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**Name:** Jonathan Mizel

**Industry:** Internet Marketing

**Website:** [Traffic Evolution](http://Traffic Evolution)

**Product:** [www.marketingletter.com](http://www.marketingletter.com)

**Jonathan Mizel's Bio:** Originally an insurance salesman and direct response copywriter, Jonathan Mizel quickly became an internet marketing legend since going online in 1993. He had one of the first marketing coaching clubs ever and he's consulting for several Fortune 500 companies including Microsoft, Disney and Intel. That's only for starters.



Jonathan Mizel

*Interview Transcript Below.*

**David Jenyns:** Welcome to another call from [www.theseomethod.com](http://www.theseomethod.com).

David Jenyns here and I'm extremely lucky, honoured and privileged to be chatting with, I suppose you'd say, one of the legends of internet marketing, Jonathan Mizel.

Now for those of you who don't know, Jonathan Mizel first got started in insurance sales way back then and did a lot with the Direct Response agency. That's where he learned a lot of his copywriting skills. He was online back when Bbs were around. He started really marketing online in 1993. He had his own marketing coaching club, he would have been one of the first where there were the likes of John Reese and Marlon Sanders.

He was pretty much one of the founders of internet marketing. He's built many million dollar businesses, consulted with quite a number of Fortune 500 companies including Microsoft, American Express, Intel and Disney. He's been doing paid media for about five years. At the moment it's starting to bubble up, but Jonathan Mizel's been doing it for ages.

He's been underground though. I haven't heard a peep out of him for the last few years and he's just popping his head up now. I heard about his new course, Traffic Evolution from Keith Baxter who mentioned that Jonathan was one of his mentors. So that speaks volumes. He's over in Maui in Hawaii now and I'd just like to welcome you to the call. Are you there, Jonathan?

**Jonathan Mizel:** I sure am, thanks a lot.

**David Jenyns:** I'm excited to have you on the line. I'll just dive straight into it. A lot of my guys work with search engine optimization. It's definitely a great place to start when you're getting online, getting that initial traffic, just learning the basics of the way keywords work and just online marketing. But I know you've got a really strong skill set at the moment, especially with the media buying. Can we talk a little bit about comparing SEO versus paid traffic?

**Jonathan Mizel:** Yes, absolutely. First of all I want to say I am a huge fan of search engine optimization and I am also a fan of free traffic. I think that a lot of the methods that are out there regarding optimizing your pages and getting your sites in Google and other search engines, are really fantastic. That's especially for people just getting started. This is a way to get traffic that is relatively high quality, for free.

The big difference between SEO and paid traffic, and when we talk about paid traffic, I'm just going to exclude from the conversation Google AdWords, that's it's own separate animal. The big difference is that there are huge amounts of advertising inventory out there, whereas when you're



**Jonathan Mizel (continued):** trying to do search engine optimization you're really limited to the keyword volume that your niche actually has. So for example, if you're going into weight loss or something, or belly fat, let's just say that is the word you're going to try to optimize for, is lose belly fat.

I'm sure there is a lot of search volume on belly fat but there's not an unlimited amount of search volume for that phrase. In order to get ranked for that phrase, it's really determined by how many people are looking for that particular phrase, that particular topic. Where paid media starts to shine, once you have an offer you know works, once you have an affiliate offer, or you have an offer that you've developed yourself, your own product, and you have some idea what visitors are worth and what kind of conversion rate you're going to get and you understand your metrics and your numbers and you've done some testing and some tracking, once you get to that level, you get really frustrated with SEO.

You just can't get more than the traffic that you've been getting, based on the number of people who are searching for that particular phrase. Then divided by all the other competitors that you have and all the other paid listings and all the other stuff. Really, where paid traffic comes in is, it allows you to evolve your traffic generation from just whatever comes in, based on search engines being a bit more proactive. You're going out there and you're saying, through keyword ads, through general ads, through banner ads, through pop ups, contextual ads, through opt in email ads, through all the other places and all the other types of media you can run, you can actually take something like a belly fat offer that really, on a search engine optimization basis, is going to be limited.

You can enter this whole new world and start to get significant amounts of traffic. Let me give you a story, because I know a lot of people say, well what's the difference here? The difference is that really good SEO guys I know, really top guys can generate maybe a couple of thousand visitors a day, if they're really good, if they're really lucky and if they've created the process to continually generate new content. With that two thousand visitors, they're going to make however much they make.

But there comes a point where people want to make more. They want to grow their businesses and they want to make more money for their families and they want to take vacations and buy all the stuff that we want to buy, houses and cars and toys or just retirement or college fund or a savings account. We don't have to get all ambitious with Ferraris. People want to grow their business so they can get themselves security. A lot of people find it very difficult to do that with just the traffic that they get from SEO.

What paid media really allows you to do, is to go outside the people who are looking for your product and start really proactively approaching people through banner ads and so on. Probably the most common ones are banner ads, the little text ads you see that look like Google ads but they're not Google ads, and maybe pop ups, that when you visit a site you actually get a pop up. All that stuff means that you now are not limited to a few hundred or at the most a few thousand visitors a day. You can get a few thousand visitors an hour.

One of the guys we work with is this guy Mike Hill. We're talking about the maximum amount of visitors he's ever seen a single web page get, based on paid media. I said, how much traffic did it



**Jonathan Mizel (continued):** get? He said, well, a lot. I said, how much is a lot? He said, I don't even know. I said, more than a million visitors a day? He laughed and said, oh, yes indeed. He said, I think it was closer to a million visitors an hour.

