

# CelebrityExpert®

I N S I D E R

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www.CelebrityBrandingAgency.com • June 2011

## BUSINESS & BRAND BUILDING STRATEGIES FOR ENTREPRENEURS, AUTHORS, SPEAKERS AND PROFESSIONALS

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## Business Lessons From NEXT Restaurant

By JW Dicks

**R**estaurants change their look and feel, menu and brand, but have, for many years, operated much the same. Patrons call in to make a reservation or wait in line, and they order from the same menu and at generally the same prices.

The problem for some of the best restaurants is that many people want the same time and day to eat, and even when the restaurateur thinks they are booked solid, at least in prime time, weather and people's changing lives cause cancelations and empty tables to rob the restaurant of profits that cannot be recovered. Like the profession that bills by the hour, a traditional restaurant cannot get back time lost with an empty table.

NEXT Restaurant, which opened in Chicago in April, has changed many of these traditional operational models with new operation ideas to match the creative offerings of a well-known executive chef. Here are some of the key reinventions being played out for the restaurant world.

- Online reservations. To make a reservation, you must do so online. This eliminates the costly, and often frazzled, employee in the traditional restaurant atmosphere whose job it is to juggle requests and make changes.
- The restaurant operates on a ticketing system. You buy a ticket that includes dinner, beverage and tip. The price of the dinner varies based on the day and time of your reservation. Important holidays and key evening slots are priced higher. There are already rumors of a subscription-based option in the future.
- Like buying a ticket to a play or sporting event,

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# Video-Marketing Quick-Start Guide: How to Set Up Your Video- Marketing System

By Lindsay Dicks  
a.k.a. The Chic Geek

A couple of months ago Google released its “Panda” update. The update effectively made article syndication worthless and with no SEO value. The many marketers who used article syndication as a part of their overall SEO strategy need to now figure out what to replace it with. With the release of Google’s Panda update the importance of video and social media has skyrocketed. Now, more than ever, video is a MUST in your online-marketing strategy.

## Why You Must Start Video-Marketing Immediately!

There are five important reasons you must start using videos without delay:

### 1. Google. Enough said.

YouTube is the second largest search engine in the world, second only to Google (Google also owns YouTube). Instead of having to read solutions, videos provide face-to-face solutions and searchers now use various videos sites (no, not just YouTube) as search engines.

### 2. Creating short videos for the Internet is simple, quick, and inexpensive.

You can create and upload videos to YouTube without expensive equipment or technical expertise. All you need is a computer, a web camera and a good Internet connection. Most modern computers have a web camera and microphone built in that can be used to record your video. Free software is also available to edit your video before exporting to YouTube (Windows Movie Maker for PC users and iMovie for Mac users).

### 3. Leverage the massive popularity of YouTube for free.

YouTube gets more than two billion views a day. By uploading your videos to YouTube, you get access to more than two billion viewers worldwide every day. Best of all, you can create your own video channel to upload and share your videos on YouTube free of charge.

### 4. Develop better rapport and connection with your prospects.

Using online videos allows you to establish a personal relationship and generate a greater level of trust with your audience. You also gain greater credibility because video content is perceived to be more valuable than text or audio content.

### 5. Benefit from viral spread of your videos.

YouTube enables viewers to freely share their favorite videos and to embed them in their own websites and on Facebook. This can result in the rapid spread of your videos across the Internet because users are more likely to share videos rather than text or audio.

## How to Set Up Your Video-Marketing System Using These Five Simple Steps

Creating your first video may seem scary, if you have never done it before. That’s natural whenever you do something for the first time. Think of it as a learning experience and create a short and simple video to upload to YouTube. Once you successfully create your first video, you will gain tons of confidence. In time, you may find it’s easier and more fun to produce video content than text content.

### 1. Create your first video for YouTube.

Thankfully, you no longer need a studio to produce high-quality videos for YouTube. To create your first online video, follow these simple steps:

- **Write a script** for your video (or at least an outline for what you want to say).
- **Set up the elements of the shooting area of your video**, which includes positioning the camera, subject, script, microphone and lights.
- **Record your video** using the free software on your computer and save it as a computer file.
- **Edit your video** using the same software and then export the file as a movie file that can be uploaded to YouTube.

## 2. Register for a free account and set up your YouTube video channel.

Before uploading your video, you need to register for an account at YouTube, which is free and painless. Follow these three steps:

- **Select the name of your YouTube video channel carefully.**

Your YouTube channel name is the same as your username when you register for a YouTube account. Therefore, choose your username carefully before registering. Do some keyword research and choose a name that contains the main keyword phrase of your targeted niche. For example; if you're in the dieting industry, instead of choosing a user/channel name like "johnsmith007," use "loseweightnaturally." Your YouTube channel address will then be youtube.com/user/loseweightnaturally, which is more likely to appeal to your target audience.

- **Enter relevant keywords in your YouTube video channel fields.**

The right keywords in fields such as channel title, type and tag fields will increase the chance of new prospects visiting your site and also help to optimize your channel for search engines.

- **Set up a professional YouTube video channel background.**

A professional background is a simple way to stand out from your competitors. To upload a new background to your channel, click on the "Show advanced options" link in the "Themes and Colors" tab of your channel page. Then click on the option to upload your new channel background. (Note: you will need a designer to design this image – if you're looking for some help, contact me at Lindsay@CelebritySites.com)

## 3. Upload your first video on YouTube.

- After signing in to your YouTube account, click the "Upload" link at the top of the YouTube page and then click the "Upload video" button.
- Select the file you want to upload and click "Open."
- Enter information about your video including title, description, tags and category while your video is uploaded.
- Click "Save changes" to save the updates you've made to the video file.

## 4. Optimize your video for your audience and search engines.

**Title field:** Choose a title for your YouTube video so that

people can find it easily and it ranks for the right keywords inside the YouTube search engine. For example; if your video contains tips to lose weight naturally, name it "Natural Weight Loss Tips."

