

Underground Secret Society



Underground Secret Society Success Interview:

Andrew Lock

Confidential Information Strictly Reserved
For Yanik Silver's Underground
Secret Society Members Only

Yanik Silver: Hey everyone, this is Yank Silver. With me is Mr. Andrew Locke, who is part of my Millionaire MasterMind group and former Underground© speaker. Kind of reaching out, figuring out what is new and what he's got going on.

Originally you may have seen or heard about Andrew as the leading expert on eBay, and now, sort of under the radar, he's really developed a nice network of web TV shows, and we're going to talk about that and what's going on in that world.

So welcome Andrew.

Underground Secret Society

Andrew

Locke: Hi Yanik, how's it going?

Yanik: Good, good. So, give people a quick background on yourself. You know, eBay, TV - where does all this fit in together?

Andrew: It seems a bit of a jumble, but going back to when I was in England, the Motherland... (laughs) I was the manager, or a manager, of a celebrity named Paul Daniels, who is a household name over there. And that was my background. I guess he's like the David Letterman of the UK.

So I was very much involved in the entertainment industry and Paul had a prime time TV show every Saturday night on the BBC for about 15 years. When I joined him it was in the latter part of his career, but my role with him was really to promote what he did and my methods for doing that were really quite unconventional. And that was very much a team effort because he himself was in that mindset too; of coming up with, you know, unconventional ways to get him to stand out from the crowd.

So it was a fascinating time and experience, and that's always been in my background and very much influential in terms of the other things that I've done.

But as you mentioned, when I moved to the States I kind of got a name for being an eBay expert, and truth be told that really wasn't a label that I had ever desired. (laughs) It just kind of happened. Because I created a system for generating leads, and a very quality type of lead, on eBay. It was a very unusual way of using eBay. For that reason it got a lot of retention and I kind of got that label as "The eBay Guy." The reality was that this was a system that I had discovered and implemented and it was very successful and I wanted to share it with people, you know, because it was very cool and it still works.

It was a tool that I used in my own business, which I was involved in other areas completely unrelated to internet marketing, but I shared that system because I wanted other people to benefit from it. So as a result of that I got this label of "The eBay Guy." And I was a bit frustrated with that because it wasn't representative of what I was doing. But I kind of reached that point where I really wanted to move away from being known as that, because I didn't feel it was really where I wanted to be, and I did a couple of things.

Underground Secret Society

I read a book...well, it's not really a book to read, but I did a test called "Strength Finder 2.0". As you know, it's a book that you buy, but in the back of the book it's actually a test. And you go online to take the test. It's based on 30-something years of research by the Gallup Organization. But it's a very, very comprehensive test.

And what it does, it identifies what your key five strengths are, your core strengths. The principle of it is that it's much easier to work from a position of strength in business rather than trying to develop areas that you're weak in, which a lot of people do. And that made a lot of sense to me.

And so when I discovered those strengths it really got me sort of going retrospectively back to where I'd come from, you know, my roots, in terms of...you know, I was an expert in TV production. And I was also an expert in unconventional marketing, helping other businesses to stand out apart from the crowd.

Yanik: Right. And your first show, I think, and correct me if I'm wrong, was "Help! My Business Sucks!".

Andrew: Right.

Yanik: And we kind of brainstormed and tossed that around in MasterMind and you went out and did it.

Andrew: Yeah, you're right. It was born in the MasterMind group. You know, actually, I think someone in the group came up with the name, which has been an awesome thing, because obviously the name is very important and that name in itself stands out from the crowd. When people see the name and they see the logo, that alone helps people want to watch the show.

So yeah, the show was born in April of 2008. And it's a weekly show, it's still going. I've never missed an episode. And that show is...well, I could give the website. It's www.helpmybusiness.com. And that was the purpose of the show really, to bring something different to the marketplace to help entrepreneurs and small businesses to stand out from the crowd in whatever it is that they're doing.

Yanik: Okay, so what are the kinds of trends that you see coming together that make this TV – web video TV – more and more exciting for you?