**David Jenyns:** Now that's serious traffic.

**Jonathan Mizel:** Now when you've got a huge ad campaign and you're out there and you're just getting huge amounts of traffic, that's so much traffic, that people can't even fathom it. Let's just back up and let's just look at realistically, most people to generate a decent amount of money, they need more traffic and they need to be generating 5, 10, 15,000 visitors, sometimes a day, sometimes a week and they need to be able to do it reliably.

They don't want to have to worry that Google is going to de rank them or that it's not going to like their site. Or these SEO phrases, they don't have enough link juice or back links or any of this other stuff. All the stuff that is very mystical and magical and mysterious, well the paid media stuff is the exact opposite.

You go to the site, you develop a banner, you put it on there and you buy your traffic. You know how much you're going to pay and if you aren't making money you turn it off and if you are making money you turn it up. How cool is that?

**David Jenyns:** You mention one of the first things being obviously, you need to know your metrics to make all of this happen. To take one step back in the traffic evolution so to speak, what is the core strategy here as far as when you're working online? What is it? How do you see the core strategy of putting together one of these offers?

**Jonathan Mizel:** It's a great question and I just answered it actually for some clients and so I happen to have been thinking about it. There's an easy answer and there's a slightly more complicated answer. The easy answer is, make the most money that you can, based on the traffic that you're getting. I'm going to bring it up a little bit higher. That sounds so simple, people say, well obviously I would do that. But most people don't.

When I say you need to make the most amount of money, what I really mean is, you just need to make more money than your competitors. There's this really great joke about these two guys who are in the forest. It's bear country and they're a little nervous. One of them sees a bear and he gets up and he starts running. His friend said, don't be an idiot, you can't outrun a bear. He turns around and says, I don't have to outrun the bear, I just have to outrun you.

What that means is that you really only need to be fractionally better than your best competitor. The reason your best competitor is ahead of you in the paid media is because they can bid more. The reason they can bid more per click, per impression, per pop up, the reason they can bid more is because they make more. The reason they make more is because they optimize their website not just for search engines but for sales. They have a fast loading page with a great headline and lots of benefits and all the other things that are important to making an offer actually work.

If it's an affiliate offer, then you want to be promoting an offer that has all the good elements of a great offer. Really, if someone is ahead of you in Google, or in any search engine or any bidded situation, where you're bidding for banners or you're bidding for clicks or you're bidding for impressions or so on, all you need to do is look at their site. People get angry at their competitors and I say, go to you competitor and find out what they're doing.



**Jonathan Mizel (continued):** I've heard stuff where people have said, oh well, they're losing \$20 for every sale. I say, ok, they've been doing it for five years, so how are they able to do that? They say, I don't know. I say, buy their product and find out. It turns out, when you buy their product, they're not selling a \$20 product at all. They've got a \$1000 home study course or a \$5,000 coaching back end or they've got something that you're not aware of and they're willing and able to bid more and pay more for the advertising because their offer generates more cash.

Let me phrase it from the standpoint of an affiliate. If you are a merchant and you have a sales process and a page and sell a product, I don't care what it is, all you have to do is help your affiliates make just a tiny little bit more than they get when they promote other people and they'll promote you. In fact affiliates out there are so busy, and working so hard to generate traffic, there are so many affiliates out there who know so much about traffic, you just leave it to the affiliates, and just pay more.

We've started to see in the CPA business people paying 150% commission, 200% commission. A well known one was Eben Pagan with his Double Your Dating book. I don't know if he's still doing it now, but for a while he has paying a \$45 commission for a \$20 sale. The reason he does that is his offer converts like crazy and he's got all sorts of ways to make money on the back end. So I think people really need to look at their sales process no matter what they're doing and make sure that their metrics are acceptable.

When people say, hey, what's acceptable, I say, look at your competitors, see what they're paying, see where they're running, buy their product, go through their process and see what they do. There's a lot of misconception out there and the misconception is that people are losing money and they're doing it every day and they've been doing it for five years. The truth is you just don't know how they're making it. Just watch the offers and look and see what people are doing.

**David Jenyns:** It sounds as if you break it down and find out how much that client is worth to you and then do a little bit of optimization to try and get more value out of that client and make sure that they're all converting, so you ultimately pay more to acquire that customer. When you're in the optimizing phase, a big part of it obviously has to do with the landing page, and you talked about a few things with headlines and benefits.

Once you say, I've figured out what my offer is and you've got a good product that you're happy to promote, be proud of and adds value to someone's life, that's all a given. Now that we've got that, to actually build the landing page, perhaps you could talk a little bit about that.

**Jonathan Mizel:** That is another great question. There are so many different variables that there is not really one that really clinches the deal so to speak. Stephen Mahaney and I have a little saying. He's the guy that runs Planet Ocean, the search engine newsletter, and he said, there are ten things, and if you mess up one of them, you don't make any sales. So if the headline's great and the opening's great and the bullets are great and the guarantee is great but the price is wrong, you don't sell anything and vice versa.

Really what I like to do, I like to look at other people who are in my niche. I like to go to ClickBank or just the top advertisers in Google, Yahoo, Bing, MSN. I like to look at what their offers are and how they're actually putting stuff together. Generally on the Marketing Letter website, I have a Marketing Letter website, I don't have the exact address of this article, but I'm sure if you Google it, Marlon Sanders has done a How to Write Ad Copy. It's a ten to fifteen page report and I still, to this day use that report to create my offers.