**Description field:** Write a short article describing your video using relevant keywords.

**Tags field:** Add the most important and relevant keywords in the tags area.

## 5. Embed your YouTube video on your website.

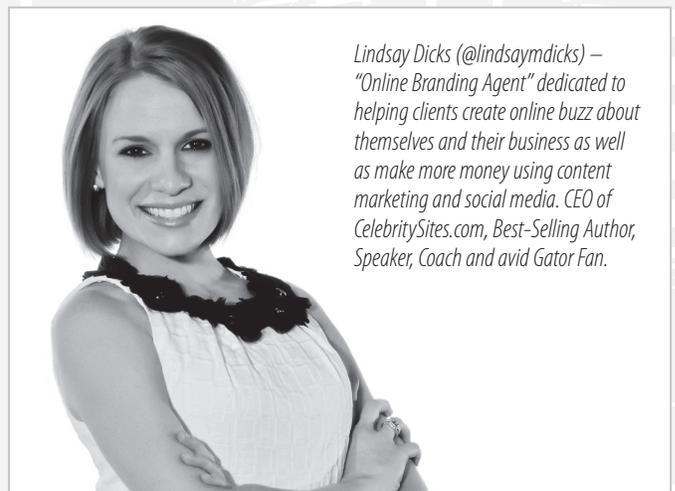
Once you have successfully uploaded your video to YouTube, copy the code from the "Embed HTML" box, which you can find in your "Edit Video" page. This code can be sent to your webmaster to be added to your website. (If your website was created using Wordpress, simply click "Edit HTML" within the post editor of your post, paste the video's code into the body of your post and click "Publish post.")

## Taking Video One Step Further

YouTube is currently the #1 video syndication site. However, THERE ARE OTHERS. And if you search the "video" results in Google you will see that. Sites like Metacafe.com and Dailymotion.com are also great websites to post your videos. The best FREE resource we have found is Tubemogul.com. Tubemogul allows you to post your video on numerous video sites at one time (yes, including YouTube, MetaCafe and DailyMotion).

Thousands of new websites and blogs are created every day. Whether you are already an online entrepreneur or you are planning to start, you have to use new marketing techniques to stand apart from the crowd. The quickest and most effective way to succeed online is to use videos to leverage their tremendous search-engine popularity.

Happy recording! ★



*Lindsay Dicks (@lindsaymdicks) – "Online Branding Agent" dedicated to helping clients create online buzz about themselves and their business as well as make more money using content marketing and social media. CEO of CelebritySites.com, Best-Selling Author, Speaker, Coach and avid Gator Fan.*

# Inside the Agency

## Want to be Quoted in The Wall Street Journal?

Well, for the ONE AND ONLY TIME in 2011, we can make that happen! And best of all, we've got room for a couple more people! Email [Angie@DicksNanton.com](mailto:Angie@DicksNanton.com) or call her at 800-980-1626 ASAP!

## NEW SPRING EVENTS AND OPPORTUNITIES

**Ready to turn your information into profits? Meet our newest partner, Greg Rollett**, co-founder of The ProductPros LLC. Greg and his team help entrepreneurs, authors, speakers and professionals create profitable products from their knowledge. Nick and Greg met while doing work together in the music industry, and Greg has worked with an amazing array of companies and artists. Greg has consulted for artists that have been on the rosters of Cash Money Records, Warner Brothers as well as on social media and direct marketing initiatives for Coca-Cola, Miller Lite, best-selling authors, athletes, he has also served on the Board of Directors at the nonprofits Rock For Hunger and doterati. Greg has been seen on Mashable.com, ABC News, FOX News and many other media outlets. If you're ready to meet Greg and turn your knowledge into profits, email him at [Greg@ProductProSystem.com](mailto:Greg@ProductProSystem.com).

**The Dicks + Nanton Celebrity Expert Mastermind.** We have a very elite, small group, of top entrepreneurs who are growing their businesses

that meet 3 times a year in different locations to learn "what's working now" from each other, as well as to work through challenges in our business. We have room for one more very motivated, successful entrepreneur, who wants to contribute and learn from the best in the business **while traveling to the Kentucky Derby, Hollywood, and Bermuda**. If you are interested, please email [Nick@CelebrityBrandingAgency.com](mailto:Nick@CelebrityBrandingAgency.com) for a Mastermind Application.

### Interested in Becoming a Best-Selling Author?

We are currently working on a new book called **Champions**. If you'd like to be one of our next best-selling authors in this book, contact [angie@dicksnanton.com](mailto:angie@dicksnanton.com) to get details and deadlines!

### Are YOU one of America's PremierExperts®?

If you are, you need to be listed on [AmericasPremierExperts.com](http://AmericasPremierExperts.com). Take a look at the premiere site for consumers and journalists alike to find the experts they need. For more information on becoming one of America's PremierExperts® visit the site or email [Jen@CelebrityBrandingAgency.com](mailto:Jen@CelebrityBrandingAgency.com).

## EVENT SCHEDULE

- MAY 16-18** SANG – Speakers and Authors Networking Group (Hollywood, CA) **(NICK)**
- MAY 19-23** Fitness Entrepreneur Bootcamp (Birmingham, England) **(NICK)**
- JUN 3-5** Consumer's Advocate/America's PremierExperts TV Show Shoot with Ben Glass (Washington, DC) **(NICK, JACK, LINDSAY, GREG)**
- OCT 14-16** Arielle Ford & Mike Koenigs' 21st Century Book Marketing Conference **[NICK & LINDSAY]**
- OCT 19-21** National Academy of Best-Selling Authors Best-Sellers' Summit & Awards Gala **with Brian Tracy** (Hollywood, CA) **(NICK, JACK, LINDSAY, GREG)**
- NOV 3-5** Glazer-Kennedy InfoSummit **[NICK]**
- NOV 14-16** Brian Tracy TV Shoot (Orlando, FL) **[NICK, JACK, LINDSAY]**
- DEC 2-4** Arielle Ford TV Shoot (San Diego, CA) **[NICK, JACK, LINDSAY]**
- 2012**
- MAR 14-16** Elite Mastermind Meeting at Elbow Bay (Bermuda) **(NICK, JACK, LINDSAY)**