Andrew: Well, I really do believe that it's a gold rush time. A few things have happened.

Underground Secret Society

First of all, the technology became available in terms of actually just displaying and being able to display high-quality video online. And YouTube was of course the first major site that publicized to the world, “Hey, you can now watch videos online in a video player larger than a postage stamp size!” And as long as you’ve got a decent internet connection – broadband rather than dial-up – then you can watch it in a smooth motion rather than the jerky small video that we had been used to.

So that was one of the main things – the technology enabled us to do it. And also, the other factor was that with sites like YouTube – and YouTube was the first but there’s been proliferation since YouTube, sites like Viddler, Blip, Veo as a few examples – that was the other side of the equation, was that these sites offered to host and store the video and also make it easy to display the video on your own site for free, and prior to that it was *extremely* expensive. I mean, I don’t know if you ever dabbled with any video before that but it was really cost-prohibitive because the bandwidth charges that hosting companies were asking were just ridiculous.

Yanik: Yeah. So now bandwidth has gotten cheaper, speeds have gotten faster, the production cost has gotten lower...

Andrew: Yeah, all of those things combined to make this happen for anybody, really, that wanted to get into it.

So the other thing, that is happening still – it’s still a transition process – is awareness. And now that you’ve got sites like Hulu.com gaining in popularity – Hulu, as you know, you can go on and you can watch pretty much any major, popular TV show online, and that’s really helped web TV in general. And it’s such a cool thing. It’s minimal commercial interruption. And that’s helped to educate people about the fact that you can watch high-quality video online, and it gives people other options.

So, you know, there are actually five key benefits to web TV that I can go through if you like.

Yanik: Yeah, sure.

Andrew: I think it’s interesting to note because web TV is never going to be a replacement altogether for traditional TV. I can’t see that happening in my lifetime. But the reality and what’s exciting is that web TV actually provides a number of benefits that make it better in some ways than traditional TV.

Underground Secret Society

So it's not "either/or", it's "both". Both mediums have value, but when you consider what the value of web TV is I think it makes it very exciting, especially for the small business owner. So I'll mention those.

First of all, the first key difference is that viewers can interact with other viewers and also the presenters of the shows. So, you know, you can't do that with traditional TV. There's no way to comment on a show that you watch on TV through the TV. Whereas with web TV, you're watching the show on a website, and usually immediately below the show you can leave comments, you can interact with other viewers, and sometimes even the presenters, too, if they want to talk back to you and share comments, then you can do that. So that opens up, obviously, a whole new world of possibilities. That's number one.

The second one is that there are no geographic boundaries with web TV. With traditional TV, obviously, if you think about the major networks in the States, like NBC, ABC, Fox and so on, they are limited by the geographic constraints of the United States. They can't broadcast outside of that area, and obviously local channels are even more restricted. But with web TV, you can – if you have a show – you can reach anyone with an internet connection, anywhere in the world. So the audience size is dramatically larger, and I think that's pretty exciting.

Yanik: Yeah, that is pretty exciting.

Andrew: The third difference is that there are no commercials, or interruptive commercials I should say. Obviously on some sites like Hulu they do have commercials, but it's usually one commercial every ten minutes or so and it's just 30 seconds. Viewers hate commercials on traditional TV. On my show there aren't any commercials, and that applies to most web TV shows online. And so again, that's another benefit for viewers because anyone that has a TiVo-like device fast-forwards through the commercials because they interrupt the enjoyment of the programming.

Yanik: I wonder how long that's going to last, but we can talk about that later.

Andrew: I think the point is that you get to decide. And for now, like I say, Hulu does have minimal commercials. It's much more enjoyable to watch a show, I think, on Hulu than traditional TV for that reason. But the power is in the producer's hands. You know, if it's your show, you're going to get to decide whether you'll have commercials or not.

Yanik: Right.

Andrew: And knowing that viewers hate commercials, I chose not to. So again, I think that's another benefit to viewers.