**Jonathan Mizel (continued):** It's got the headline, the opening sentence, the opening phrase. What I would really encourage people to do is to check that out. Even though I've been writing copy for a long time, I've just created this new offer, this Traffic Evolution. I used Marlon's formula to write that letter. I know the formula by heart, it's a twelve to fourteen year old letter, it's an older strategy, it's really timeless. I still use it and it still works. There are also other great copy writing resources I would encourage people to look at.

In terms of landing pages, I wanted to talk a little bit about the testing strategy. One of the things that is really critical, is that no matter what you're doing, you have what we call a sales process. The sales process basically looks at who the customer is and where they're coming from. It creates what we like to call this contextually relevant, cohesive message. Rather than saying, write a good headline or test a bunch of landing pages, what I'll tell you that has been so helpful for us, is looking at what you're doing to generate traffic.

If you're going to be generating traffic through SEO, make sure the page, Google does a good job of this anyway, make sure the page has on it stuff about the thing that they searched for. If you're going to be using paid media, a lot of these people didn't come in through an affiliate, they didn't come in through a recommended link. A lot of these people are new customers, and what they are, are strangers. With paid media, whether it be Google, whether it be banner ads, whether it be any other things, is you really have to warm them up.

The way that you warm them up is, you just talk to them in the fashion that they would want to be talked to. You give them the benefit that they want. Eben Pagan calls this moving the free line. What he's done, he's taken the free line, where something becomes from a paid product to a free product. He's taken that paid product and he's actually taken a mini version of it and he's encapsulated the benefits and he gives that away for free. Right away when someone comes into his sales process, they get all warm and fuzzy and comfortable.

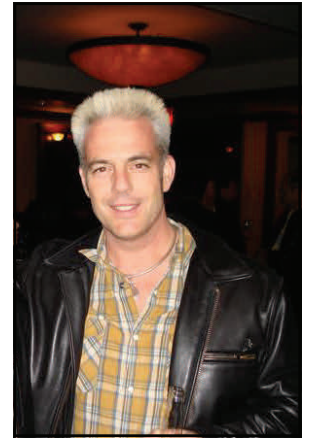
That's why video has done so well. A lot of the things that are working now are video squeeze pages. You bring someone from a banner ad, or a contextual ad, a little text ad on the side of the page, but not a Google one, you bring them in and you can actually tell them a story. You don't have to go for the hype nearly as much as you have to go for the stories and the benefits. People say, are you saying not to use hype, I'm not to use exclamation points? Of course you can use exclamation points, but only if what you're saying requires them.

**David Jenyns:** It's funny with those landing pages, now I design them, and I remember when you first get into internet marketing, especially in the early days, maybe it's just evolved now but the sales letters used to be all about highlighting, bold, italics, double underline and different fonts. Now I love all the Eben Pagan style. He talks about design: one or two colors, one or two fonts, one or two sizes. When you want something to have attention drawn to it, you just bold it. You don't have to bold it, highlight it, underline it and all that stuff.

**Jonathan Mizel:** Yes, that's exactly right. I mean I like to play things down in my own copy style. In the business opportunity market, you probably do need to be a bit more dramatic. You probably do need to use more underlines and highlights and bold and crazy fonts and stuff like that. You definitely should test it.



**Jonathan Mizel (continued):** When you're bringing people in through paid media, I generally don't bring them straight into the sales letter. I generally have a landing page that I call a pre page that goes between the banner and the sales letter. That's part of the process. What I really like to do is, I like to create just a short page. There are a lot of different formats and a lot of different templates and a lot of different theories. I only use two different kinds. I use the link and I use the squeeze.



When people come in, I'm either going to take them to a page that has a bigger version of the banner with more copy and more information and more benefits that they can click on. That's then going to take them to the sales letter, so I can do this intermediate tracking. Or I take them to the squeeze page where I ask them if they qualify, I ask them if they want the free report. I tell them they have to opt in to get the video. We've done a bunch of that stuff. That stuff tends to work pretty well.

For paid media, a lot of the stuff that does not involve a squeeze right off the front part of the process does a little bit better. You wouldn't walk up to a woman in a bar, or a guy in a bar if you were a woman, and just say, hey I want your number. You might, but you'd say, hey, how are you? I'm fine. Well, who are you? Oh, I'm Jill or I'm Bob. Nice hat, or I like your shirt. Then you'd start talking and you'd develop a little bit of rapport. This pre page, this landing pre page is a way for you to really set up the sale and really see whether or not you're on the right track.

Another thing that we've done that is so powerful is, when we have a sales letter we know works, but we want to test different headlines, we quite often make different banners. We might test five or six different banners. It will be the same banner but just with a different headline. Then we'll rotate those. I can tell like that what people are really interested in. That's the coolest thing because you're not wasting your traffic on a split test that may or may not work.

When you have five sales letters and you're bringing traffic in, you're bringing 20c 30c 50c, maybe \$1 to bring people into your sales process. To be testing four or five of these different headlines, is going to get really expensive.

But to do a banner test where you're rotating these banners and seeing where these hot points are, and then maybe heat mapping the pre page and seeing where people are clicking or what people are doing, use a tool like ClickTale. What it does is it makes a movie of people using your site. It secretly makes a movie of users as they travel through your site and your process. It is slick. It'll tell you all sorts of stuff that you really need to know to get that sales process down.