# In The House

WITH KEN & JARED



Saturdays  
at 11am

NEWS TALK  
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## ABOUT KEN & JARED

Ken Mellick started in the construction business for his uncle as a summer job during high school. Ken enlisted in the army when he was 18 and spent five years in the service, which included a tour in Vietnam. That tour of duty as a Ranger earned him a Silver Star for gallantry in action, a Bronze Star, and an Army Commendation medal for Valor. Ken married his wife Joan during this time and began building a family of six children. The kids were not born with a silver spoon in their mouth, but they did get a rusty hammer shortly thereafter.

His eldest son Jared followed his dad to job sites when Ken returned to the construction industry. Ken became a building inspector and then started his own construction company. He built custom homes for almost two decades. In 1989 the Mellick family moved to Orlando, and shortly thereafter Ken and Jared started Universal Roofing Group, Inc.

Ken and Jared are both licensed Contractors in the State of Florida and continue to have a passion for the construction and home improvement industry. They contribute to and have been featured in numerous magazines and television shows.

## HISTORY OF "IN THE HOUSE"

In the spring of 1999 an Orlando based radio station was looking for a new host for their up and coming home improvement radio show. Ken & Jared Mellick, who owned a local roofing and construction company, had recently been interviewed and the producers loved them. The radio station was holding open auditions so the Mellick's decided to give it a shot. Shortly after gaining the host position Ken & Jared turned this mediocre show in to a revenue and ratings monster. With a loyal following of dedicated listeners they soon caught the attention of another radio station in Orlando. After many meetings and late night brainstorming sessions they decided to move the show.

"I think what makes us different than most other home improvement programs is our ability to speak in easy to understand language and our ability to not take ourselves too seriously. Not because we dumb-it-down, it's just because that's how we really talk! I believe people want a healthy combination of information and entertainment. (info-tainment) There are a lot of radio options for people to choose from. I believe you have to grab your listener's attention with humor and keep them with content!"

In The House with Ken & Jared continues to improve and is now syndicated. Check [www.inthehouseshow.com](http://www.inthehouseshow.com) for home improvement tips and to find a station near you!

Licensed · Insured · Roofing Contractor #CC C057165

# Marketing Lessons from a Roofer

By JW Dicks

I had a roof leak the other day and like I normally do, asked a friend in the contracting business for a good referral. I got the name of Ken at Universal Roofing and Construction. I gave him a call and an appointment was made.

When Ken arrived at my door on time I was pleasantly surprised since most contractors and cable companies have difficulty hitting appointment times. When we began to talk I was even more surprised. Ken didn't start with the usual, "What the problem?", he just shook my hand, introduced himself and handed me the card you see displayed above.

Ken didn't talk about the job, he just talked about himself and how he had a family contracting and roofing business in the area since 1989. He and his son run the company together with his daughter handling the appointments. He talked about all of the customers he had worked with over the years and pointed

out the ones that lived in my area. He asked if I knew them and would I like to call them for a reference.

Next, Ken asked if I had heard his radio show on fixing problems in your home. He had been on the air every Saturday on our local talk station. When I said no I had not heard the show, he explained to me he had started in 1999 and that most of his business came from people getting to know him on the show. He seemed surprised I hadn't heard it before but asked how I had learned of his company, and was pleased when I told him he was referred by a contractor friend of mine. Ken told me that he gets a lot of referrals and always likes to know who referred him so he can call them up to thank them.

The conversation didn't last long but by now I assume you

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# Product Creation Is NOT Just About A and Z

By Greg Rollett

## **Freedom. Power. Success. Confidence. Bragging rights. More money. Less stress.**

These are all potential reasons that ran through your head when you first started your business. More importantly, they are the same reasons your customers think about when they buy your products and services.

They buy the result, or the feeling of the result. They buy to lose the weight, to get whiter teeth, to show off their new kitchen or bathroom, etc. They buy to make their lives better and their bank accounts fuller.

The great part is that if you help your customers get these results, it reciprocates back to you in the form of your very own joy and jubilation.

When people begin putting together an info product, they lose track of the most fundamental element of product creation – solving the market’s problem by helping them get results.

We hear the quotes all the time about starting a business:

- Do what you love
- Share your passion
- Speak from experience
- Share what you know

And while on the surface that sounds like solid advice for

getting started, the reality is that if your passion doesn’t help other people reach their goals, solve their problems or elevate their bank account, your passion is what I like to call a “glorified hobby.”

## **Solving Problems Through Pain**

If your passion is collecting baseball cards, many people all over the world would call it a hobby. Creating a product about “how to create a baseball card collection” is pretty useless. To turn this passion into a results-driven info product, the power comes in the framework of creating success, power and bragging rights for your customers’ baseball card collections.

When brainstorming your product based on your passion of finding great Topps and UpperDeck Rookie Cards, you need to feel the pain of the baseball card market.

The most obvious pain is that most collectors start young and have only their “allowance” (is there still such a thing?) to spend on paper versions of their favorite ball players.

So the pain solution here would be, “How to create a baseball card collection that makes all the playground kids jealous for less than \$20 a week.”

Your product would explain how to search garage sales and Goodwill stores, funnel through eBay auctions and even estate sales in the search for diamonds in the rough.

Another potential pain point for this market may be finding the next big superstars. One of the best tips for increasing the value in your collection is to find the stars before they are stars, and thus before their cards become extremely valuable.

So a product here may be, "How to scout the minors to find the next Mickey Mantle and create the ultimate baseball card empire."

