined several examples into a marketing lesson of creating a unique experience. To be honest with you, in my job as a special education teacher, I feel that I could give so much more if I weren't bogged down in the "job" aspect of it; a lot of the joy is lost because of deadlines, large caseloads and tons of paperwork and at the end of the day it ends up being just a job to get through day after day. Hope that makes sense! What is so exciting to me is that I can use your information to make a great income for myself using my skills and abilities AND then give back on a volunteer basis to the special needs community for the sheer joy of it, because ultimately, that's what it's all about; give more and get more. I have always been a maverick :) when it comes to my teaching style and am looking forward to learning much more from the "King" of the Mavericks..." - Danielle Miller



daniellemmiller @yaniksilver Yanik, is there an email address I may send a testimonial 2 re: Maverick Biz Insider materials, hard 2 tweet 140 characters;) 12:18 PM Nov 20th from TweetDeck in reply to yaniksilver



ateegarden @yaniksilver Hey man just read my maverick news letter last night. The 3 Million Dollar ebook interview Rocked man! Great Insights! 5:48 AM Nov 19th from twhirl in reply to yaniksilver



KristenArnold @yaniksilver been working through my package of awesome stuff- THANK YOU! 5:42 AM Nov 19th from TwitterFox in reply to yaniksilver

(Remember, you can follow me on Twitter here – www.Twitter.com/yaniksilver)

And here is another one that came in unsolicited:

"I wanted to take a moment to thank you for all of the information that I have received (and continue to receive) from you and Maverick Business Insider. WOW, having been a teacher and coach over the last 10 years and starting my own These comments are the kind of thing that get me really excited because I don't see this *JUST* another newsletter. I really want us (together) to develop a community of connected individuals, who share the same philosophy of making more money, having more fun and giving more back! We'll be setting up ways and opportunities for everyone to network, interact,

learn from and connect to other members of the Tribe LIVE and online. In fact, really, really soon, I'll be asking for you help via surveys, feedback, etc to make sure we're on the right track.

I definitely don't think I have all the answers and am looking to you guys to help us on our 3-part mission by the year 2020 (or sooner):

- 1,000,000 entrepreneurs "Mavericktized" and engaged in the maverick philosophy
- 1,000,000 items ticked off our cumulative "BIG LIFE" list.
- 1,000,000 young kids impacted to be the next generation of Maverick entrepreneurs

Side note: I placed a video online explaining my big goal here – if you haven't seen it: www.maverickbusinessinsider.com/why

Upcoming LIVE Event

So this community and more interaction is definitely something you can look forward to – it'll be happening sooner than later. Another exciting item is our first LIVE events! As a charter member, you're getting a HUGE bonus for FREE! 1-day LIVE Event "Maverick Business Insider Extravaganza'.

Sometime in June or July 2009 you'll be invited to come out as my guest for a jam-packed1-day event combining everything about Maverick – namely more profits, more fun and giving more back. It'll take place in the DC-metropolitan area and you'll start with a ½ day business workshop covering my latest secrets and insights into making more money. (Considering I've run workshops from \$995.00 - \$10,000.00 this is already a significant bonus.) Then for the

other half of the day we're going to have a great time! While we're working on finalizing the FUN event from our shortlist, I can tell you that previously I've done everything from hired rock bands to spy missions to F1 racing with my groups. So trust me, it'll something you can get excited about.

This will definitely be one day you don't want to miss...the only 'catch' if you'll need to be a member in good standing for 6 months to attend on my dime. That's it. And don't worry if you cannot attend live because we'll send you the DVDs of the business section right to your door. Pretty cool, right? More details as they develop.

"Maverick Maps"

Here's another cool update for you – we're making your subscription even more valuable by including "Maverick Maps" inside each issue. These will help you process how to apply the techniques our Maverick Business Adventures® members share. I know this is going to be a cool addition because we already got this comment:

"Seriously...The most valuable part of the newsletter that I have seen yet is the Maverick Map. The interview and the transcript are great but that Maverick Map puts it all together. This is absolutely priceless and best of all it is part of the Newsletter at no additional cost... truly price-less (bad joke). Absolutely, perfect."- Ralph Plaskett

make more money

Profiting From Your Creation Story

I want to share with you a very powerful concept I haven't talked about anywhere else. It's called the "creation story". In terms of psychology, stories are one of the best ways of getting information under the 'advertising radar'. People are more willing to listen to stories and be persuaded than straight advertising/marketing. Now a creation story is taken from a book called "Primal Branding" by Patrick Hanlon. I definitely recommend picking up that book.

People want to know your story so they can "pigeon hole" but also so they can carry that story forward when they

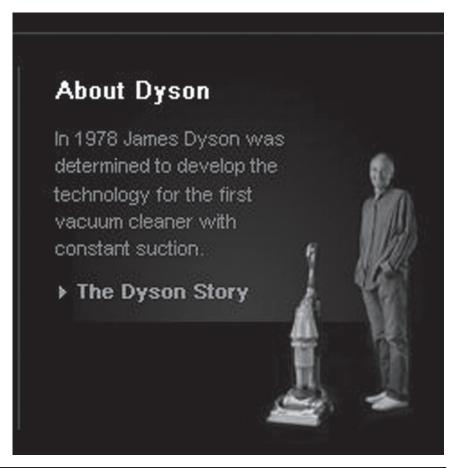
talk about you or your product/services. Quick personal example, many times I try to include my own 'creation story' of waking up at 3 o'clock in the morning and tapping my wife, Missy, on the shoulder to tell her about my great idea for a site called InstantSalesLetters.com. Then instead of going back to sleep like she told me to – I jumped out of bed to register the domain and get to work. That was the start of my multi-million dollar web business.

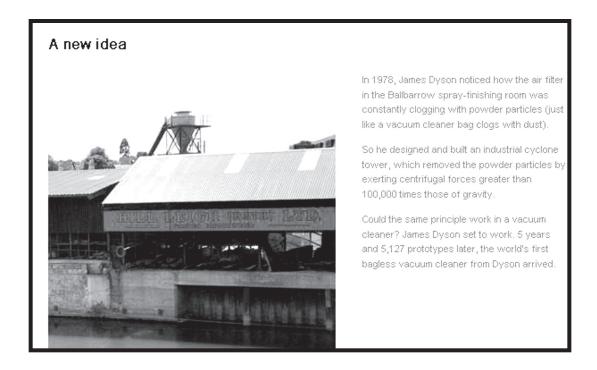
This creation story is really important because people/customers/members want an under-

standing of where you've come from (so they can relate), know who you are and have that bonding.