The best thing with landing pages is, when it's an affiliate who's mailing for you, you can send them straight to into a sales letter. But when you're sending traffic into a process where you're dealing with total strangers, you've got to warm them up a bit.

**David Jenyns:** If we take an example, I don't know if you can think of a product that has been successful that you've promoted. Take us through that process of, you set up that landing page, that pre page, how do you decide if you're going for a name squeeze or if you're going to be sending them straight to the sales letter and it's a little bit of a pre page.



**Jonathan Mizel:** I don't have any campaigns I can show you because I don't have anything running right now, but I'll tell you about some of the ones that I did. I did one for a weight loss supplement a while back. What we did was test three different landing pages. This was an affiliate product that a friend of mine had put together. It was a consumable. The commission was pretty high. It was my friend's product, so I was a direct affiliate and I got high commissions. There was no fraud or any of that stuff, it was a really solid gig.

I wanted to find the highest possible conversion, so we took the traffic and sent it straight in to the sales page. We also took the traffic and we sent it into an enormous banner. I think it was 550 x 750. It was a big banner with headlines on it and it had copy on it and all that other stuff. Then we also sent it into a squeeze page. We rotated the traffic so we could see which one not had just the highest conversion but where people were engaged most.

The very first day it was really clear that the banner was not working. We were getting a couple of sales from the actual sales page but nothing from the squeeze. Over time as the squeeze started to collect more and more names, over the course of a week, the squeeze actually beat it.

A lot of what we do is, we use the rotation scripts. This is the best thing I can say. Use your rotation script. Get a HyperTracker account or get a split testing software script or use your 1ShoppingCart tracker or you can split test a couple of different landing pages. See what is actually going on. See whether people are interested in your product. Drive the traffic into four or five different competing sites, competing processes.

What a lot of the guys I know are doing now is, they'll run these supplement ads like the muscle booster stuff. They'll get a bunch of traffic sources and then they'll get a bunch of different offers and they'll just rotate them. They'll see whichever offer comes up number one in terms of conversion, they'll take that one. Then they'll take that and they'll test the direct offer versus the banner on the landing page versus the squeeze landing page. Then they'll actually start split testing that stuff.

It's really just a matter of seeing what's working and seeing actually for yourself what is going to convert. I could show you a banner. I did one for a product where the guy was selling a dog cancer book. He's a vet and he's written a book and he's a good friend of mine. He really knows the dog cancer situation and he knows the dog cancer market and it looked like a really good product.

So we decided to help him out and promote it. What we were doing was we were promoting two different pages. We actually had a page that popped up on dog sites, since about half of all dogs apparently die of cancer. It's a huge problem. We were popping that up. We were also popping it up on dog cancer sites.

What we found when we did this was that, first of all we tested two banners. One had a picture of him and one had a picture of a dog. Which one do you think won?

**David Jenyns:** Maybe him. Hard to know.

**Jonathan Mizel:** The dog! People didn't know him but they all wanted to see the fluffy, cute dog. We learned that the dog picture worked better than his picture. I said, ok, now we have intelligence for your sales letter. Put this picture of this cute dog up at the top of the page and take your picture off. I don't know what he did, but I don't think they liked that. Anyway what we found was



**Jonathan Mizel (continued):** with the dog cancer stuff, the dog cancer traffic, it was a lot more targeted. There was a lot less of it, but it was a lot more profitable.

Once we found the banner that worked better, we decided to target the different targeting mechanisms with the campaign. We were able to determine that even though we got a lot more traffic on just the dog stuff, the general dog stuff, and we got a lot less traffic, almost no traffic on the other. We were getting something in the neighborhood, just to give you an idea. For the dog traffic, we were getting something in the neighborhood of 10,000 visitors a day. For the dog cancer traffic, the more targeted traffic, we were getting about 200 visitors a day.

We were making more money off the two hundred than off the ten thousand.

**David Jenyns:** It really sounds as if you can target. That's down to a very granular level.

**Jonathan Mizel:** It's amazing how granular you can get with some of this targeting. There's another process we're using now which people should look into. It's called remarketing or retargeting. This is something we're doing on the Traffic Evolution site. When people go to our website and they don't buy, they're cookied. When they visit a site in the Yahoo network or AOL or Time Warner or Fox News or any of these large tier one sites, our banners follow them around and actually stalk them.

**David Jenyns:** It's a little bit scary.

**Jonathan Mizel:** It's a really interesting way that you can do targeting right now. Google doesn't have a lot of those targeting things. In search engine optimization, you'll never be able to do that. You could never retarget to people because you're not using any technology that you own. You're using somebody else's process.

That's something else I want to say that's really important. Either you're in control of your business or somebody else is. If you're relying on search engine optimization, then Google, Yahoo and Bing are in control of your business. At any given time they could stop sending you traffic. It is their right to stop sending you traffic if they want to, because it's their traffic. When people really start to understand that it is not a sustainable business model, they really start to look at going outside.

We talked a little about Google AdWords. I want to say something about that if I can. I love Google AdWords. I think it is a great place for people to go to cut their teeth. But Google has got this system, and if you've used it you know, and if you haven't used it you're going to find out, where it's like they know the ads that are performing best for you and they start raising your bids as soon as they start performing.

People have spent huge amounts of money getting less traffic than they should because Google decided there was something about their page they either didn't like or for whatever reason they're going to charge you more money.