Underground Secret Society

The next thing is that there are no schedules. So with traditional TV, if you have a favorite show that you like to watch unless you have a DVR or that type of device you have to watch that show when it's broadcast. So if it's on at 7:00 at night and you're still working at 7:00 at night then like I say, unless you can record it, you have to watch the show then.

With web TV, all the shows are "on demand". So it puts the power back on the viewer because they get to decide when they want to watch it. If someone wants to watch a show at 3:00 in the morning, then they can. Which again, I think is really cool because it puts the control back in the hands of the viewer so they can watch the show whenever it's convenient for them.

I think that's the five key benefits. Again you can see that it's not a case of "either/or" compared to traditional TV. It's that web TV adds more options, and it brings something different to the table.

Yanik: Well let's dig into this a little bit, Andrew. You know, we can't really talk about web TV without mentioning a guy named Gary Vaynerchuk, who is just setting the world on fire with a TV show on all things about wine, and he brings a really great personality to it.

Now, he does a daily show. What do you suggest for web TV schedule ... daily; weekly...does it have to be consistent? What's your take on that?

Andrew: Well, you know Gary – Gary really did blaze a trail with web TV. There's no doubt about that. And in terms of frequency, it's a very important consideration because...well, the principle behind it really is that whatever you decide, whether it's daily, weekly or less frequently, like twice a month or something like that, you have to stick with that rigidly, especially in the early days when you're building an audience, at least for the first year.

If you say that you're going to do a daily show, and it becomes intermittent then you will definitely lose a lot of your audience because people – you know, they'll go to the site and it's not there, and the natural assumption is, "What's the point of me coming back? I don't know that there's going to be a new episode."

So with Gary, he structured it in such a way that first of all, he knew that he would have plenty to talk about, even though he reviews three wines each day. And for people that aren't familiar with his show, the URL is www.winelibrarytv.com, and it's about 20 minutes each day. So he knew that he had plenty to talk about. He was never going to run out of topics or subjects to consider, because that was the structure of the show: reviewing

Underground Secret Society

three wines and each year there are new batches of wine in addition to all the historical wines that are already there. So that was one indication.

The other one was he knew that by recording the show just with one camera in his office, that simple style of production could be duplicated, if necessary, when he traveled, which he does too sometimes. So...

Yanik: Yeah, those are all important considerations.

Andrew: Yeah, so he thought it through. Another example is John and Hubert from the MasterMind group from TradeTheMarkets.com. They do two videos a day. They do a five-minute version and they do a ten-minute, a longer version every single day. And both Gary and John and Hubert say that it's a major pain to do the video. They both say it was a good idea at the time, but in hindsight, they didn't realize the extent of the commitment.

You know, what happens when you want to go on vacation? What happens when you're ill? Things like that, which means that you have to stay ahead of the game and...it's a huge commitment.

So that's the biggest thing to think about in terms of the frequency. And on that, I really don't think there's a right or wrong frequency. I think that there are certain types of shows that probably lend themselves more so to doing them more frequently than other shows and to doing them less frequently.

But the main thing is that whatever you decide you have to stick with it and be relied upon, so that when someone does go to your website and you promised to have a show that it is there on the frequency that you say it's going to be there.

Yanik: What would you tell people...because in the early days, and Gary even talks about this too, there weren't very many viewers and it might be a little discouraging to keep creating great content on a consistent basis when you don't have that many viewers. So what's your insight on that?

And then the flip side of it – how do we start getting more viewers obviously? How do we start building that audience?

Andrew: That's a really good point. In the early days, that's why there's a commitment, because you really want to start this show with the knowledge that it's going to take a while to build the audience.

There are ways to kind of encourage that growth, obviously by trying to do joint ventures and sending the show out to other blogs that cover

Underground Secret Society

similar topics and things like that. And if the content is good then likely they'll recommend it.

But it is a good point because you need to have that commitment. And that was the same with my show; it was the same with Gary's show; the same with anybody's show. Even if somebody already has a following it still takes a while to build up the audience. I think in most cases it takes probably, at least four to six months to really get some traction there.