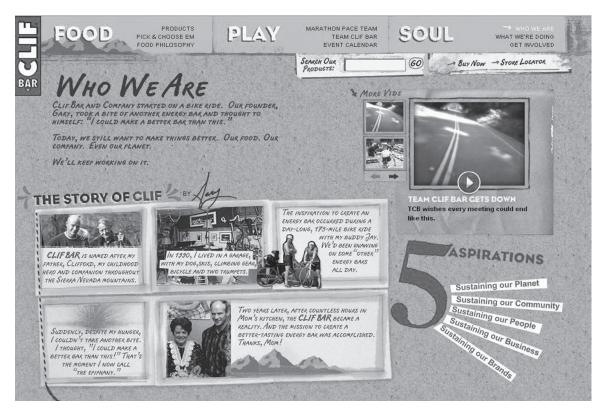
Let's take a few examples and I think you'll get why it's important to get people to really care about your and your product.

Dyson Vacuums – it's a classic "inventors" story about making a better product. In this case a vacuum with constant suction. Maybe you've seen the infomercial. It's a great story and superb success story.





In the same genre as Inventor's story is Gary Erickson from Clif Bars. The story of how the Clif bar was created is Gary going on a 175 mile bike ride and he couldn't eat anymore other bars (I think they were Power Bars). Here's the creation story illustrated as a comic from their site:



Each year employees and other friends of the company gather for the "Epiphany ride" to commemorate that first bike ride when Gary had the idea to create the Clif Bar.

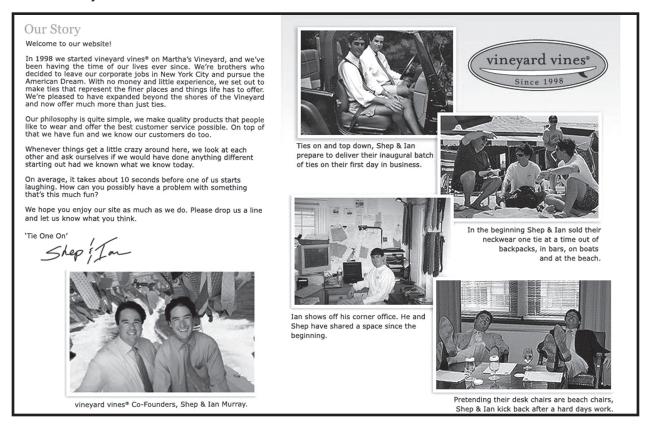
Even a simple "This is how we got started" story has tremendous currency and value to people that care about your product/service. Here are a couple good examples:



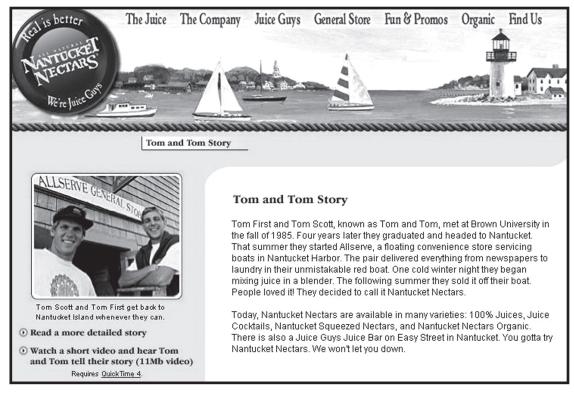
Potbelly sandwich shops tells how they started off as an antique store that also sold sandwiches – but the grub was so good people started coming in just to eat. If you've ever been to a Potbelly's you'll notice the stores all have the eclectic antique shop look to them too.

6

Here's another great "how we got started" story from a pair of brothers who left their Wall Street jobs to create whimsical ties around themes from Martha's Vineyard. They're called Vineyard Vines.



Here's another one from Nantucket Nectars. I believe they are now owned by International conglomerate Cadbury, but they've haven't changed the creation story (smart!):



Do not discount your own creation story. Even if you think others have heard it before or you don't think it's that exciting. It is. People want to connect with other people. Notice how many of these stories used old pictures to set the scene. It gives your fans something to know you by – it's essential and extremely important!

Here's how I use my story for Maverick Business Adventures®:

My "Crazy" Idea for Maverick Business Adventures®

Many of you know my story. I'm a serial Internet entrepreneur who has built several successful businesses online with zero employees, except my wife, Missy.

Personally, I get my thrills from any kind of exciting experience like Running with the Bulls, bungee jumping, sky diving, exotic car road rallies (dressed like Elvis), Zero-G flights, and even an upcoming trip into space on Virgin Galactic. I figured there might be other successful entrepreneurs who wanted more excitement and fun in their lives (though not necessarily as extreme as I'm into).



Frankly, I wanted to design the kind of "club" and experience I'd want to take part in... and that would attract the kind of like-minded people I'd want to hang out with. Essentially, my goal is to create one-of-a-kind experiences members would be talking about for years to come to their grandchildren.

have more fun

Before we jump into Tim Houston's interview I have a few items to get you thinking about some new ways to have more fun. The first is from one of the celebrity tabloids that Missy gets (and I, of course, have to read). It was a story about how the stars of HBO's Entourage show get together once per month at Jeremy Piven's

house (Ari on the show) and they have a cook-off. Now the catch is (and the fun part) is to see who can make the best meal from the dollar store and with a budget of \$40. Shows even mega showbiz millionaires have a good time without needing to spend a ton of money.

Or how about this over-the-top fun way to say "I do" that I pulled from The National Enquirer (hmm....lots of trashy reading):



Interview with Tim Houston:

How to Make \$100,000.00/Month Without The Hassle of Selling Anything Yourself

Yanik Silver:

Hi, everyone. Yanik Silver here, for another Maverick Business Insider interview. Today I have with me one of our founding Maverick Business Adventures® members, Tim Houston.

Tim started online in early 2003 and in less than two years his monthly gross income was exceeding \$10,000. Since that time it's grown to over \$100,000 a month, which is pretty cool.

He founded AffiliateLifestyle.com in 2005 to help others learn how to market affiliate products without a Web site. Since then he's helped hundreds earn an extra couple of hundred dollars to a couple of thousand a month. He's even mentored a few to super-affiliate status. We'll get into that.

He enjoys helping others. Even with the success of Affiliate Lifestyle, it still accounts for less than five percent of his income. The rest of it – 95% - comes from actually doing what he teaches. That's pretty novel, I think, in the Internet world.