Nowadays when Google slaps you, they actually don't show any ads no matter how much you bid, and if they ban you, they ban you for life. So people who are bound and determined to use Google should make sure they stay in Google's very good graces. Spending money is not a panacea here. Perry Marshall just reported that one of his clients spends a million dollars a year with Google. This is \$85,000 a month, and they just got banned.



They don't sell a blog or some Google thing, they sell coffee. So if it can happen to them and it can happen to the people that we're hearing from- you don't have to take my word for it. Go over to one of the discussion boards, Warriors or something like that, they're abuzz about all these Google accounts being banned and them really cracking down. Use Google, use SEO but I think people need to look outside that single traffic source for their business.

**David Jenyns:** Some of these traffic sources that we're talking about, I think this is really critical for people to learn that they need to look outside for other traffic sources. I've had plenty of clients and even myself have had more than one AdSense account banned. When you're building a business around one particular method and model, Jay Abrahams always talks about having those pillars and making sure you've got something that is supporting your business so that if that one pillar gets wiped away, you're not up the creek without a paddle.

Some of these different traffic sources we're talking about, where are the places people can go for this? It sounds like you're going to have to be dealing with individual networks to try and get that traffic. It does sound like quite a lot of work to be managing.

**Jonathan Mizel:** Well the management is actually the hardest part. If you have an offer that's converting and you have a page that works and you have some creative stuff and some copy, getting out there and finding people to run your ads is the hardest part. It's really not that difficult.

Let's talk a little bit about ad networks. There's been a huge consolidation in the ad networks. There are now what we call ad exchanges and there are also ad aggregators. I'll give one resource right now. It's called AdBuyer. What AdBuyer is, is a service that allows you to access what they call remnant media, remnant space on the internet. One thing that's happened that's led to this giant explosion of paid media is that over the last five, maybe seven years, the internet has exploded. By exploded I don't just mean there are a lot more sites on there, I mean there are a lot more pages on there.

Just between Facebook and MySpace there are something like a billion web pages. Those pages need to make money every single day. Every day, Facebook and Mark Zuckerberg and whoever runs MySpace, Rupert Murdoch, they need those pages to make money.

They realize the only way to do that is to run ads on them. With this massive amount of supply that has hit the market, and we're not even talking about all the blogs and all the personal pages and all the other web 2.0 properties, we're not talking about all the e commerce sites and all the other sites and all the news sites and all the other aggregators and all that stuff.

Just those two sites alone, those two domains alone need to sell advertising. When you take all that inventory, you get what we call over supply. When you get over supply, you get under pricing. What's happened now is, there are some big aggregators out there like AdBuyer which will help you access some of these exchanges where the ads are actually available on a bid basis.

Your ad could run on Time magazine or Fox news or Yahoo or anywhere based on its ability to get clicks and conversions and how much you bid for it. So I would say, if you really want to start somewhere, if you want to get your teeth cut in this business, check out a site like AdBrite which is a really great network. It is a small network, it's lower quality traffic but it's cheap traffic, it's easy and you get your feet wet. We give a demo in the course. It's not a difficult process to go through.



**Jonathan Mizel (continued):** It's a little more complicated than setting up an email account but you've got to have your assets and ads and stuff ready.

The fact is I would start there.

I would take a look at someone like Quigo is another network. This is done by AOL. What they do is, they don't have a system where they syndicate your ads out there. They will sell you a spot on a particular page. If you want to be on the very top of Fox news, or Fox Business and the quote page you can go there, and you can just say, I will pay x for this placement. It's really phenomenal.

As you start to get more experience, then you can start looking at someone like an AdBuyer. One of the things we did was interview their CEO for our course which we've got in there which basically gives a lot of tips and a lot of little tricks to using that. Really it's more of a function of budget. You can get started with AdBrite for I think \$20. Someone like AdBrite or AdBuyer or one of the larger networks that has greater reach, you might have to spend \$200-\$300 to get started and you might actually have to spend \$500 or \$1000 to see some results because you're in this different realm.

I'm going to talk a little bit about targeting. That's what's really nerve wracking to a lot of people but I want to tell you there is light at the end of the tunnel. A lot of people have gone and they've set up campaigns with say the Right Media Exchange directly which you can get to through AdBuyer or one of the Google networks or whatever. They've set up these ad campaigns and they've decided to use the automatic targeting feature. They let the ads run for maybe \$300-\$500 and they see a couple of clicks and no conversions so they can the account.

What's happened is, there is so much data in these networks, you put your ads out there, they decide where they go and then over the course of a couple of weeks certainly, but maybe even a week, they start to return intelligence to the system that says, people on this site like the banner and people on that site don't. People on this site actually convert, people on this site opt in.

All these networks, or practically all of them have a little tracking code that they'll allow you to add to your website which will allow them to see how many conversions you're making. Why that is important is, the real holy grail here, what we're really looking for, is being able to get these networks to not sell you advertising, but to be your affiliate.

When they're your affiliate, you don't have to sign an insertion order or give them a credit card number or write a hundred ads or anything like that. You just make them your affiliate and they figure out where the sales are and you only pay them on a per sale basis. That is the kind of deal you're only going to get if you've got the highest conversion rate, earnings per click, earnings per cost per thousand. When you really start to get your metrics down, that's when you're putting yourself in a position to actually make these guys your affiliate.

When you can get these guys to be your affiliate, I want you to realize something. A lot of people think the holy grail is CPA, but it's not. The CPA networks are cesspools of fraud, of lousy offers, of illegal stuff. I think we're going to see a lot of those people go to jail, get shut down, get sued into oblivion. The practices they're using dictate that and that's what should probably happen to a lot of them.