But the interesting thing about that is that when someone discovers my show, I know for a fact that a large percentage of those people that come across the show for the first time do go back and watch the past episodes.

So the way I viewed it (and view it now) is that creating all those weekly episodes, all that content in the past when I was first getting going with the show, I knew that that content was something that I would be able to leverage in the future, and that has happened. I get many, many emails from people every week to tell me that.

They'll say, "Hey, I discovered your show and I'm just in the process of watching all the past episodes." And that's a very positive thing, because not only is the content not going to waste from those early days, but also it is helping to solidify their relationship with me, especially if they've never come across me before, it helps the process of them getting to know, like and trust me. So I view that as a really positive thing.

It's an investment, doing those early shows, because the results don't pay off for some months. But you just have to have confidence in your own topic and a passion in the topic so that you stick with it and you don't give up.

Yanik: Yeah, okay. So let's talk about some of the ways that maybe we can get a bigger audience. You talked about joint ventures, attracting other bloggers, maybe having them link to us. Is there anything else that you might suggest? Are you at the top of the iTunes business section still?

Andrew: Yeah, not specifically business, but within iTunes there's a subsection of tens of thousands of what iTunes calls "podcasts", which is really an inappropriate term these days, but it's kind of stuck.

So in the section called "Management and Marketing" – I don't know why they put those two together... (laughs)

Yanik: (laughs)

Underground Secret Society

Andrew: ...which is weird. But in that section I'm in the number one. So, I'm above offerings from Harvard Business Review, Business Week and Advertising Age, some big companies.

Yanik: That's pretty impressive. So let's talk about how you built up your audience and how you got that high on iTunes.

Andrew: Yeah, if I may blow my trumpet for a minute, in the business section I'm actually in the Top 10. I share with Top 10 with Oprah Winfrey, Jim Kramer and Suzie Ormond.

Yanik: Not too bad.

Andrew: That's pretty cool, yeah. I think I'm number six right now, but it fluctuates a little bit.

So, the interesting thing about iTunes is that iTunes is obviously a huge force in the marketplace which is kind of overlooked by a lot of business owners, definitely overlooked. If you look at the number of people that own either an iPod or an iPhone, those people all install iTunes ...that's the software that you use to interact with those devices. So that represents multi, multi-millions of people. I don't know what the exact number is, but obviously those devices are the most prolific.

The other thing is that software is available to anybody. You don't have to own one of those devices. You can just download the podcast or video show, which is video or audio, to your computer.

The point I was trying to get to was that the audience that comes from iTunes is an audience that largely hasn't been exposed to the world of internet marketers, and I think that's a really good thing because what happens when people discover my show through that channel of iTunes, they tend to be fresh blood; you know, they're hyper-excited about the possibilities of marketing and business and they're not jaded – they haven't been spammed to death by...I'm using the word spam...

Yanik: Yeah, yeah, yeah.

Andrew: ...but you know what I mean. They haven't been emailed to death by multiple, multiple people sending out the same offers on the same day, which I hate, so they're very, very good customers. They're enthusiastic, and when they discover the show they tend to be very loyal, and they buy whatever it is that I suggest, and that's largely due to the fact that on a weekly basis they see me and hear me, and also read stuff that I send out.

Underground Secret Society

So with all of those aspects combined, that's really the main reason why web TV is so effective at building a loyal audience, regardless of what business you're in.

Yanik: Okay, so let's talk about maybe a couple of the nuts and bolts. People listening to us might be like, "Okay, it sounds kind of cool. Maybe I do want to start my own web TV show."

What kind of...I know you've got a high-end studio that you built in Salt Lake, but if we want to do it more on the frugal side, I guess, what's the minimum equipment we need and what's your take on guerilla versus professional style?

Andrew: Well, I always like to compare my show with Gary Vaynerchuk's, because I think it's the two kind of opposite ends of the spectrum. Obviously both are successful, and really that's the point. That proves that you don't have to do it a certain way.