Tim, are you there?

Tim Houston: I'm here. How are you doing, Yanik?

Yanik: I'm doing great. Where are you calling in from today?

Tim: I'm here in beautiful Santa Cruz, California.

Yanik: Nice. Let's jump in. If you can, give us a little background. I gave a quick

little bio, but that doesn't really get into it.

One thing that I really, vividly remember about you, Tim, was on our first Baja trip. You were there and we did a session for young entrepreneurs in Cabo. We had an interpreter and it was a little crazy.

One of the big myths that a lot of people have is that it takes a lot of money to get into business. I went around the room and asked everyone how much they spent to get into business. Your answer is the one that stuck in my head. It was "five bucks." I thought, "That's awe-

some."

Explain how you got started with five dollars. I'm sure people want to

know that.

Tim:

Basically, at the time I was not involved in affiliate marketing at all. Actually, I was promoting an MLM product unsuccessfully through word of mouth.

I had been on Google a number of times and saw the little link at the bottom there: "Advertise with us." I always kind of assumed it would be too expensive.

One day – fortunately for me – I decided to click on that. Google said you could get started with them for just five dollars and pay five cents a click every time someone clicked on one of your ads.

I figured, "That's a low barrier to entry. I can give that a shot and see how it goes."

The next thing I knew, that was actually helping me generate more sales for this MLM thing. I discovered affiliate products shortly thereafter and realized I could make more money without being on the phone all day, as I was with the MLM.

Getting started with five bucks: I love it. Talk then about what your transition was to affiliate marketing. What exactly is affiliate marketing?

Affiliate marketing is basically where a merchant – maybe an Amazon or a Wal-Mart – will pay you for sending people to their site as long as they end up taking a specific action.

That could be buying something or maybe filling out a form and becoming a lead for that company. They'll pay a percentage of the sale or a flat rate, depending on the offer.

Maverick Business Insider Recap:

You get privileged access to a network small, distinct group of self-made millionaires who make up Maverick Business Adventures®. Quite simply you're looking at true 'Who's Who' of successful entrepreneurs, CEOs and business owners.

More importantly, each member shares a common 'DNA' of wanting to life to the fullest, creating business breakthroughs and giving back through charity and education to empower future Maverick entrepreneurs!

You'll hear their success journey and exact techniques of how they've done it. But you won't just hear their best moneymaking advice but you'll get their philosophy on creating MORE in your life... Maverick style. You'll find out how to make more money, have more fun in your life and ultimately give back more!

Maverick 2020 Mission:

- 'Maverick-tize' 1,000,000 entrepreneurs
- Impact 1,000,000 young entrepreneurs
- Have 1,000,000 Cumulative Items Checked Off Members Big Life List

Quite frankly, we're out to change the game of how business is played to help shift the focus beyond just the bottom line and have entrepreneurs create their own funfilled experiences and maximize what the impact they have in their communities.

With 1,000,000 entrepreneurs and a percentage of them giving back the 5% charity pledge (as you promised) - the ripple effect will be staggering. And that doesn't even count the 5% our company would provide.

We truly believe in business as a force for good

Yanik:

Tim:

Yanik:

What was your transition into affiliate marketing? You said you were doing the MLM. Did you just see something out there?

Tim:

Oddly enough, in MLM people always need more people to talk to because you kind of run out of friends and family quickly. There was a company that sold a system for prospecting. They had a little thing called an affiliate program. I didn't even know what it was.

Fortunately, I clicked on it and it said, "Refer this service and we'll give you 30% of the sale."

...I wrote the ad, waited
four or five days,
and made \$12. I looked
and I had spent
three dollars so I figured,
"That's interesting.
Letis see if it happens
again."...

I figured, "Hey, this Google thing is working for promoting the MLM. Why wouldn't it work for this?"

Sure enough, I think I made \$12. I wrote the ad, waited four or five days, and made \$12. I looked and I had spent three dollars so I figured, "That's interesting. Let's see if it happens again."

Another week or so later, I think I had made three or four. Again, it was still roughly that I'd spend three and make twelve. I figured, "This is pretty good. I should look for more of these affiliate programs." I was off to the races.

Yanik:

You mentioned Amazon and Wal-Mart. There are literally thousands of products and Web sites out there that let you become an affiliate, right?

Tim:

Yeah, it's really endless. There are probably over a million. I think Click-Bank has 20,000 alone. It's just endless.

Yanik:

ClickBank is all digital products: e-books and thing like that. Amazon is anything from books to kids' costumes for Halloween and everything in between. How many products do you sell right now?

Tim:

I think I've got about 25,000 AdGroups up currently. These are basically ads written for different products. Initially I was writing all those myself by hand.

Over time, we developed some software in house that would help us to kind of do the repetitive tasks a lot easier. I actually went to outsourcing some of the ad writing, as well. Now I don't write my ads anymore.

Yanik: Hopefully we'll dig deep a little bit into pay-per-click stuff. We'll take

them in a progressive way.

How do you pick a product? How do you pick a marketplace to go after? Which comes first? Which is the chick and which is the egg?

Tim: I don't put a whole lot of thought into a marketplace. Obviously,

health and fitness are always big year round; although bigger in Janu-

ary.

I'm in pretty much every marketplace you can imagine within reason just because I like being somewhat insulated from economic and sea-

sonal fluctuations.

What I've found in my business is that when something may start to slow down a little bit something else is picking up. So my income is pretty steady; it doesn't fluctuate much as the months go by.

It can be any marketplace; it doesn't matter, within reason. If I have a moral issue with something – maybe like tobacco or guns – I'm not go-

ing to promote it. Otherwise, it's wide open.

Yanik: Where do you think people should start? Should they look to their own

interests and hobbies or something they don't know about?

Tim: That depends. If somebody has a Web site then I absolutely believe

they should stick with something they're passionate about, whether it's

a hobby or some other cause.

If you're doing pay per click, you don't really need to be....

Yanik: You don't need to be that passionate about it.

Tim: Exactly. You can kind of be all over the place in pay per click; at least

with what I do. I'd send mostly directly to the merchant so I'm not creating Web sites. I'm not writing articles about the products or any-

thing.

Yanik: We talked about choosing the marketplace: just basically getting in

there and going anywhere. Where would you send people? Would you

send them to CJ.com? Would you send them to Amazon?

Tim: CJ.com is a good place, definitely.