**Jonathan Mizel (continued):** When you go into that realm, you're dealing with affiliates who have, and I don't want to paint the whole industry like that, but even the top players have a lot of fraud. By a lot I mean, sometimes 15-20% of the traffic and the orders and the sales are fake. The affiliate gets the money and you're stuck with the mess to clean up afterwards.

When you're running on AOL or Yahoo or a big network, they don't have fraud in their network on a CPA basis. They don't hire fifty people in India to buy your product twenty times so they can get a wire with a commission and then share the money with the Russian hackers who gave them the credit card numbers or whatever they do. They're just somebody in New York who sells advertising. When you can get the networks to be your affiliates, the quality of the traffic is so much higher than when you're dealing with a CPA network just because of the nature of the people.

It's harder to get in, it's harder to get the offers approved, but wow, that's cool. Let me tell you a story. I had an offer a while back, and do you have a Juno NetZero down there?

**David Jenyns:** No, I'm not familiar with it.

**Jonathan Mizel:** We have a big ISP internet access provider in America called Juno. They have a mail service. It's free email and I think they charge \$10 a month or something. They had a big home page. Now if you're Ford or General Motors or IBM and you call them, they're going to charge you for a little banner spot between \$10,000-\$20,000 to be on their home page. There were not a lot of advertisers during this period when I started doing this. I told these guys that I wasn't going to pay that, but I wanted the spot. I'd rather just pay them a commission.

For months and months I had two or three of my offers on the Juno NetZero home page. It would be like being on the AOL home page. There are huge amounts of traffic coming in and I only paid \$40-\$50 whenever a sale was made. So I know this stuff is possible. I was doing this stuff years ago and now the deals are way more common place.

In the old days, people would not do that. The networks would not do that. Nowadays if they like you, if they like your offer, if they know you can pay, if they know you're not a cheat, if they know your products are good and you're doing a good job, you have a good shot at getting them to be your affiliate. That is like the holy grail.

**David Jenyns:** I've never actually heard of that right there. I can see that makes absolute sense, having them, who already have access to the eyeballs and getting in front of those eyeballs. They're going to know and have a vested interest in wanting to put you in front of the right traffic.

That's one thing that a lot of people don't fully understand about this sort of media space, about the advertising and how well you can target that advertising. A lot of people think they need to be general offers. They need to be win an iPod or something that's got that mass appeal. It was interesting to hear you could really target it down, even down to the dog cancer market where you're getting those two hundred people a day but they're extremely targeted and converting really well.

**Jonathan Mizel:** I think what happens when people realize the paid media is out there and available, I think they realize they made their niche too tight. They thought because there were only 8,000 searches and there were only four competitors, they were going to have a good chance to get their page ranked. But with SEO, there are about five parts to the process. There's getting into



**Jonathan Mizel (continued):** Google, there's getting on the first page, there's getting people to click through, there's getting people to opt in and then there's getting people to buy.

The paid media really has an opportunity to do some niche marketing, especially with some of these smaller networks. Then there's something else too. If you went to Google five years ago, six years ago and you entered in the word colon cleansing, or teeth whitening you would find that these were relatively niche products. They're generally interest appeal but in terms of what people were searching for, they really weren't searching for a lot of teeth whitening stuff.

People didn't start searching for teeth whitening stuff until they started seeing teeth whitening ads and they realized there might be a way to whiten their teeth. One actually led to the other. Paid media allowed some of these smaller niche products to become blockbusters. Granted a lot of the advertising was not particularly honest. I'm not thrilled with some of the ads people have put out although I have seen some really good stuff as well. I'm just saying the market for a niche product, if it can be spun into a general interest offer, can actually get put into the general interest media and rolled out on a huge basis.

**David Jenyns:** As you have been around the industry for so long, you would have seen people make a big mistake when they're thinking about paid media especially. If we were to chunk up a level and think about working online and businesses online, what are some of the biggest mistakes that you see people making as far as their online endeavors?

**Jonathan Mizel:** The biggest mistake is that they're not building an asset. An asset is defined in an online business in a couple of different ways. The first thing would be a list of people who they can mail so they can get traffic on demand so they don't even have to buy any advertising. The list would probably be the most critical thing. People have the idea that they don't need one, or their niche is too small or I couldn't tell you what they're thinking.

When I do even a niche product, I always have an auto responder and I write, 10, 20, 30 sometimes 50 auto response messages, even for a \$15-\$20 product. Why not? You're going to see huge conversion rates on something like that, and you're going to actually build your second asset, which is your list of customers. So you've got your list of prospects and then you've got your list of customers.

Then the third thing is, they don't understand some of the more nuanced aspects of business building, like owning their own domains or getting keyword domains or really getting assets that are going to pay off.

To chunk up one level even above that, is they consistently refuse to create their own products. I think affiliate marketing is great. I'm an affiliate, I make six figures a year just as an affiliate, even not working, just based on the list and the assets I build. But I have to tell you, it's not until I'd developed my own products that I really saw payoffs. I've made more money in the past couple of weeks with our own product than I have in the past year.

That's just a matter of I'm the guy everyone wants to send the traffic to. They want to send it to me because they know they're going to make more money with me than somebody else. So I'm their solution. That is one of the other big assets and big parts of creating your own product. You either get to be the guy generating the traffic, sending it to someone else or you get to be the guy who gets the traffic generated for him. That's really the key.