So as you said, my show has a high production value, it's recorded in a studio, and everything about it we've tried to make very high quality. There was a very simple reason for that, and the reason was that I knew how to do that – that was my background. I came from a production background and it was no big deal for me at all to...that was how I knew best to create a show, to do it in a professional way.

And it was a strategic decision as well because I knew that if I did produce the show in that way then it was also a way to help me stand out from the crowd, almost like a unique selling point because I knew that my show would look and feel much different from any other show that was out there. So that was why I went that route.

If you look at Gary's show, he uses one camera. It's on a fixed shot pretty much always – it's not a tripod, there's someone there, but pretty much the shot stays the same for the entire 20 minutes of the show. And it's recorded in his office, there's no fancy set, and so it's a very good contrast because it's the other end of the extreme. And so really, I've explained why I did the show my way, and if someone listening to this or reading the transcript knows how to do it in that way, then do what you know how to do.

But I think the main point is that technology should not be a barrier of entry because you can buy a high-quality web camera for example, from LogiTech or Creativ for under \$100. It just needs to have a resolution of at least 640X480, and most of them are higher than that now. And it needs to be able to record 30 frames per second, which again most of them do now.

Underground Secret Society

If you have that and you have a high-quality microphone plugged into your computer, something like...well, any well-known brand, a Sony or Samsung makes some really good ones for podcasting. I have one on my desk here, the model is called CO1U, and it's a nice USB microphone.

And also give attention to the amount of light, because most people, the room that they record in is too dark. So an easy way to solve that, a solution on a budget, is to go down to your local hardware store, Home Depot or whatever, and buy one or two of those cheap 500-Watt floodlights. I saw them locally for \$5 the other day. Unbelievable.

But point them directly up towards the ceiling so that the light bounces off the ceiling. Never point them directly at you because it'll just wash out and overexpose your face. So point them up at the ceiling and the reflective light will greatly boost the light in the room.

If you have a window you'll want to close the curtain – you don't want to have the two different types of light. If you have daylight and artificial light together you get a weird color temperature which makes you look odd and the environment looks odd.

So try as far as possible to have either/or – either full, natural daylight, being in front of the window so that the light is coming onto your face, or close the curtains and have all artificial light with the natural room light and the lights that you've purchased bouncing up at the ceiling and that will greatly help.

So the biggest things that shout “amateur” are poor quality audio and not enough light. Those are the two biggest things.

Yanik: Let me take this in a slightly different direction. What about shows, subject matter, titles – how do we come up with an idea that you think has some legs to it?

Andrew: Well, personally I think it's really important to not cover a topic where you see that there's money to be made primarily, but that you – and Gary says this quite passionately and I totally agree with him – go after subjects that you are personally interested in and even passionate about.

I've seen some people kind of jump on the bandwagon, so to speak, and they start doing a show about a subject where they think that it's a “hot topic”, and they don't have any personal interest in the topic and of course, the show fails. Because after five or six episodes, they're not interested in it and they're obviously not getting the audience as fast as they thought they would, then it all fizzles out.

Underground Secret Society

Whereas if you're passionate about a topic naturally and inherently, and it's the kind of thing your friends have to shut you up about when you're spending time with them, that's perfect because you're not going to get bored with it. The passion's going to come across, and people know – if someone's not passionate about a topic the audience knows automatically. It's obvious.

So that, I think, is the biggest implication. You mentioned the name, and I think the name is very important because that gives you an opportunity to stand out from the crowd, to get attention. And like I said, with my show, "Help! My Business Sucks!" – when people see the name, that alone prompts many people to check it out and I get many favorable comments about that name.

So it's something to consider carefully. You know, I think the name, to some extent, should convey what the show is about, too. That's my personal view. It's pointless having a name that is just a quirky name that doesn't really mean anything. I've seen a few shows like that, and you have to start watching the show to figure out what the show is about, and I think you're likely to lose a lot of viewers that way.

But the great thing is that any niche specialist topic can be covered because you have that large audience available to you. On traditional TV it just wouldn't be even remotely possible to cover the type of topics that we're seeing on the web because it's not cost effective.

