

“Over
10-Million Dollars’
Worth of
Magnetic Marketing
Tool Kits Sold”



Dan Kennedy's

MAGNETIC MARKETING

SYSTEM / TOOL KIT SUPPLEMENT

*For ALL Business Owners
and Sales Professionals*

Magnetic Marketing Supplement

Dear Customer,

Enclosed in this Supplement are selected advertising and marketing document examples and commentary about them, reprinted from 1998 issues of my NO B.S. MARKETING LETTER. Many more were published in the year's issues, but I've chosen these as exceptionally effective illustrations of some of the key ideas and strategies included in Magnetic Marketing. Most of these were submitted by subscribers, i.e. Inner Circle Members, incidentally.

I'd also like to encourage you to join my Inner Circle, so that you receive this continuing education and support via the monthly newsletter, periodically scheduled consulting call-in days, and other benefits. An invitation packet has been included with this Supplement.

Best,
Dan S. Kennedy

Advertising Example (From 1/98 Newsletter)

NOW HERE'S A TREMENDOUS REAL ESTATE AD: I wish I could show you this ad (**Exhibit #1**) in its full-color glory as it actually appeared - this guy has got it together. Note the great headline (in a red. reverse band across the top), then two second headlines underneath... a powerful free offer right up top illustrated with what's being given away (something MOST neglect). Then also four different, additional free report offers, a toll-free 24-hour hotline, and a guaranteed offer. My guess is this guy's a Craig Proctor student (and, for all I know, a Kennedy student), but however he's put it together, it's impressive.

Advertising Example (From 2/98 Newsletter)

I often like to analyze Yellow Pages ads - as I'm doing here -because the Yellow Pages is just about the toughest advertising arena there is; the only place all the competitors gather and vvy for a prospect's attention like bachelors in the barn dance line on Sadie Hawkins Day. So, what works in this environment is useful in virtually every other advertising media. With that said, let's take a look at a Yellow Pages ad for the famous Culligan water company (**Exhibit #2**). A lot of this is admirable - the stat itself: over 13,000 people, 25 years. But we could easily rewrite to more clearly make the link for the reader between facts about Culligan and importance to the consumer, as follows:

10 Reasons Why Over 13,000 People In Our Valley Have Relied On Culligan For Their Water Solutions Over The Past 25 Years...Why You Should Call Culligan First, Too

Then, let's look at the copy, the bullet points. I'd number them 1 - 10, rather than just putting the little stars in

front of them. Why? Because quantity itself is persuasive, but it's not smart to leave it up to the reader to see that there's quantity of reasons here. Then look at the bold-face : type lead-in phrases. Some are ok - like EASY FINANCING; that telegraphs a benefit But "TRADE IN" does not telegraph a benefit...try SAVE EVEN MORE WITH TRADE-IN.

Next, consider the layout of the ad. The big, prime headline space on top is given to the Culligan name - but that's less important (especially in the YP) than the promise, and, in this case, the name is repeated in the headline anyway. So, I'd move the headline up, move the Culligan logotype to the bottom. Now, what is glaringly wrong with this ad? Plenty. There's no offer, no call to action, no incentive to action. It's like building a great race car but leaving off the wheels.

Advertising Example (From 5/58 Newsletter)

ADVERTORIAL THAT JUST MISSED THE MARK: **Exhibit #3**: here's an advertorial run by The Kaufman Fund. Presumably there have been rumors and this is their reply. If there haven't been rumors, this could be an astute marketing ploy. Either way, however, it misses the mark two ways: one, the typestyle isn't matched to the newspaper's. Two, much more important: there's no direct response mechanism included. Nowhere in this ad is there an 800# to hear more details via a recorded message, request literature, etc. - incredibly, they've managed to use a smart DR format and turn it into completely unaccountable institutional advertising. If you can be dumber than this, I'd be afraid to see how. (All this ad needs to be great - and ROI measureable is something like: "Before you invest in any fund, you may want to get a free copy of the Kaufman's newest research Reports: "10 Costly And Dangerous Myths About Investing In Managed Funds" and "Top 5 Financial Predictions For

1999 And 2000." For details, and to get copies sent by mail, you can call the Kaufman's free recorded message anytime, 24 hours a day, 7 days a week at 1-888-LOOKOUT.) *I wonder why people advertise without asking for response?*