**Jonathan Mizel (continued):** If you're an affiliate, and you find a great offer, start modeling it. If it's an offer like we did for our friend with the diet supplement, we couldn't get an exclusive, but we got an exclusive landing page. We got some exclusive domains and we got a special payout and we also got fast payment. It was almost like our own product. We were building lists and all that other stuff at the same time.



If you haven't created your own product, if you're still selling e books on niche topics, write some products, create some PLR, make some videos, put together something. If you're selling for somebody else and making them money, and you're making a profit, take it to the next level. Make all the profit, get all the traffic and be the person who is actually in charge of this domain that gets all these visitors to it. That's really it. It's asset building.

**David Jenyns:** I think that leads into what you were saying as far as the holy grail with traffic. That is getting these people who own these massive networks and then having them become your affiliates. Effectively you are then that guy who owns the asset and then the people who have the traffic and they're sending you as much traffic as you can handle. It links in really well.

Again going over your entire internet marketing history, and everything you've learned to get to where you are now, it's that age old question, if you were stripped of everything and had to start from scratch, where would you start? I always like to try and identify where you see the key leverage points, or the points where you look back now, and say, once I started to get my email customer service outsourced, that was a big step forward for me. What are some steps forward, some actions that you took that really, looking back now, were some of the big ones?

**Jonathan Mizel:** I've got three or four actually. I think your biggest leverage that you have, that anybody has, the biggest advantage, the biggest competitive advantage that anyone of us has is this amazing amount of technology that allows us to see what people really like.

When I look back at the point that really started to change for me, we've always been fanatical testers and trackers. In fact we came out with a course called Test and Track a while back. I pulled it off the market because I need to redo it and rewrite it. We've just been fanatical at testing and tracking and understanding the visitor values and understanding what we have to pay for people, the different prices we pay and the different values they generate.

The first thing is the amazing technology that's out there that allows us to split test. When we started to get a handle on our metrics, and we got over the ego, it was good. All of us marketers, I hate to say it, but we're all very egotistical. We all think our products are the best and our prices are the best and our headlines are the best and whatever. It was when I decided to just give up that mindset and just say, I leave it to the masses, it got better.

I go and I test five pages or three pages or two headlines or four banners or ten prices or whatever, when I throw it up there and I let the customers decide, that was the biggest thing. Then I could say, oh, I thought this was the best headline, but then I realized, no it's my favorite headline, not the best one at all, it's the one that's costing me \$5000 a month, not making me \$5000 a month.



**Jonathan Mizel (continued):** Huge, huge epiphany.

I think the next one for me was learning how to set up my business as a corporation and learning how to take the entity structure that's available to all of us. In almost every country, there are ways to set up corporations and to create yourself a separate entity besides who you are, an incorporated entity that goes on without you. Even if it's just you, just having that makes such a difference.

Just to give you an idea, the first thing I did when we incorporated, and I think we incorporated CyberWave in 2002. We had been going on for years and we had other entities and stuff but we really became a corporation in 2002. The first thing we did was sign an insertion order for \$25,000. Now I would never have done that but when I started to treat my business as a business, I realized I didn't do that. CyberWave did. So CyberWave signed the thing. CyberWave is on the hook for the \$25,000, not me. Even though I would have to pay back the \$25,000 if it didn't work out, I was ok with that.

It allowed me to take bigger risks, because I was treating it as a business.

I would say the other thing is really the networking. I started going to seminars about a year ago again. I'd probably had done about two hundred seminars, which I really stopped doing in 2001, 2002. I'd go to a couple but I was just out of it. Then I ended up going back to seminars after a few years' hiatus and I can't tell you the networks and the people who are out there.

Just as an example, I guy who I met at a seminar two years ago, or a year and a half ago, just contacted me. He's got a list of 50,000 people and he wants to be my affiliate and promote for me. I don't even remember him. I do now because we've talked but when I first heard from him I said, oh, where did I meet you? Oh, yes, I remember. These networking things are just huge. Really how are you going to get someone to be your affiliate? How are you going to get a network to be your affiliate?

The first thing is, they've got to like you. You've got to be honest, you've got to be straight, you've got to be good and creative. You've got to have the greatest amount of conversion and all that other stuff. All the numbers have to work. But they have to like you.

People like doing things for people who they like. People generally like people who are in this business who network. Get out, share. These were huge things for me, and I just can't stress how getting off the desk and getting out into the seminar worked for me. There are some good seminars out there.

Even a bad internet marketing seminar, some of the ones that are \$500 or \$1000 or whatever, even these cheap ones, even if it's a product dump, where you're just going to go and get pitched, look at what they're pitching. Look at what people are doing. Watch what people are selling. Look at their offer. Look at how they're collecting the cash and what they're giving away and what they're charging. Those are huge.

There's one last thing. This struck me as we were talking. Learn to love your spam, learn to love your pop ups. Learn to love your email. Learn to love all the stuff that people normally say, I hate. People say, I hate spam. I say I love spam. Why? Because I can see what people are selling. I can see what's in my in box. I like pop ups, I like banners, I like contextual ads. I can see what's going on out in the marketplace. This is competitive intelligence.



**Jonathan Mizel (continued):** I think the breakthroughs and the leverage points are more about shifting your mindset than they are about actually doing anything. Just about taking you business seriously, learning to look at the competition and really getting out there and starting to talk to other people.

There are a lot of people in my network, and I can just take a sales letter and send it to five or six people who are friends of mine, because we have bought drinks and whatnot, and I'll get some pretty good feedback from them. These are people who, when you want your product promoted, they'll promote it.