There are all kinds of niche topics that they would never produce TV shows in traditionally because it just isn't feasible, whereas now, with this large audience of anyone with an internet connection, it is feasible and you can get a large audience. So that, I think, is very exciting.

Yanik: Yeah, that is pretty exciting. I love the fact that you can go so deep and very specialized. You can find the people that are into...I don't know...modding their Honda Civic by taking Honda Accord engines out or whatever.

Andrew: Absolutely.

Yanik: Never would you see that on broadcast. We've got it here and we have 500 ridiculous channels, but still you're never going to get that deep.

Let me go a different way then. Once you create your show, would you suggest people host it on their own site? Do you host on YouTube or Vimeo or Revver or some of the other ones you mentioned?

Underground Secret Society

Andrew: Well, I always suggest that people create their own website as a showcase for the show, and the platform that I recommend is WordPress because it lends itself to doing that, it's very easy to set up, it's free, it's robust, obviously it has that commenting built into it, as well as all the plugins and so on that you can get for WordPress now.

I'm a big fan of WordPress and you'll find that most web TV shows do use WordPress for those reasons. But in terms of the actual video, for each episode there are a number of options. You mentioned some of the options, YouTube being the most well known. I use a service called Blip.tv and I really like them. It's not to say that it's the best for everybody.

I actually started out using a company called Viddler.com. Both of those are free incidentally, and they're like premium versions of YouTube. The problem with YouTube is that...well, there are a couple of problems.

One is that because they were the first, they tend to...they've got a bit bloated in terms of their technology and their content. The bottom line is with YouTube the quality isn't as good as with some of these other channels.

The other thing about these other channels or networks where you can upload your videos for them to host is that they actually tend to seek out and they want to promote episodic content. I think that's how you say it.

So any proper web shows that have higher quality content are a better fit for the services like Viddler and Blip and Veo and Revver and those types of services because they will actually promote your show on the site as well.

For example, on Viddler and Blip my show often appears on their home page and you'd never get that on YouTube. And the quality is better.

So as a quick kind of technology reminder, all you have to do is register a free account with any of those services and upload your video. They'll give you some HTML code which you then paste into your WordPress site or your blog or whatever, even just a website. Then when the page loads, the video is pulled from their side of things and appears on the page just as if it's in your own website.

Like I say, I've used Viddler and Blip over the period of the last year and a half and they're both good services and I've never had a problem; they've both been 100% reliable. It's a beautiful thing to be able to have other people care for that technology side of things, and it makes the whole process so much easier.

Underground Secret Society

Yanik: So Blip.tv , or Viddler, do they insert ads or sponsors into your own videos? Or is that for a free version, is there a premium where you don't get that – how does that work?

Andrew: Well that's a good question, because that's actually the reason I moved away from Viddler. Each of these services has a slight variation on a theme and basically they're all free. And the difference is whether they force you to display ads or whether you can choose to display ads.

With Viddler, what happened was when my show started to gain a lot of traction and a lot of viewers they started putting ads in the show. And so it was very confusing to viewers because they'd be watching the show and up pops this graphic from the bottom, talking about something that was completely unrelated to the content of the show. So I approached them.

What I should also explain is that with this concept, all of the services share the revenue of ads. So it's not as if they're just taking all the revenue and putting the ads on your show, they actually share the revenue, which is fine.

But I approached Viddler and I said, "The ads themselves, I don't mind, but they're just completely irrelevant and that doesn't make sense. So if you can put more relevant ads on the show then I'm fine with it."

At that stage it was early days and they really didn't have a lot of choices in terms of the ads that they had. A lot of viewers were complaining, so that's when I made the switch to Blip. And the difference with Blip is they let you choose whether to display ads.

So if you want to have ads and you want to have that split of the revenue, which is usually 50/50, then they allow you to choose. So I like both of those services. Viddler has some benefits that Blip doesn't and Blip likewise, you know, vice versa. I don't think there is one particular best facility to host the videos that is better than anybody else. But those are the two that I've used and I've been happy with both of them.