Amazon's margins are often smaller, although there are definitely people who do really well there. ShareASale. com is a very good one for people just starting out, I think. They've got some good commissions and repu-

table companies.

Yanik: You mentioned ClickBank. Is that a

good one to start with, too?

There are a lot of free ways out there but I've stayed away from those.

Tim:

ClickBank is great.
They've just got
such a wide variety
of things. There is a
lot of affiliate competition there but
ultimately, if you put
in the effort you're
going to find success.
ClickBank is definitely part of my business
model.

Yanik:

You said 25,000 AdGroups, so you obviously started with one there with the five dollars. Is that your main way If we were bidding on the same keyword but we were going to different Web sites if one of us was direct linking and the other maybe had a review page - then we could both show simultaneously.

of driving traffic? Is it buying it or are there free ways?

Tim:

There are a lot of free ways out there but I've stayed away from those. I basically found something that worked: that was Google. I just decided I was going to do what works over and over again.

Then, of course, I branched out into Yahoo Search. Microsoft also has pay-per-click marketing now. There are a few other smaller ones, but I think the Big Three are definitely suitable and worthwhile to look at.

Yanik:

Okay. Let's take someone through Google. You said you go direct linking. What does that mean to people?

Tim:

You write your ad at Google and when someone clicks on your ad it will directly link to the merchant rather than coming to your own site. For example, if I was promoting some red shoes, I could send them to my site and do a review on the red shoes, say "click here to buy," and it would go to the merchant.

What I do more often than not, though, is simply just link them to that merchant so I'm kind of out of the loop. It minimizes my effort on the front end. I also have no customer service and no e-mail support of any sort on the back end.

The downside to that is I'm not able to build a relationship with that person and possibly capture their name and e-mail for future product offers or what have you.

Yanik:

Right. You're giving that up for the total lifestyle of never having to deal with the headache. In some ways that's very appealing.

Tim:

The funny thing is I talk with these guys who have their own product and I'm envious of where they're at. Then, in talking with them I find out they're envious of where I'm at since I've got no customer service. I guess the grass is always greener.

Yanik:

Yeah, exactly. We interviewed Mike Geary who you know pretty well from Maverick stuff. He has just one e-book and is really rocking it. The different takes on it are interesting.

Let's dig a little bit into this. Is direct linking still permissible under Google's terms?

Tim:

It's definitely permissible but they only allow one link. Let's say you and I were promoting the same Web site and bidding on the same keyword. Only one of our ads would show at a time.

If we were bidding on the same keyword but we were going to different Web sites - if one of us was direct linking and the other maybe had a review page – then we could both show simultaneously. By direct linking you are running the risk that your ad won't show part of the time.

I've done an impression share report from Google, which basically tells me how often my ad showed, when it could have, and what have you. On average, my ads only show 30% of the time. You can not show all the time and still make a good living at this. It's amazing.

Yanik:

Did you say they don't show 30% of the time or they only show 30% of

the time?

Tim:

Mine only show 30% of the time. That tells me that 70% of the time someone else is bidding on that same keyword and sending them to the same Web site.

They're basically either bidding higher than I am or maybe they have a higher click-through rate for which Google rewards you. It could be any number of things.

Yanik:

That makes sense. For the 30% when it is showing, is it because you're digging into just longer tail keywords or phrases?

Tim:

Probably not in my case. I keep things pretty tight at the beginning. I throw it up there and if I have some initial success – if I see that it's breaking even or making some profit right off the bat – then I'll spend some more time on the longer tail keywords.

At the beginning, though, I like to just be really tight. If someone types in "red shoes" I want to send them to

red shoes.

Yanik:

Yeah, give me examples. I'd love examples. We're an affiliate for Zappos.

We all love Tony.

My ads only show 30% of the time.

Tim:

Let's say I'm bidding on athletic shoes. I send them to Zappos and I'm breaking even on that. That's a pretty generic word. However, let's say I was to go bid on "Nike running shoe cross trainer" or something. That's more of a longer tail.

That is going to have a lot less search volume but it's more than likely also going I'd give my attention to the things that are showing some promise. Turn off the ones that are struggling and kind of focus on what you're best

to convert higher; especially if you land them on a page that has that exact shoe they just searched for.

There are a lot of different elements to this game. Quite frankly, I neglect a few of them. I just focus on doing what I know works. It's interesting. You can do a lot of things wrong and still be successful.

Yanik:

Absolutely. I'm proof of that. I'm just trying to understand it a tiny bit more. Your first move is to go generic: athletic shoes.

Tim:

No, not generic. I was misleading there a little bit. It's not generic but I quess it's a little broader. That would be accurate.

Yanik:

Okay. So obviously it wouldn't be "shoes" but it would be "athletic shoes," "running shoes," or something like that. Then if you saw that was working or breaking even, you would maybe go into "Nike" or whatever.

Tim:

Right. I heard a saying a long time ago. I don't know where it came from but it said basically to give your attention to where it's not needed. Does that make any sense?

Rather than focusing on all my AdGroups that are struggling, I'd give my attention to the things that are showing some promise. Turn off the ones that are struggling and kind of focus on what you're best at and what's performing best for you; and then try to improve it even further.

Yanik:

Do you do a lot of testing inside your AdWords accounts?

Tim:

I do split testing on the ads. I'll run two ads and they'll rotate. One of them will get clicked on more than the other just because it was written better or it appealed to the people more, for one reason or another.

I don't do it as often as I should, but I do it. It's definitely valuable and it can bring your costs down and allow you to be profitable where you might not be otherwise.

Yanik:

Taking our Zappos example all the way, we've decided we're going to start with "athletic shoes," "soccer shoes," or something like that. Then we'll go to individual models of the soccer shoe. Does that then become an AdGroup by itself?

Tim:

Absolutely. I believe in keeping the AdGroups very targeted; you may have some specific to the actual model. If it's Nike and it's got some number after it, that could even be its own AdGroup.

Then you can bid on the different colors of that shoe or different styles of the same shoe. You can get up to 100,000 keywords or more for a single merchant if it warrants it.

However, do you want to put that much time into something before it's proven itself to have potential? I don't.

Yanik:

How long do you let an ad run and how much do you typically bid just to test it out?

Tim:

When I got started initially I was bidding five cents. Over time I felt more comfortable bidding ten cents and twenty cents. Now I will usually start a bid at a dollar.