I hope you see where I am going with this. Find the pain points, and then draw off your experience in your passion and create a product that solves the problem.

### **Taking Your Customer From A to Z.**

You always want to take your customer from A to Z, along a journey with you while they consume your product. One of the best examples of this theory in practice is in the weight loss niche.

### **Let's take a look at your potential, optimal customer:**

Your ideal customer wants to lose 20 pounds, and they will do whatever it takes to lose that weight. In the mind of the customer, they see 20 pounds as the goal and want to get from 200 to 180 fast, and without changing their bad dieting habits.

For you, the product creator, you need to understand the needs of the market and you need to frame your product creation to meet this need, just like the baseball card examples.

So your product would essentially be something like, "How to lose 20 pounds in 30 days without changing your diet."

You know your market and you know their problems and desires. You have created something desirable. Now you need to deliver and bring your new customers along from A to Z.

Taking a customer from A to Z is difficult because the only thing your customer sees is A *and* Z, not A *to* Z. That is your hurdle. Or better yet, the Great Wall.

Your customer wants to get from 200 pounds to 180 pounds. They don't necessarily care about 195, 190 and 185. Only 200 and 180.

But...

When you build your info product you need to get them to their desired results by taking them through all the steps, A to Z. The great part is that in this example you have 30 days. So effectively you need to get them to lose 5 pounds a week for 4 weeks. That is the framework for

your product.

Everything you put into product creation needs to take your customer on a journey to reach these points. Remember, your true wealth comes in helping them realize the "Z."

### **The framework of your product may look something like this:**

- Week 1 - Realize where you are and how you got here and change one habit to help you lose 5 pounds overnight
- Week 2 - Walking to run. Start by walking one mile every night and shed another 5 pounds.
- Week 3 - Running to jump. Use basic running, jumping and plyometric exercises to shed off another 5 pounds.
- Week 4 - Your Ultimate Routine that gets you to your ideal weight

In this framework, you are helping your customer move from A to Z through a journey in your product. You are building up to the ultimate workout in week 4.

By creating this buildup you will help more people follow and consume your information as well as hit their target goals. If you gave them the Ultimate Workout on Day 1, many customers would be overwhelmed and give up before getting to their desired results.

And again, what did we talk about at the start of this article. Bragging rights. Confidence. Freedom. Power. Respect.

Following this framework, did your customer achieve those feelings?

And if they did, how does that impact you? Yes, more money in your bank, more confidence in your product, more power in the market and bragging rights at your next industry conference.

Take the time to think about A to Z in your product creation, or let us help you find the A to Z. Either way, your customers will be happier and so will your business. Take care and talk soon. ★

*Greg Rollett, The ProductPro, has been creating information based products in various niches over the past few years for himself along with his clients and students. He has worked on Internet Marketing and social media campaigns for Coca-Cola, Miller Lite, Warner Bros and more, and has been developing products for authors, small business owners, entrepreneurs, industry experts and musicians to help them create more freedom in their businesses through selling information products online. Contact Greg at [greg@productprosystem.com](mailto:greg@productprosystem.com).*

# ONE-ON-ONE

WITH NICK NANTON



*featuring*

**Zappos CEO, Tony Hsieh**

## Not Your Ordinary Shoe Salesman: How Corporate Culture Sells More Than a Billion Dollars of Shoes A Year

By Nick Nanton

*Zappos CEO Tony Hsieh is focused on Zappos' ultimate goal of being "a customer service company that just happens to sell shoes." Although he focuses on customer service, he isn't half bad at selling shoes either – taking Zappos to a new height of more than a billion dollars in sales annually and merging with Amazon.com at a valuation of nearly \$1 billion. But Tony is no rookie to big numbers or success. The Harvard grad sold his first company to Microsoft in 1998 for \$265 million. I have connected with Tony several times and love his insight and the style he uses to direct his rapidly growing empire at Zappos, so I asked if I could interview him to show you a deeper look inside the belly of a billion dollar CEO's mind. I hope you enjoy what he had to say as much as I did and that you'll see how his strategies can be put to use in any business, big or small.*

**Nick:** I've kind of heard the story about how you heard about Zappos, but I'd love to hear it directly from you, if you don't mind, just because I think there's a lot of good lessons we can pull out of it. Do you mind telling us how you found out about Zappos, and how you got involved?

**Tony:** Sure. Alfred, who's now our CFO and COO, he and I got together and formed an investment fund, and we invested in about 20 or so different Internet

companies and Zappos just happened to be one of them. The founder called us up, left a voicemail, and said he had this idea about selling shoes online. At first we had the same reaction as everyone else, which was, "That'll never work." It sounded like the poster child for bad Internet ideas.

And actually we weren't planning on following-up, but then he quoted one figure, which was that, at the time, five percent of all footwear sales in the

U.S., about two billion dollars a year, was being done by mail-order paper catalogs. So, we thought at the very least that two billion was going to move online and possibly there was the opportunity of it expanding beyond that as well.

**Nick:** I've heard a quote from you about Zappos being a service company that just happens to sell shoes. Obviously, you're going way beyond that now. I'd love you to talk about that for a second because most people get caught up and think, "If I'm a widget maker, I make widgets, and that's what I do."

**Tony:** Well, my advice for any business or entrepreneur is whatever you're doing, just think bigger. There is always a bigger vision than whatever it is that you're doing. So take the railroads, for example, they were a great business at one point, and then cars came along, airplanes came along and now they're not such a great business.

Part of the problem was they thought of themselves as being in the train business, whereas if they thought of themselves as being in the transportation business then they would probably be much better off and would've thought beyond just railroad tracks. Similarly for us, we actually started out just thinking we were in the shoes business, online shoe retail, and then we sat around one day and we thought, okay, the bigger vision would be customer service. If we build the Zappos brand around the very best customer service, then we're not limiting ourselves to just shoes.