But that's the situation with ads right now. That may change eventually. None of them at the moment are forcing you to have pre-roll ads, which are ads at the start of the episodes. I really don't like those because stats have proven that at least 25% of prospective viewers will click away from the video if you force them to watch even a short 15-second ad, pre-roll ad before the content plays.

So that's the main reason – apart from the fact that I personally don't like them – that's why I opted not to have any ads at the start of the show. I

Underground Secret Society

don't have any ads at all within the content of my show. It's all...the revenue is driven from sponsors within the content of the show.

Yanik: Right, that's actually where I wanted to get to, because it seems like we're almost going back to...you know, you look back at the original TV model, it was, "This is the Betty Crocker Cooking Hour" or something. I forget who the original sponsors were, but it was one sponsor, one show.

Andrew: Kellogg's were a big television sponsor. You're right; it is kind of coming full circle. The interesting thing about that model is that it works really well because it's good for the advertiser; it's good for the producer of the show, and it's good for viewers. So it's kind of got me wondering why it ever changed.

But I think it probably is due to the fact that there's more potential revenue when you have multiple spots within that block of ads that appear in the show.

Yanik: How does it work for your shows right now and what would you suggest people do if they're going to...

Andrew: It works really well because at the start of each show I say, "This episode is made possible by" whoever, and I name the company. And then within the content of the show I talk about the sponsor's service or product.

Yanik: Do you talk about it in a commercial-type way, or is it almost like a product-placement way?

Andrew: It's probably somewhere in between. It's clear that it's the sponsor. I'm not trying to deceive anybody. Typically I'll say something like, and this is in the middle of the show somewhere, I'll say, "I just want to take a moment to thank our sponsor for this episode", whoever, and then the other interesting thing that I do is that I always try and...well, a couple of things to mention.

One is that I only accept sponsors who I personally know and like their product or service. Because I feel that there would be...it wouldn't be right to recommend something that I personally don't like because it is me recommending it.

The thing about it is when it's done in that context, within the middle of the show, within the content, it's not content, then ad, then back to content; it's all perceived as content from the viewer. That is very, very effective. And what I try to do with sponsors is get them to give some kind of benefit to viewers that they wouldn't normally give out.

Underground Secret Society

So for example it could be an extra discount, it could be some free training videos; whatever it is, I try and get sponsors to provide some value to the audience.

And because I do that in most cases it helps that section of the show to be viewed as content rather than an ad.

Yanik: Right.

Andrew: And as an extension of that, when I say that, that really is the case. People do view it as content, even though I say, “I just want to thank the sponsor”, and because I’m offering some benefit to the viewer they still view it as content.

That’s why I say that it’s very effective for me because I don’t have to have ads, it’s effective for the sponsor because it effectively is an ad, but it’s not viewed as an ad. So because it’s a third party endorsement from me to the viewer it is perceived in a much more serious way and it’s much more effective. It gets results. It’s a personal endorsement from me rather than content and then a separate ad.

And like I said, it’s also good for the viewer because they don’t view it as an interruptive ad. They just think they’re viewing part of the show.

So for all those reasons, I love this particular way of monetizing the show. It just works extremely well.

Yanik: And how soon would you approach a sponsor? How do you approach them? How do you set a price?

Andrew: I think you can approach them whenever you’re comfortable. I think I...thinking back to my show, I implemented sponsors after about four months, maybe. Something like that.

Yanik: Were you just using affiliate offers before that?

Andrew: Yeah. In fact, for the first couple of months I didn’t have any offers. I just promoted my own products.

Yanik: Okay. That makes sense.

Andrew: And I did that in a very low-key way. It wasn’t aggressive, you know, sales messages at all. It was very much again part of the content of the show. And then people watching the show, they can see how I do that even today. I don’t overtly pitch anything within the show.

Underground Secret Society

But coming back to acquiring sponsors, it's very simple. All I did, and do even now, is approach companies with products and services that I use already and that I like. I tell them about the show, I invite them to watch it. More often than not they really like it. I remind them who my audience is, and in my case the audience is 100% entrepreneurs, which is obviously the right type of demographic for the associated products that I'm inviting them to offer. Then just invite them to try a few episodes of sponsoring it.