I like to get my results quickly and it allows me probably to outbid people out there, so more than likely I'm showing if I'm bidding a dollar. I may lose money but I get my results quickly, I can turn off the losers quickly, and I can put more effort into the winners sooner as well. That's what I do.

Yanik:

That makes a lot of sense. You were talking about sayings before. I heard a saying. I can't remember who it was from; it might have been one of my colleagues.

I think it might have been Lee Milteer. I'll attribute it to her, but it was something like "Fail forward fast," or "seek the swift sword". That's definitely what that's all about: bid the dollar; overbid but make sure that you get shown and then see what happens.

Tim:

Let me say one thing before we go on. With that being said, when you're first starting out I don't recommend it. Maybe start at ten or twenty cents if you can do that and have your budget set at something you can afford on a daily budget, at five or ten dollars, or whatever fits where you are.

Then over time, you want to keep pushing that limit as you have some profits coming in.

I like to get that stuff done in the mornings. Then I can start my workday.

Yanik: That makes total

sense. I wouldn't want anyone running off and spending \$1,000 tomorrow. Then they'll be thinking, "Oh my gosh! They took all my money."

How long do you let that run? How many clicks are you looking for before you feel pretty confident? I believe in keeping the
AdGroups very targeted
You can get up to 100,000
keywords or more for a single
merchant if it warrants it.

Tim: I don't like to spend a

fortune but I do like to get maybe 200 to 300 clicks before killing something. I start at that dollar and may check back in a couple of days.

Maybe I've spent ten bucks but maybe I've only gotten 20 clicks. They don't generally charge you the full amount of what you're bidding. Maybe it's costing me ten dollars so far. Then I'd probably lower my bid down to ten or twenty cents and let it get the rest of those 200 clicks at that lower amount.

On the flip side, though, I may have found a winner already in the first 20 or 30 clicks of another one. I was at that higher amount, got shown, and found that winner quickly. That's the logic behind it.

Yanik: With your model – direct clicking – are you ever worried that Google is

going to pull the rug from under you?

Tim: I can't imagine why they would want to. There are more and more

merchants that are asking people not to direct link, but that's still such

a miniscule number in my experience.

Yanik: Is that part of their terms of agreement for affiliates?

Tim: Exactly. When you join a merchant they'll generally have a T.O.S. of

some sort. They'll ask you to agree to those, of course, and if they say, "Please don't direct link. Please don't use our display URL in your ads," then you either don't run it or you put them on your site if you have

one.

Yanik: Do you do any review sites?

Tim: Almost. I can basically say I'm in the works. I'm putting something to-

gether, but not currently.

Yanik: I think that's pretty impressive: the \$100,000-a-month level. People

should be pretty encouraged by that.

Tim:

It is funny when I meet these other gurus who are having similar numbers to me and then I tell them that I do only direct linking. They say, "What? That still works?" They're pretty amazed.

I'm impressed with what they do as well so I continue to network with these guys. We share what works and what doesn't. Then we can both increase our businesses. It's kind of a good environment being on the Mayerick or other conferences.

Yanik:

Is there anything else? Are there any other tips and tricks for inside Google? When you said you expanded to MSN and Yahoo, is it roughly taking the categories and products that were working in Google and transferring them over?

Tim:

That's what I used to do. I used to put all the winners from Google over at Yahoo and Microsoft. Now with this software I told you about that we developed, that actually just outputs it in the format for all three.

Now I can write an ad once and it appears in all three places, which is pretty slick.

Yanik:

That is very cool. Do you have any other tips or tricks for Google stuff that people might want to know about?

Tim:

Just keep testing. Don't assume anything. Testing even the smallest change in the headline – such as adding a question mark or something little like that – can really improve click-through rate. It's definitely worth testing everything rather than assuming.

Yanik:

People who might be a little bit cynical may want to know, Tim, why you're sharing all this stuff about the direct-click linking and so on. Is it just because there are tens of thousands of affiliate programs out there?

Tim:

I've got 25,000 up and I'm only at one percent maybe. I can never get it all up. Even if I got it all up, there'd be so many more tomorrow so I don't really view anyone as competition. I feel kind of like, "Let's do this."

I've seen how it helps people in their lives, even having just a couple of hundred extra bucks a month. I guess I just enjoy helping people.

Yanik:

Yeah, and that definitely comes through. We'll talk about that. That's a key factor and part of our mission, too, as well as yours with Affiliate Lifestyle. I will usually start a bid at a dollar.

I like to get my results quickly and it allows me probably to outbid people out there, so more than likely lím showing if lím bidding a dollar. I may lose money but I get my results quickly.

I have a couple more

questions on Google. I'm sorry. I'm digging pretty deep on this. How are you choosing your keywords? Do you use software or tools to help you with that?

That's another thing I do wrong. Basically I just use my head.

Obviously I use the domain name if the merchant doesn't mind you using the

You can have an AdGroup thatis costing you \$100 and making you \$300 a month but there's a good chance that there's a keyword in there that's actually not performing and taking away your profits.

name of the domain. If it was RedShoes.com, I would bid on "red shoes" and I would bid on "RedShoes.com."

I would go to the site and see what categories of products they have. I try to do all this very quickly. I don't want to spend a lot of time at this stage. I scour the site and if they've got trail shoes and dancing shoes, maybe those would be good keywords.

It's just something I go through quickly and try to make a quick decision on, implement, and move on. Then, as I said, if that shows promise I come back and give it a lot more attention.

We gave people a couple of spots where they can sign up to the affiliates I typically find as I'm browsing around. Down at the bottom there'll usually be a link somewhere that says "Webmasters," "Affiliate Program," or something.

Or "Make Money." Just keep an eye out for that kind of thing. That's another good point you brought up, actually. There are affiliate networks like CJ.com, ClickBank, and so on, but there are also a lot of people who just run independent.

The independents are pretty cool. It's one more place to log in and one more check to receive in the mail so it can be a little bit more of a hassle. However, there's a lot less competition on these independents typically. I have found a good number of independent programs as well.

I assume that there are also some caveats for independent programs because they're not run by CJ.com. Our own stuff is independent and we've been running it for eight years now. I don't think I've missed a payment ever. Maybe we've been late two or three times by a day or two in that whole time.

That's a big deal. How do you figure out who's legit and who's not? Are you just waiting for them to pay you?

Tim:

Yanik:

Tim:

Yanik:

Tim:

I'm a little trusting. If I find that I'm spending an awful lot on a merchant and making a lot of sales, I might be a little concerned until I get paid the first time.