Today, we have a huge selection of clothing online and we're making a big push into that. But 10, 20, 30 years from now it doesn't even have to be online. There could be a Zappos airlines, that's just about the very best customer service. So, I encourage all entrepreneurs and businesses to really think about how you expand the vision without necessarily giving up what you're good at. If you're a widget maker, and you make the best of whatever widget out there, I'm not saying walk away from that, but just think bigger and beyond just what your original idea was. And the cool thing is there's always room to expand.

**Nick:** Absolutely. And can you talk for a minute about some of the customer service things you've done? Because everybody likes to say, "We have great customer service," but it's not usually well executed.

**Tony:** I think most businesses probably just don't care about customer service period. But then, even for the ones that do, they go about it in a very process-and-procedure way. What I mean is that

they make sure, for example, to say the person's name three times or when you greet them say, "Sir" or whatever. And basically it comes down to basically developing a series of scripts, which is okay, but it's like talking to a machine.

**Nick:** Yeah, you're creating robots.

**Tony:** Yeah and then the person, the customer service rep, is basically just reading lines. And so they're not very engaged or passionate about actually giving service. Our approach is no scripts and not to measure efficiency in terms of the call times, which is how most call centers are run. Instead, we focus on the culture and make sure everyone in the company understands our long-term vision about building a Zappos brand to be about the very best customer service. We make sure to give them the proper training to use all the tools and so on. But then leave it up to them to just be real and genuine and passionate when they're actually talking to customers. They know the goal when a customer hangs up is for the customer to walk away thinking, "Wow, that was the best customer service I've ever had." It's really about creating that environment and culture and making sure you get people who are inherently passionate about customer service and actually want to deliver great service as opposed to people who are just there for a paycheck.

**Nick:** I know I've been very impressed when I've ordered stuff. It's awesome because of the whole concept of free overnight shipping to my door and back if I don't like it. I can test out anything I want. You guys just take it back, no questions asked, free shipping – you even give me the return label. That's customer service. Because I feel well served as a customer so much so that it's easier for me to go online and buy a few pairs of shoes, and I usually end up keeping more than I think I'm going to, which I'm sure is a common occurrence.

**Tony:** We actually take most of the money that we would've spent on paid marketing or paid advertising and put it into the customer experience. So whether it's the things you talked about, like the shipping back and forth, running our warehouse 24/7, or running our call center 24/7 – all of those things are very expensive. But we really think of those as our marketing dollars and let our customers basically do the marketing for us through word of mouth and their loyalty.

On any given day about 75 percent of our orders are from repeat customers, and I think a lot of businesses focus too much on thinking about,

“How do I market to get new customers?” If there’s already existing customers, and if you just treat them really well and make sure that you’re doing something that’s unique and memorable and makes them happy, then they’ll come back and do your marketing for you.

**Nick:** I absolutely agree, and we talk with our clients all the time about the fact that there are really only three main ways to grow your business. One is to get more new customers. Two is to get your existing customers to spend more per transaction, and three is to get them to spend more frequently. Of all the things, getting new customers is absolutely the hardest, but the one that’s focused on the most.

**Tony:** Yeah, and I think there’s something maybe exciting or sexier about trying to get new customers. But the money’s in the repeat customers.

**Nick:** Well said. I’ve read a few things about your hiring process, how long the training is and that you actually pay people to quit. Can you tell us about that?

long, and we go over company history, our philosophy about customer service and points of company culture. And then they are actually on the phone for two weeks taking calls from customers. After that you start the job that you’re actually hired to do.

During that training process, at the end of the first week, we make an offer. The offer is that we’ll pay you \$2,000 to leave the company. And that’s a standing offer until the end of the training. The reason for that is because we don’t people who are here just for a paycheck.

**Nick:** I understand you actually publish a “culture book” about the culture of working at Zappos. Can you tell us a little bit about that?

**Tony:** Yeah it’s a book we put out once a year. We ask all of our employees to write a few paragraphs about what the Zappos culture means to them, and, except for typos, it’s unedited. So you get to read both the good and bad. It’s organized by department, so you can tell the difference between the different



**Tony:** Yeah, so we actually do two sets of interviews for everyone we hire to work at our headquarters here in Las Vegas. The hiring manager and his/her team interview for the standard experience, technical ability and so on. But then our HR department does a separate set of interviews purely for a cultural fit, and they have to pass both in order to be hired. So we’ve actually passed on a lot of really smart, talented people that we know can make an immediate impact on our top or bottom line, but if they’re not a culture fit we won’t hire them.

And the reverse is true as well. We’ll fire people if they’re bad for the culture, even if they’re doing their specific job function perfectly fine. And as far as the training goes, everyone hired goes through the same training that our call center reps go through. It is four weeks

subcultures of different departments. And I guess the way to think about it is – you know how on websites there are customer reviews? These are basically kind of like employee reviews of the company. And we give it to prospective job candidates and even customers, vendors and business partners, just so people can get a pretty good sense of what our culture is like.

**Nick:** What I love is that you’ve created this culture internally and externally. You share a bunch of things with your suppliers and clients. It’s really a very transparent way of operating, which makes a lot of sense because with the Internet these days, you really can’t hide from anything anyway. Talk about that a little bit if you don’t mind.

**Tony:** Well one of our core values is about being as

open and honest and as transparent as possible. So we do that with our employees. We share lots of data with our vendors and we have tours that come through everyday. They spend a full day or sometimes two days with us and they're listening on calls and see how we score them or spend a few hours with our recruiting team and we share the actual interview questions we ask and so on.

So we're very open with everything, and, in fact, we've actually even developed a subscription service out of it for \$40 a month at [ZapposInsights.com](http://ZapposInsights.com). We share everything by video. You can download the answers to questions that have already been asked or ask any question you have. Then we get the best person at Zappos to answer it. So if it's a recruiting question, we'll get the head of recruiting to answer it, put it on video, transcribe it and then not only are we answering your question but it's made available to everyone else. So over time we're building up a library and a collection of videos that share anything that people want to learn about how we do things.