THE POWER OF THE SIMPLE SALES LETTER: Paul Lucas set in this sales letter (**Exhibit 4**) -

which is sent with a menu - to local businesses, soliciting corporate accounts for "Aldo's Pizza." Note that it is personalized to the recipient... and makes strong offers. Paul reports that his first test yielded a 2.5% response opening accounts plus others who just ordered pizza (but because his client i.e. his Dad didn't keep good records, he doesn't know that number). Now this thing is about as simple as you can get, and @ 2.5% opening accounts, it's a juicy winner. If you guesstimate this at \$500.00 invested per 1,000 letters sent; 25 accounts; average yearly value at least \$100.00 to \$200.00...you've got a 500% to 1,000% return on investment. *I wonder why people waste money mailing sales letters that lack irresistible offers?* (By the way, a couple suggestions to Paul: (1) try enclosing a color photo of a mouth-watering-looking pizza and other stuff feast on a table; (2) use testimonials; (3) issue corporate credit cards to those who open accounts; (4) build a FAX # list, to send monthly newsletters and special offers.)

Exhibit # 1

The Least Expensive Way To Sell Your Home For The Most Amount Of Money



Malcolm Palm

Find Out Why 7 Out of 10 Homes Don't Sell
Special report reveals the 4 most common mistakes that can cost you thousands...

Don't be discouraged! The reason your home didn't sell may have nothing to do with the appeal of your home or a lack of buyers in the marketplace. In fact, your home may have been one of the more desirable properties for sale.

No Why Didn't Your Home Sell?
 Almost three-quarters of homeowners are asking themselves the same question. It may shock you to learn that in the Greater Bradenton area, 24,829 properties have been listed for sale in the first 10 months of this year, but only 12,027 properties sold (only 48.4%).
 The fact is that selling a home today is not an easy process. While most agents are doing the best they can in today's highly competitive market, there are factors that most come in to play to ensure that your home is among

the 25% of the homes selected by available buyers - and most importantly, that it sells for the most amount in the shortest amount of time.

We've Sold a Home Every Week This Year
 It's important to find an agent who has innovative, effective and proven systems in place to ensure a favorable outcome for you. In a marketplace where 25% of listings are not selling, my team is selling almost 70% of the homes that we list, and we're selling them faster and for more money than the multiple listing service average.

You Can Change the Outcome of Your Home Sale
 Don't risk making the wrong choices and losing both

time and money on your investment. Before you hire an agent, prepare yourself with the questions you should be asking for maximum results. Find out what things you should do, and should not do, to ensure the sale of your home for top dollar when you're the next seller.

How to Sell a Home That Didn't Sell to Sell a Home That Didn't Sell
 I have prepared a FREE special report entitled "How to Sell a Home That Didn't Sell". The pre-recorded information about how to add your free copy of this report call my 24 Hour Toll Free Information Hotline.

Call 1-800-297-0143, enter #218 NOW. The report is delivered free of charge and there is no obligation, so you have nothing to lose and everything to gain.

FREE Homesellers Report
 Know What To Do To Maximize Your Home's Sale Price

FREE SPECIAL REPORT PLUS VIDEO

- Learn things you should do & not do
- Learn how to establish your selling price
- Quick & easy fix-ups that will make a difference
- How to maximize your investment

To order your FREE Homeseller's Report call
1-800-297-0143, enter #201 (talk to no agent)

Or if you would like to speak to me directly, call my private office line at 459-9711



FREE INFORMATION BROCHURES FROM OUR TOLL FREE HOTLINE
 Call 24 Hours a day, 7 days A Week For Pre-recorded Message: 1-800-297-0143, Enter ID #2007

MOVING
 Helps you through this organizational headache by providing a checklist for a successful move - what to do and when.
REPORT #1

COST
 Explores the value of making major home improvements, and helps you weigh the cost/benefit of these renovations against the option of selling.
REPORT #2

TRADE UP
 Explores the value of making major home improvements, and helps you weigh the cost/benefit of these renovations against the option of selling.
REPORT #3

PRICE
 Explains the importance of setting the right price when selling your home, and explores how this price should be arrived at.
REPORT #4

FREE
 Information brochures from our toll free hotline.

FREE
 Information brochures from our toll free hotline.