In general, though, I think out of however many thousands of companies, there have been only about two that haven't paid me. They basically just quit responding.

Who knows what happened to them or what their circumstances were? I guess you just don't worry about it. It's the cost of doing business if you do lose it; but it doesn't seem to happen that often.

With the independent programs, the other possible downside would be that sometimes they don't have tracking so you can't tell which keywords generated a sale. It's just a less sophisticated system sometimes; but not always.

Yanik:

Talk about the tracking a little bit. You want to track back from your AdGroup to know if we made sales of our Nike running shoes.

Tim:

I also want to know what keyword led to that sale. Was it "Nike running shoes" or "Nike running shoes discount"? What keyword created that sale is very important.

You can have an AdGroup that's costing you \$100 and making you \$300 a month but there's a good chance that there's a keyword in there that's actually not performing and taking away your profits.

Maybe it's breaking even. Or, of that \$100 spent, maybe \$50 of it is on a keyword that made no sales. It's good to identify that so you can either lower that bid or pause that keyword altogether.

Yanik:

How do you track that? Do you have to interface with the merchant?

Tim:

Yeah, generally when you log in to either the affiliate network or the affiliate program – if it's an independent – if they have tracking there's an area called "Sub I.D. Tracking" to look at. That will show you whatever unique identifier you put on each keyword.

Some people will just put the word. I actually use a numbering system which I can just match up with Google later. I can see, "Okay, Keyword 17 cost this much and made this much."

There are ways to automate some of that which I need to actually implement a little bit more myself. That's another If you're just starting in business, maybe build it into your business model. Just say that five percent off the top goes to charity. It could be ten percent or one percent.

Whatever it is, pick what works.

thing I do wrong. I don't have things run as smoothly as they could on the management side.

On the whole, however, it's a great lifestyle and the income is good. I can't really complain.

Yanik: How many people do you have in your

company?

Tim: It's me, and I have an

assistant who quite frankly has been doing more personal errands than helping with the business. I do have someone who does most of my ad writing, but that's more of an independent person. They freelance and

Now I work hard but I also

outsource a lot. I travel a lot. I go

down to the beach and enjoy the

beautiful weather here while it's

lasting. I just try to enjoy life.

do other things for other people as well.

Yanik: That brings up a question in my mind. You have this freelancer who's writing ads for you. He probably doesn't know exactly how much

you're bringing in but he knows, "Hey, this guy is having me write

thousands of ads every month," or whatever.

Are you worried that someone like that is just going to get up and do

something?

Tim: If he does, I'll find somebody else. It's totally fine. The bottom line for

him is that he gets guaranteed income. Granted, he could definitely

make more if he was to implement them himself.

The truth of the matter is he's okay with that guaranteed income. I pay him a flat rate per ad so he actually ends up making a pretty nice hourly rate, since he's found ways to speed up the ad-writing process,

as well.

Yanik: I'll ask you this and then I'll go to the ad writing stuff. What's your

opinion on why someone like that would stay in a position? Obviously

the guarantee is a security.

What do you think takes one person to say, "I'm going to do this on my

own"? This might be more philosophical.

Tim: I know where you're going.

Yanik: What do you think drives someone to do their own thing?

Tim: I don't understand it, but there's only a certain percentage of us who

are entrepreneurial and willing to take those chances. Other people are happy with the safety and no-risk environment of knowing what

they're getting paid for what they're doing.

Obviously, when I started out I was putting in some time and not really knowing how it was going to turn out. However, I took the risk and it's fortunate I did.

Yanik: Can you even imagine going back to whatever your regular day-to-day

was? I can't either. There are times, obviously, when there are ups and

downs, but it's....

Tim: It's okay.

Yanik: Yeah, absolutely.

Tim: I had to commute about an hour each way back when I was working a

real job. I don't miss those days.

Yanik: I get on the road. I live right outside Washington D.C. in Maryland. I

think it's the number-three- or number-two-most-congested traffic area. Every once in a while I forget that we have rush hour and I go out

somewhere, or I'm coming home on an airplane.

Tim: I'm in the San Francisco Bay area so I've got similar bad traffic. When I

do get stuck in it, it just reminds me that I don't have to do this every day. I really don't worry about it too much anymore. I kind of chuckle

about it.

Yanik: Yeah. I just think, "My gosh, I don't know how I could do this." If that

convinces anyone who's listening, it should be another reason.

Tim: Exactly.

Yanik: You mentioned ad writing. You have this guy writing ads. Do you have

any tips for writing the pay-per-click ads?

Tim: Again, I'll go back to testing everything. I like to capitalize a lot of the

words; not the little words but most of the words I try to capitalize in my ads. I've found that my click-through rate is generally better that

way.

I formed a non-profit a while back with an old friend. For the past several years we've been doing what's called a ibasket brigade. Around Christmastime we go out and distribute all the fixings for a home-cooked meal: maybe a turkey or ham and some fresh veggies.

Yanik: First letter capitals?

Tim: Yeah, the first letter of each word;

ter of each word; except for words like "to," "the," and little words. I find exclamation marks at the end often help clickthrough rate; but not always. Again, test that.

A question mark in the headline can help click-through rates at times. Punctuation is Punctuation is good, in my experience. I notice a lot of people don't use punctuation from Line 1 to Line 2. It'll be two sentences, but there's no punctuation.

good, in my experience. I notice a lot of people don't use punctuation from Line 1 to Line 2. It'll be two sentences, but there's no punctuation. However, I've found punctuation to be a good thing.

That's all that's coming to mind. Test everything and just keep testing it. Once you find the winner, go back and create another way against that. Always try to beat that control.

Yanik: Are you trying to use the keyword or key phrase in the ad at all?

Tim: Definitely. Since my AdGroups are very tight – the headline is usually very similar to what the keywords are listed there – that alone can in-

very similar to what the keywords are listed there – that alone can in-

crease your click-through rate incredibly.

If somebody types in "red shoes" and the headline says "red shoes" they're probably likely to click. However, if they type in "red shoes" and the headline says "athletic shoes," it's not quite as compelling.

Yanik: What about misspellings or anything like that? Do you bid on those?

There is value in misspellings but I don't put effort into that, honestly.

That's yet another thing I neglect. I'm going to release a report soon on

all the things I do wrong.

Yanik: Well, you're obviously doing a lot right or we wouldn't be talking; we

wouldn't have met like this at the Maverick stuff. I guess since we are talking about the mistakes, what do you think are the biggest one or

two mistakes you've made?