**Nick:** One thing I thought was cool about this whole culture thing is that you made a comment that the telephone is one of the best branding devices, and I love that statement. As I often tell clients, they'll email something back and forth, but people can't read tone. They'll spend five hours emailing something that could've taken three minutes on a phone if they would just pick up the phone and call somebody.

**Tony:** Ultimately, I think it comes down to the fact that people want to do business with people they feel connected to. And that's why most people, all other things being equal, if they're friendly with the neighborhood butcher then they'd rather buy from him or the guy that owns the convenience store down the street if he's your friend versus going to some big chain.

Now the problem is that usually the bigger chains offer lower prices and so on. So the small town merchant doesn't always win, but what people want is that personal, emotional connection to whomever they're doing business with. That's why we value the telephone so much, because it is personal.

**Nick:** That's another reason you don't use scripts, right?

**Tony:** Right. You might call once and get a rep who's really chatty and loves to tell jokes, and then you might call another time and it's a different rep who says he hears your dog barking in the background, and he tells you he is a dog lover and then you guys bond over that. And so, that's really our approach – just trying to humanize our brand and the company as much as possible, because that's ultimately who we are.

**Nick:** Somewhere in your big stack of mail there, I actually sent you a copy of our book called *Celebrity Branding You*, and the first line in the book is "People buy people." And that's the concept we base all of our consulting and coaching on. We help build, as we call it, celebrity-branded businesses as we turn business people into celebrities. Utilizing personality-driven marketing, we are able to build loyal fan bases that spend more money on the products and services our clients offer, because ultimately there's only one choice in their mind – the person they have the relationship with. And we use a lot of technology, to build a personal relationship, which leads to my next question.

From what I understand, you encourage your employees to be on Twitter. Can you talk a little bit about your thoughts on social media and maybe how you utilize it in order to build business?

**Tony:** Yeah. I personally dislike the term "social media" because people, most businesses or marketers, try to think of it like, "How do I use this as a marketing vehicle? How do I have it translate directly into sales?" And that's not really our approach. Our approach really is that if there's a tool out there that enables us to build more personal, emotional connections with people and potential customers, then we should use it. The telephone falls into that category; Twitter falls into that category. We actually have a fan page on Facebook, and we have blogs if you go to [Blogs.Zappos.com](http://Blogs.Zappos.com).

But whether it's Twitter, Facebook, our blogs or the videos, it's not about how we leverage these for sales. It is how we use them to connect on a more personal level with our customers. I guess the way I think about it is, the pay off is going to be at least two or three years down the line. The same way the pay off with customer service is going to be two or three years time down the line. We're not trying to drive immediate sales.

**Nick:** Very cool. Well, I appreciate your time.

**Tony:** Oh, actually one more thing, if any of your readers want a copy of our culture book we're happy to send that out for free. It's a physical book, so just send an email with your physical mailing address to [CEO@Zappos.com](mailto:CEO@Zappos.com).

**Nick:** Wow – that's great. Thanks so much Tony.

**Tony:** Take care.

**Nick:** You, too. ★

# Change Your Contracts Now!

By JW Dicks

One of the biggest problems to face an information or training business is that someone won't like what they buy and band together with others in a class action against the company. This is the type of action now facing Trump University as an example (you can read the lawsuit filed at the web address listed below the image).

I am not suggesting whether the consumer in any case is right or wrong. My job is to point out what my clients can do to protect themselves and the US Supreme court just gave us one new way to do it.

The 5 to 4 decision ruled in favor of arbitration provisions (some states rejected them as unconscionable if they were the only choice) as binding, even if the buyer had



no other choice. Additionally they ruled that if the arbitration provision contains a clause that requires claims to only be brought individually and not with others (a class) then there would be no class actions.

While this decision has already sparked consumer groups to cry unfair, it is the law of the land for now and you should add such a clause to your contracts as added protection against a class action. Frankly, depending on the price of your products it will likely reduce arbitration claims as well because most lawyers won't take small claims. There is some risk if your product was really bad that you could be defending a lot of arbitrations in different parts of the county but avoiding class actions is a big deal because they can put you out of business just defending them. ★

<http://www.courthousenews.com/2010/05/04/TrumpU.pdf>

## NEXT Restaurant cont. from p1

if you don't show, for any reason, you lose your purchase price. This policy alone eliminates a great deal of waste. While you are free to sell your ticket to someone else, there are limitations. Even so, there are already resale values cropping up on eBay and Craigslist for up to \$3,000 for the Chef's table at a prime time.

- While menus are very limited, they change four times per year and appear with a new theme. Some menus will never be repeated so opening-season guests have gained bragging rights to the fact that they were there at the first menu offering and the experience that went with it.

While the restaurant world waits the long-term review of whether these new innovations help or hurt the success of the restaurant industry, the point of our discussion is to call attention to and point out the creativity of reinvention. Look closely at your business and your industry and try to think of ways

that you can change the positioning of what you offer to make it a better experience for your customer or give you a competitive edge.

For instance, an attorney could get known for flat-fee pricing or a subscription-based model instead of the traditional hourly billing.

A dentist could add other health-care products to his services expanding his income potential and separating from his competition.

A financial planner could niche his market by only working for a specific group of professionals such as entrepreneurs or any other niche market.

A barber shop could become a club and have membership levels, like our Kennedys All-American Barber Club.

Pause for a moment and think how you can create your own position that is different from what your competition is and would bring value to your customers. ★

# Niching Lessons From the Magic Kingdom

By JW Dicks

We follow Disney a lot around here both because our Orlando location gives an opportunity to hear more news about Disney than others do and because Disney offers wonderful business lessons that we can all adopt in our own business.