And the nice thing to sponsors too, is that going back to what I said earlier, when people discover the show they tend to go back and watch the episodes. That again is a beautiful thing for sponsors because their message isn't being viewed one time for one episode. Their message is viewed many, many, many, many times over and over again throughout the course of at least a year because of all these people that go back and watch the past episodes. And the sponsor's messages are embedded in the content of each episode.

Yanik: That's true. And the pricing, how do you come up with pricing?

Andrew: Well, pricing, you know, there was no kind of model for me to follow, because when I started there really wasn't anyone else that had adopted that model. So I just dreamt up some pricing.

Initially, I started out at, I think, \$1,000 per episode. And now it's up to \$5,000 per episode.

Yanik: That's just grown as your audience has grown, I assume.

Andrew: Yeah, it's per episode, which in my case is per week, and we're also now going to have multiple sponsors within each episode: a headline sponsor and then a couple of subsidiary sponsors. That's our next plan.

There are other people doing this now so it's a bit easier to gauge, but a lot depends on the industry you're in.

Yanik: And how high on it the audience is.

Andrew: Yeah, and other factors. From what we've said already it should be fairly obvious to find a sponsor, a company that really gets this. It's a very valuable thing to them, because they can reach 100% of the perfect target demographic.

You know, if you do your homework and you develop relationships with companies that have products that are a good fit, then because it's such a

Underground Secret Society

niche show, whatever it is that you're doing, it would certainly be a very good fit for certain products and certain service.

Advertisers really like that, because in most cases – say, a newspaper ad – a tiny percentage of readers are going to be the right demographic, whereas with a niche show, 100% of the viewers are going to be the right demographic for them.

Yanik: Right. And I guess you can also get the third party credibility, as far as Blip.tv gives you how many people watch the show and so forth.

Andrew: Yeah, that's right. Another thing, you have to be patient in the early days. But if you can really stick at it and develop the show and develop the audience and just plug away at that then you're building a valuable asset continually.

And there are a lot more ways to make money than just having the sponsors, you know.

Yanik: Right and I know you have an entire course on it. Actually, this might be a good time to wrap up here.

You've got two interesting things going on. You've got A) a network of business shows, which is GotBiz.tv, where you've started with a small stable of shows where essentially the tagline is "Business doesn't have to be boring" and it's worth people checking that out.

And then you have a resource for aspiring web TV producers, and what is that Andrew?

Andrew: The website for that course is www.StartYourOwnTVShow.com.

Yanik: So StartYourOwnTVShow.com, and obviously way more than we can cover in this hour that we have together.

Andrew: Yeah, it goes into a lot more depth. I would just encourage everybody to, whatever business you're in; seriously consider creating a regular show, whether it's daily, weekly or monthly. Have it aim at helping people within that topic, that field, that niche, because like I said, it is a gold rush period. And I firmly believe that anybody who establishes a show now will be guaranteed to win long-term if you keep at it, because you'll probably most likely be the first in your marketplace.

There are broad topics right now that don't have any kind of web TV show. And this is a trend that isn't going away. Just like traditional TV is never going away, this is just another medium for delivering video content

Underground Secret Society

in a high-quality format that many people absolutely love. So it's not going anywhere. It's not a trend. It's not a fad, I should say.

It's a trend that's a steep graph upwards in terms of popularity, and I see no reason why that won't continue.

Yanik: Yeah, I agree. Hey, thank you so much. I think this has been really insightful. It's given me a couple of things to think about, like Yanik TV. I think I actually own Yanik.TV, so who knows what will happen with that.

And I invite people to check out your show. Check out the site, "Help! My Business Sucks!", check out GotBiz.tv, and of course HowToStartYourOwnTVShow.com. So thanks Andrew, I appreciate it.

Andrew: Oh sure, it's been fun.

Yanik: Okay, I'll talk to you soon.