Tim: That's an easy one: not checking my stats often enough. I've actually

had single keywords cost me over \$1,000 with zero sales. Those could have easily been caught at five, ten or twenty dollars spent and then

turned off.

However, because I was out goofing off and enjoying life, I missed it. In the grand scheme of things, it really doesn't matter that I lost that \$1,000. It's still a reminder, though: "Hey, you should be in here a little

more often."

Tim:

Yanik: Or somebody should be.

Tim: Exactly.

Yanik: It doesn't necessarily have to be you. You're right. In the grand scheme

of things, that doesn't matter. Whatever you were off doing was prob-

ably more valuable.

Tim: More important.

Yanik: Exactly. Rather than sitting 24/7 in front of your computer. I definitely

want to get with you on your lifestyle before we conclude this interview. You've got a great one just like [Mike] Geary, who we talked with

in the last issue. He has an amazing one, too.

We're getting close to getting off the subject of moneymaking stuff. To get started with affiliate marketing, how do you compete against thousands of other affiliates? Do you need to have anything special or

is it simply, "I'm going to write a better ad"?

Tim: That sounded like two questions. I'll start with "How do you get start-

ed?"

Basically, you just go out and join some affiliate programs like we talked about: maybe CJ.com, ClickBank.com, ShareASale.com. Then you can either put a link or a banner on your site if you already have one.

Or you can go advertise that link at Google or Yahoo like I do. I've actually got a free mini course on my site, www.AffiliateLifestyle.com. It kind of walks people through that getting-started process. It has proven helpful for some folks.

As far as how to compete against other affiliates, are you asking how I

do?

Yanik: Yeah. When I talk to

people they think, "Wow. There are tens of thousands of people selling

whatever."

Tim: That's alright. I really don't

worry about it. I simply write a lot of AdGroups and I realize a certain percentage of them will be profitable. Then I'll pause or delete the unprofitable

ones.

I don't put a whole lot
of thought into the
marketplace...
I'm in pretty much every
marketplace you can imagine
within reason just because
I like being somewhat
insulated from economic and
seasonal fluctuations.

At this point, I'm kind of left with a nice grouping of programs that are profitable. They've been that way for months and even years. Once you find a winner, it's got some lifespan. Some of them have proven to be profitable for multiple years.

Yanik:

on't assume anything. Testing
even the smallest change in
the headline – such as adding
a question mark or something
little like that can really improve
click-through rate.

Now that you've been doing this for a while, do you have any guesses about what works better? Is it, "If I'm going to sell a how-to course, I think that'll probably work"? Or is it,

"If I'm selling a physical product"?

What's your gut instinct as you're looking at new products?

Tim:

That's interesting. A lot of things do well, but in general I have not done very well with live events. However, I've done very well with how-to things, retail goods, and digital e-books on any variety of subjects. Some membership Web sites are good as well.

That's another thing I should touch on: anything that's got a recurring element, like a membership Web site. Or maybe it's a nutritional product that happens to pay you a recurring commission each month if that person continues to order. That's always pretty cool.

My experience is that the average person sticks anywhere from three to four months on a membership-type recurring thing. With that knowledge in mind you can actually break even or even lose a little bit of money on that first month's sale. Maybe you'll spend \$200 to make \$150, knowing that you'll make it back in the next couple of months on the recurring element. Recurring is great.

There are actually some companies that will pay a lifetime commission. If you buy something today, or even get a free download today, and then order something a year or two from now, you'll get paid on that other product, even if they didn't come through you the second time around. That customer is already tagged to you.

That's a good way to plan for the future: with recurring products and/ or promoting things that have a lifetime customer program.

Yanik:

If you were going to maybe broadly say, "Well, I wouldn't ever touch this product," or "I would definitely try and go for this category of products," are there any categories that you think really are pretty much always going to work? Fitness, health, or... **Tim:** I wouldn't say always, but definitely health and fitness: it's not going

anywhere. Although I haven't done a lot with travel, I've seen some

promise there as well.

Yanik: Very good. Let's jump into the other two sides of our triangle here:

having more fun and giving more back. Talk about your philosophy on

lifestyle and how it relates to your business.

Tim: At this point, lifestyle is everything. When I was building my business,

I did try to have balance; but I definitely did not have balance at the

beginning. I found something that worked.

At the time, I didn't have a job. I'd had two lay-offs previous to finding my way into affiliate marketing. I was determined to not have to look

for a job.

Back in those days I would write ads all day long and could maybe write 50 ads if I was lucky. Then my brain would feel fried for the whole night and I was out of balance. I did that for a short period of time and got that income ramped up. Then I eased off of it a bit and

starting looking at other opportunities.

Returning to your question on lifestyle, now I work hard but I also outsource a lot. I travel a lot. I go down to the beach and enjoy the beauti-

ful weather here while it's lasting. I just try to enjoy life.

Yanik: What's a typical day look like for you, if there is one?

Tim: In a typical day I'll wake up, do a quick workout down at the gym,

and I'll come home. Probably three days a week I'll do some yoga, get

showered up and then begin the day.

I've also got different things sprinkled in there like a massage weekly and a guitar lesson weekly. It's just nice lifestyle stuff: things where I

can improve myself, relax, and what have you.

Yanik: What you just said about the weekly stuff is pretty important. I've

always found that if something is not scheduled, it's not going to hap-

pen.

Tim: Exactly.

Yanik: When I get out of whack

and out of balance it's because I haven't blocked off time or I haven't scheduled it in. When I schedule it and make it happen, it happens: like the guitar lesson and the massage.

Do you have any thoughts

on that?

For me, most of my things that
I need to schedule in I have to
schedule in the morning. If I
don't, then in the afternoon
it just seems like things can
get busy sometimes and other
things pop up.

Tim: I completely agree. I'm the same way. Things will pop up and take the

place of it if you don't schedule it. That's why I'm on a weekly with both of those folks, just to make sure it's scheduled and nothing else

can touch it.

Yanik: That's important. Are there any other fun lifestyle things you do? Obvi-

ously you do the Maverick trips when those come around.

Tim: I'll talk about that. The Maverick trips have been great. Oftentimes

I have wanted to go do things and most of my friends aren't able to

take the time off of work or out of their lives in general.

Maverick has been great for finding a new peer group: folks who have the time to go goof off. At the same time we're also learning from

each other, sharing ideas, and creating partnerships.

It's been great on a number of fronts. That's probably why I've been on

the first three trips. I'm three for three; it's obvious I love it.