One guy I knew, I met him a while back at a seminar, he introduced me to an ad rep I'd been looking for who wasn't returning my call. I'd been trying to reach this particular guy for a while now, and he said, oh, let's get him on the phone right now. He got him on the phone and he took my call and he said, I'll answer you're calls and I'll call you back. I didn't know who you were. That's huge stuff. It's really about shifting the mindset.

**David Jenyns:** Each of those key insights, I can see the point, looking back now, some of those had a huge impact on my business. Especially things like the spam, which almost seems counter intuitive but it's that age old thing, if spam is continued to be sent, someone's clicking it, someone's buying it, so there is some money there.

You talked about the networking as well and how key that was. Even though you haven't been on the speaking circuit for many years, but you're still connecting with those sort of people when you were back in that scene. I'm just wondering who do you look to and watch to keep a finger on the pulse of what's going on in the online world?

**Jonathan Mizel:** If I started naming gurus I'd annoy all the ones I forget about when I mention them. I follow pretty much everybody. I'll tell you a couple of people whose sales processes I really like and who I think do a really great job. I don't think these are necessarily able to be duplicated by people, by everybody, but they are able to be duplicated by some people. Probably the guy who I connect with, who I've known for fourteen or fifteen years now, is John Reese, a very smart guy. I always read his reports.

I think Frank Kern is brilliant. He's a handsome, charismatic, smart, funny, interesting man. He surfs, he's got a great story and all of that stuff. I don't think a lot of people could fall into that character. But I do think people can look at what Frank's done with his character, which is really who he is as a person. I've known him for a long time. They can develop their own character. Part of it is being a character and being somebody who people like and who they're interested in and who they're looking at.

There's a real personality based thing that I like to look at. From a strictly technical level, Frank is also brilliant. The way he sends his emails, the way he puts his processes together. I think Michael Sanders has got some great stuff going on. He's really discovered that there's life after the internet marketing niche, which is phenomenal. He's turning his business into a technology company. I look at a lot of the big guys. I look at Yanik, I look at everybody and if you're a big guru and I didn't mention it, sorry.

I look at Perry Belcher and Ryan Dice have been doing some super brilliant work, coming in with \$100 and \$200 products when everybody else is at \$2000 and really capturing the customer base



**Jonathan Mizel (continued):** and then through upsells and coaching and other things, really getting higher lifetime customer value.

On the other hand, there are a lot of guys I haven't even heard of who probably make more money than all those guys put together. The joke nowadays is, there's a fourteen year old kid who's got a billion visitors a day in Indonesia, and no one cares how he got them, they just want some of that traffic. When you go now to Affiliate Summit or ad:tech or one of these big internet marketing conventions, the exhibitions, not like an info seminar but where all the advertising people are, you see all these kids who are nineteen and twenty years old.

It's just unbelievable to me. I think what's really great is, it just shows that there is so much money in this market for people with no experience. I don't even know how old you are David. How old are you?

**David Jenyns:** I'm coming up to twenty-eight now.

**Jonathan Mizel:** Ok so you're an old fellow, right? You're practically a grey beard.

**David Jenyns:** Feels that way. Almost over the hill.

**Jonathan Mizel:** It's really interesting how much opportunity there is for young people coming into the business today so I want to encourage everybody to get involved. People say, is it over? Someone said it's the beginning of the end, and I said, no, it's actually the end of the beginning. The beginning part of the internet is over. Now we're entering the teenage years, the awkward teenage years. But the opportunities are still huge.

**David Jenyns:** I feel like we haven't even scratched the scratch of the surface yet. You're definitely one of the people who has the personality and the character that people should be keeping an eye on what they do. If they want to grab your latest course, they can check out [www.theseomethod.com/te](http://www.theseomethod.com/te), which stands for Traffic Evolution. But Jonathan, if they want to find out about you, do you have a blog or a Twitter or something, the way they can connect with you closer?

**Jonathan Mizel:** I do have. I let everybody be my Facebook friend. My wife doesn't know why I do it, but I do it. Listen, Facebook's been huge in terms of getting through to people and finding friends. You can definitely Facebook friend me. I don't tweet that often, but when I do, I try to have fun with it.

I think you can go to [TwitterJonathan.MarketingLetter.com](http://TwitterJonathan.MarketingLetter.com) I turn that on and off, based on where I need traffic because I've had that site for so long. I'm fairly certain if you Google Marketing Letter, or if you just go to [www.marketingletter.com](http://www.marketingletter.com), there'll probably be access to the site. It's a totally free site. You don't even have to give your email address to get in and I know people think I'm crazy to do that but I've basically been writing this newsletter for about ten years. When I was taking a break a few years ago, I just took the best stuff and I put it up there and I made it free. It's been really helpful for a lot of people.

A lot of stuff up there is stuff we talked about today and was really incubated in the online Marketing Letter. I think that's a really great site for people. I don't have a personal blog or anything like that. I'd probably have to hire someone to do it but certainly the Facebook and the Marketing Letter are two great resources.



**David Jenyns:** Very cool. Jonathan, I'd like to thank you very much for jumping on the call. You're very generous with your time and I think some of the things that really resonate with me is you have an excellent attention to detail and you see that in all of the things that you do. You just really speak from the heart and you're very upfront and honest. So thank you very much and I appreciate your time.

**Jonathan Mizel:** Thank you so much. I'm honoured to do the interview and really love talking to you so thanks a lot.

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