Right now, Disney is undergoing a niching process, which it refers to as segmentation of its hotel rooms. While Disney has long built individual hotels based on themes, it is now taking it a step further to niche individual floors and rooms. One of the specific niches is targeted toward health and wellness and another Disney calls, “Storybook hotel rooms,” which means rooms that are more lavishly themed than conventional rooms. This theming concept was first tested by Disney at its Caribbean Beach Resort, which was redone in a pirates theme to play off its movies and characters under the same banner.

While it is not important what the theme is, what is important in our context is the niching of a broad market for pricing purposes as well as over all experience. In Disney’s words, “The more segmented you become, the more you can match the segmentation of consumer demand.” This is an important lesson for us all. While there may clearly be a demand for your product, the more you niche it into different segments, the stronger your attraction is to those segments and the more committed participation you get from them. Additionally, because you can become even more targeted with your message and

because you get the higher commitment from the niche, this can be an example where the parts are greater than the whole.

We have found the power of segmentation to be important in our business. In the beginning of our company we offered a product we called the Celebrity Branding Experience. We cast a wide net to get people interested in being on television, becoming a Best-Selling Author and in major print publications. For the first year, marketing was done across all business and professions. While the product was successful, we have found that by targeting a specific form of the same product to a specific market such as financial planners or dentist, we can use their language in the marketing and tailor it to their specific needs. The result is that we get more people to participate in the targeted versions of the Experience, and as a result we are able to put on more Experiences during the year.

Take a look at your business. Is there a way to further segment or niche it down from the way you are selling it now so your marketing can be more targeted. Segmentation can be based not only on industry but also on sociodemographics such as higher incomes, lifestyles and even more specific. Once you find these successful demographics you can then create specific databases that hit those targets matching your marketing message even more precisely. ★

## Marketing Roofer cont. from p5

know that I was hooked like I am sure everyone else is when they meet Ken because he changed the sales dynamics. His presentation was not the typical “where’s the job?” and here is my price. Instead, it was much more about relationship, who he is, what he has done and why he was the guy to solve my problem.

I was no longer interested in speaking to anyone else because I knew Ken was the guy because he acted and spoke different than any other roofer I had ever met. He was interested in me and what I did for a living and how I found out about him, even suggesting how he and I should trade books each other had written when he discovered we had authorship in common.

The point to this story is that separating yourself from your competition is a must in any business. How you separate yourself can be accomplished in many ways. Sometimes

it is price. Sometimes it is service. In all cases, however, it can be by showing interest in your prospects and demonstrating to them in small subtle ways that you are different and more professional than the other guy no matter who he may be. Ken, did this by showing his history, his family connection, and that he was more than just a roofer, he was a radio personality and author. He was also a good guy, a roofer and after all, I had a leak and he could fix it.

Think about Ken the next time you try and create some complicated new marketing idea and just realize that sometimes, it is the simple things that we all need to go back to. Make a personal connection with your prospects and let them know you are interested by telling stories or opening up to who you are, that you care, want to do the job they have for you and that it will be pleasure to do it. Do this and you can get more business and charge more than your competition...Ken did. ★

# Donald Trump for President?

**NOT ANYMORE**

By Nick Nanton

**A**s Donald Trump hits the speaking circuit to promote his trial balloon for the Presidency, he is also clearly promoting the Trump brand. While we now know his campaign was short lived, he will certainly profit on the business side.

Like many real estate developers, Trump was hurt in the Great Recession when some of the projects carrying his name never reach completion. There are lawsuits, like there always are when people lose money, so his image has gotten a little tarnished. On another front, Trump University has been told to stop using the name “University” by the state of New York’s Department of Education, claiming his use of the word University is misleading. **(I have advised clients not to use University as the banner for their own educational products as this has been the position of other states that have brought actions against others. I repeat my caution with this latest issue).** To make matters worse, Trump is likely facing a class-action lawsuit by some students who attended the classes. Hopefully, for his sake, his enrollment forms had the right type of arbitration provision that protects against this sort of thing **(see Supreme Court decision elsewhere in this issue to learn what you need to**

**do now to protect yourself and your business).**

All of this recent “bad press” may be what his Presidential bid was all about. If you have seen any of his speeches, you will see that the interviewers are not pulling any punches and neither is Trump. If you don’t mind some rough language, check out his speech in Vegas on YouTube.com, which is laced with the F-word. Speaking the language which likely appeals to his audience, he aggressively attacks problems in this country and world affairs. You may not like his answers, but he will get attention and it will defuse some of the negative news I just addressed.

Now that his short campaign is over, his politics are unimportant, but I do encourage you to watch how he uses publicity and the media to build his business base. He has a community of followers, and he has the money to use social media and traditional media to reposition himself and his image. When your name is what you sell, and in his many licensing deals that is his product, you have to stay out in front and make sure what is being said has been spun by you and not others who may not have your interest at heart and are pushing their own agenda. ★

# Superman Renounces His U.S. Citizenship!

By JW Dicks

**I**t’s true! Action Comics took the opportunity of its 900<sup>th</sup> issue to announce that Superman will go international with his appeal. This could be called the reinvention of Superman, but abandoning your core audience is a risky proposition.

Action Comics thinks that abandoning, “Truth, justice and the American way” for some Global Superhero slogan that will, in theory, appeal to China, India and the growing global market has potential economic merit. But there is something gravely disloyal to its position strategy that will have a backlash, although not likely large enough to equal the size of the new audience.

Ok, I get it. A few years from now, Superman, the super-hero, will have a bigger audience by embracing a neutral patriotism, but call me old fashion; I say Action Comics is turning its back on what brought them to the big dance.

The market place today, is a niche market. The more you try and expand outside your niche with your identical

product line (as opposed to changing it for the next niche market) the greater risk you face of becoming irrelevant to the needs of the audience that followed you in the first place. This doesn’t mean you can’t expand, you can. Action Comics could have created a new character that stood for global good and brought people together. We certainly need such a leader. But having Superman turn away from the country that embraced him is not the symbol of a new leader but more of the same politician that shifts with the way the wind is blowing.