Yanik: Is there anything else? Are there any other thoughts on how people

can create more fun in their own lives?

Tim: Schedule it, whatever that may be. If it's a new hobby, schedule in a

block of time. For me, most of my things that I need to schedule in I

have to schedule in the morning.

If I don't, then in the afternoon it just seems like things can get busy sometimes and other things pop up. I like to get that stuff done in the

mornings. Then I can start my workday.

If it's sunny out I can go out and enjoy the sunshine, knowing that I've already got a little bit of work done in the morning. Everything is flexible. In my day I try not to have too many appointments other than

that morning stuff. Just keep it open and free flowing.

Yanik: Let's talk about the third aspect: giving back. You said that the Affiliate

Lifestyle stuff you do at your site is only five percent of your income, so

it's obviously not a big money maker. You do it for different reasons.

I definitely have had some success and obviously want to help other people do similar things. There is just so much opportunity online. It's

really kind of hard to believe. I think it would be a shame if people

weren't aware of it.

My site has a number of resources on it, including the mini course which will help people get started online with affiliate marketing without a Web site. I participate in the give-back sessions on the Maverick

trips.

I also formed a non-profit a while back with an old friend. For the past several years we've been doing what's called a "basket brigade." Around Christmastime we go out and distribute all the fixings for a home-cooked meal: maybe a turkey or ham and some fresh veggies.

Tim:

There are no canned goods. We try to keep it different from what people might typically get as a handout. We've been able to reach up to 50 families each of the last several times. It's been a good thing.

I'd actually like to expand that into something more ongoing, rather than just being a seasonal thing. That's kind of in the works at this point.

Yanik: That's great. I didn't know about that. That's awesome.

Tim: We were inspired by Tony Robbins and his Robbins Foundation. He

talked about the basket brigade and how it impacted him as a child.

We read that story and it sounded good so we went with it.

Yanik: What do you think people could do? I think most people really do

want to give back and be philanthropic but they never get around to it

or there's never a good opportunity that presents itself.

It doesn't always have to be money, like you said. That's actually going out and doing it. What takes someone from thinking about it to actu-

ally taking action?

Tim: I think it's just making the decision to do it. If you're just starting in

business, maybe build it into your business model. Just say that five percent off the top goes to charity. It could be ten percent or one percent.

Whatever it is, pick what works.

If you do it from Day 1 you're going to grow with it. If you give away five percent of your first dollar it's not going to hurt you and you get

into that habit of giving.

Don't try to implement it later, like when you're making a million bucks and you're going to give away \$50,000. You've got a million – which is great – but \$50,000 might seem like a lot if you're not in the habit of

giving it on the way up.

Yanik: I could not agree more. The checks are hard to write unless you've

made it a habit. I've found that to be really important. Even people like

your accountant are saying, "Why are you doing this?"

Tim: Because you can.

Yanik: Yeah, and it comes back to you. That's great.

Do you have any final thoughts on any of the topics: making more

money, having more fun, or giving back more?

Tim: I think just people should decide what's important to them and then

take some action towards it. Don't sit around. It's not going to happen

on its own.

Yanik: Right. Do you have any inspirational resources, tools, people, or books

that have been really helpful to you in shaping your philosophies?

Tim: Funny enough, it's a book you recommended a year or year-and-a-half

ago to your list. It was The 4-Hour Work Week. That's been huge.

Yanik: That's interesting.

Tim: I do work more than four hours a week but it certainly inspired me to

do a lot more outsourcing. I enjoy my work. I continue working because I want to build this thing bigger. I don't continue working be-

cause I have to, honestly.

That's been a great book. That's all that's coming to mind right now.

That was huge.

Yanik: Very good. Maybe we'll get Tim out on one of our Maverick trips at

some point.

Tim: That would be great.

Yanik: We'll have to do that.

Alright, Tim, I really appreciate it. People should go check out www.AffiliateLifestyle.com to see what you're doing and all the free stuff that

you give away there.

Is there anything else?

Tim: That's it. I just want to thank you for your time and for considering me

for the call. It's been great and I look forward to seeing you at the next

Maverick trip.

Yanik: Yeah, absolutely. Thanks, Tim. I really appreciate all the specific advice

that you gave out. I know it's going to be really helpful to people.

For Support please contact - <u>MaverickBusinessInsinder.com/support/</u>

Maverick Business Insider is published only for paid members. All rights reserved. No part of this publication may be cited or used without written permission from the publisher. Copyright Maverick Business Ink, LLC. All rights reserved. www.MaverickBusinessInsider.com

Disclaimer: The author, publishers, contributors and creators of this newsletter are not responsible in any manner for any potential or actual loss resulting in the use of the information presented. The content of this publication is for informational purposes. No promise or guarantee of income or results is implied or suggested.

MAVERICK is a registered trademark of Maverick Business Adventures and used with permission.

Our featured Charity for this month is Frank McKinney's Caring House Project Foundation. If you read the "34 Rules for Maverick Entrepreneurs" book, you'll remember Frank's incredible interview on giving and philanthropy. We are proud to support the Caring House Project Foundation and you might want to consider it for yourself:



Caring House Project Foundation

"We are fortunate to be blessed with the ability to succeed not for our sole benefit, but so we may apply the result of our success to assist others."



Our Mission:

"The Caring House Project Foundation shall create projects based upon self-sufficiency by providing housing, food, water, medical support and opportunity for the desperately poor and homeless from around the world, particularly in the Caribbean, South America, Africa, and here in the USA."

In 1998, Frank and Nilsa McKinney founded the *Caring House Project Foundation* on the premise that stability begins at home. Without the most basic needs of shelter being met, there is often little hope.

Our mission has expanded over the years to include elements now crucial to a self-sufficient existence where the poor and homeless will no longer have to rely on government or charities to sustain and improve their lives.





Please help share our blessings with the world's less fortunate. Think of the deep satisfaction of seeing a village rise up out of the ground. Contemplate the incredible impact that can be made on thousands of lives, not just for today, but for generations to come. You can make a difference by donating as little as to buy a chicken or goat to feed a family. Or build a house for shelter or contribute to emergency food relief—won't you please join us by donating today? To donate, please visit www.frank-mckinney.com/donate.aspx

Caring House Project Foundation

PO Box 388, Boynton Beach, Florida 33425

www.caringhouseprojectfoundation.com www.frank-mckinney.com/donate.aspx 561-756-0335 or Kimberley@frank-mckinney.com