The real power in business today is brand loyalty, and that runs both ways. You should be loyal and consistent to your fan base, and they will be loyal to you. Build a rock-solid foundation of who you are and what you stand for, and treat those who follow with the respect they deserve. Do that and you create a culture of loyal followers that help you grow by spreading the word. Try to be all things to all people, and you water down your message.

Superman and his fans deserve better. So do your fans. ★

# Start Your Own Association and Certify Your Members Training

By JW Dicks, Esq. and Nick Nanton, Esq.

**N**ow that the economy has picked up, people are building businesses again and looking for a way to separate themselves from others offering similar products or services. One way to do this is to get specialized training that offers a Certification to show accomplishment. And if you have a training program you can offer a Certification designation for those who successfully complete your training through your own Association.

We have created our own Associations, (National Academy of Best Selling Authors and America's PremierExperts®), to give recognition and promote our members accomplishment. Both of these Associations have helped our brand grow and create new opportunities for ourselves and our members.

Certification and membership in an Association creates strength, a place of belonging, and a central focus for your trainings brand. There are many benefits for you as founder of the Association because you become the leader of the industry you are creating. People want to associate with the leader in the industry and they want the leader to certify them and their training. This gives your members a feeling of accomplishment, specialty recognition for what they do, a place to associate and learn from others in a common field, and a place to develop and learn best practices for their industry.

You as the founder can use the Association to create or solidify your own niche in a broad industry. You can do this by adding your own positioning to carve out the niche, promote a unique selling proposition, or reinvent your services within the industry. Once you create the Association around your position, you can offer training and Certification of your members on how to help others using the knowledge they gained from your training. There are many examples of such programs such as the CFP designation started almost 40 years ago by a small group of financial advisors who wanted a new type of certification and training

in financial services. This also led to Certification in the insurance industry, auditing and even competitive financial associations offering different types certification within the broad financial services industry.

In the legal profession we have the American Bar Association but we also have specialized Associations such as the Association for Corporate Counsels which represents just those lawyers who work for corporations. In fact, there are some 9,000 Associations in the United States today.

While many associations are formed as non profits they don't need to be and there are many advantages to being a profit entity including the ability to make money and invest it to grow the Association, less restrictions from both a set up and operational stand point, the ability to accept investors, merge with other Associations and even go public. An Association can be very flexible and offer many opportunities and directions for growth.

While both Associations and Certification programs aren't new, it is important to make sure they are stand alone entities and structured to avoid various state statutes that govern distribution organizations, business opportunities and franchise laws. This can be done by structuring your Association By-Laws, membership agreement, certification process and even your code of ethics to avoid falling into the definition of these other entities unless that is your desire. In fact, building an Association and then converting it to a franchise down the road once you have a synergist membership base could offer good planning opportunities and cost savings, so spend the time to plan exactly what you want to accomplish and then structure the Associations plan accordingly. ★

*For more information about creating your own Association and Certification program, email me at [JWDicks@DicksNanton.com](mailto:JWDicks@DicksNanton.com).*



JW and his Derby hat

# Lessons From The Kentucky Derby MasterMind

By JW Dicks

Our MasterMind Group of Experts meets three times a year, and we always mix business with pleasure and terrific creative thinking seems to come out of the combination. This year we are going to the Grammys and Bermuda, and we just got back from the Kentucky Derby.

The Kentucky Derby is the oldest continuing sporting and cultural event in history. (Note how it has positioned itself with the two words sporting and culture, creating their own category of fame.) This year was the 167<sup>th</sup> “Run for the Roses” as the race is also called. (See how the Derby created its own jargon.) More than 164,000 people were present and all source wagering was \$165 million. This was up 1.5 percent over last year, which reversed a three-year decline so the trend in betting is moving in a positive direction along with the rest of the economy.

Kevin Flanery, Church Hill Downs President said, “When you deliver competitive racing packaged with an unforgettable social experience, fans will want to be a part of it.” And that is the lesson I would like you to take away from this article.

We are all in the business of creating experiences for our customer whether we know it or not. The better the buying experience, the better the long-term connection you can make with your customer. The more targeted you can make your experience, the tighter your branding. As I mention above, the Derby has created its own brand position, its own jargon, its own drinks (Mint Juleps) and its own visual branding (hats). While the hat experience was once focused pri-

marily on the ladies, the men have now extended the hat experience and are promoting their own look.

If you have an annual event, use the Derby example of what you should try and do. The more you can create your own theme and carry it through to what you are trying to accomplish, the more your audience will begin to associate the fun and the excitement of the event itself and want to keep coming back. Celebrities are one way to do this. The Derby had Jordan Sparks sing the National Anthem and other celebrities were present on the Kentucky Derby Red Carpet such as author Nora Roberts, Reggie Bush, Salt and Pepper, TLC, REM, and many others from the music industry.

Last year, we created our own annual event, The National Academy of Best-Selling Authors Awards Show and Gala. This gave us an opportunity to recognize our Best-Selling Authors with a statue award made by the same company that makes the Oscars. We use Business Ce-

lebrities as part of the attraction, and this year the legendary Brian Tracy will speak and receive our annual Lifetime Achievement Award. The October event will be held at the Roosevelt Hotel in Hollywood, which is the same hotel that hosted the first Oscars.

As you can see, we are creating a culture that our customers can experience and be recognized for their own achievement. Each year the event grows as we add more authors, more celebrities and more education to the mix. How big the event will ultimately get we don’t know, but it creates an opportunity and experience that is special for our clients and offers a unique way for them to be recognized for their own success.

Ask yourself, what you can do to build your own event or experience for your customers to connect with them in a fun, exciting and rewarding experience. Follow these ideas from the Kentucky Derby and build something repeatable for years to come. ★



2011 Experts Mastermind at the Kentucky Derby