Seymour - \$219,900 Or Trade
 Stunning 5rm w/wooded ceiling, skylights, open floor plan, but, spacious deck overlooking a level yard w/AC pool.
 Call 800-8IREMAX, #202277

Stratford - \$219,900 Or Trade
 Totally remodeled 4BR Ranch, new kit, oceanic site, skylights, huge FR, 3 baths, MBR w/alc w/closets, must be seen!
 Call 800-8IREMAX, #202247

Seymour - \$214,900 Or Trade
 Well built 4BR, 2.5 bath Colonial in prime area, MBR w/walk-in closet & jet tub, FR w/ipl, level yard with views.
 Call 800-8IREMAX, #202127

Trumbull - \$184,750
 3BR Ranch w/alc w/closets, 1 R formal DR, den, rec room, 2 car garage, vinyl siding, set on a quiet cul-de-sac street.
 Call 800-8IREMAX, #202207

Shelton - \$143,000
 Expanded 3-4BR Cape, 2 full baths, woodwork on 2nd floor, new central heat & air, new roof.
 Call 800-8IREMAX, #202367

Stratford - \$134,900
 3 bedroom, 2 bath Ranch, new furnace & central air, LR DR w/alc, 1 car garage, set on quiet street near town park.
 Call 800-8IREMAX, #202237

Stratford - \$139,900
 Well maintained 4BR Cape, wood floors, 2 full baths, partially finished basement, level fenced in yard w/irrig, good sized 2 car garage.
 Call 800-8IREMAX, #202157

Seymour - \$119,900
 Remodeled Victorian, living room w/wood floors opens to den/FR, remodeled kit, porch & patio, must be seen, very charming.
 Call 800-8IREMAX, #202347

Derby - \$105,900
 Charming 3BR Victorian Colonial w/large BR & ample closet space. Oversized lot w/garage.
 Call 800-8IREMAX, #202197

FREE Quick Over The Phone Home Evaluation
 Get the facts with no hassle.
 Call 459-9711 Direct

I Will Sell Your Home In 120 Days, Guaranteed Or I Will Sell It For FREE!
 *Certain conditions apply.
 Ask about my special offer to my new and valued customers.
RE/MAX United, Inc.
 2 Daniels Farm Road, Trumbull
 Call Now! 203-268-1118, ext. 241

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Culligan®

Over 13,000 people in our Valley chose to use *Culligan* for their water solution over the past 25 years!

Why?

- * **SERVICE...** 10 of our staff drove over a quarter of a million miles last year alone to care for our Customers' needs.
- * **EASY FINANCING...** You can own a Culligan System for under 25¢/month. Even the paperwork is a snap!
- * **EXPERIENCE/TRAINING...** We spent over \$10,000 in the last year alone sending our staff to Chicago, Phoenix, Florida, South Carolina, California, and Denver to educate and train them to be one of the finest Service Teams in the Nation! Our management team has over 45 years of experience. We will save you time and money doing it right the first time...guaranteed!
- * **WELL WATER...** For your complete water testing needs, ask for our well water department. For quality design and application, we are the TRUE professionals.
- * **RENTAL PROGRAMS...** You want a simple and quick solution? No problem, ask about our rental program! HUNDREDS of our Customers have been renting Culligan Water for up to 20 years!
- * **TRADE-IN...** You will save \$ hundreds of dollars \$ trading in any brand of water treatment equipment for a new Culligan!
- * **ENVIRONMENTALLY SAFE...** NON-SALT using systems metered systems for water conservation & efficiency.
- * **WARRANTY...** We have the best warranty packages anywhere! Ask about our life-time program.
- * **DRINKING WATER...** We have the finest drinking water in the World! Once you taste it...you'll agree!

GUARANTEED SATISFACTION!

We'll...of course! What else would you expect, we've been your good neighbor for over 25 years! Over 13,000 Customer have relied on us so far, we aren't about to change now... after all, we have an awesome reputation and NAME to protect.

ASPEN

925-1010

VAIL

476-2008

GLENWOOD
SPGS

945-0505

CARBONDALE, CO

963-2273

BATTLEMENT
MESA

1-800-826-5224

SILT- NEW CASTLE

945-0505

1829 E. DELORES WAY
CARBONDALE, CO
81623

RIFLE

945-0505

TOLL FREE

1-800-826-5224

DIR.NO.: 08045
CLIENT: CULLIGAN USA
ASR/CLIENT NO.: 1143020
HEADING: WATER SOFT & COND
ART DATE: 081297

DIR.: CO ASPEN-GLENWOOD SPGS
PUB CO.: 738 (7 x 9)
SIZE: 3 COL, FP
CLOSE DATE: 8/12/97
DATE SET: 8/28/97cmw/LN
cu08045drop-ad-2
47 x 59.6

Exhibit # 3

ADVERTISEMENT

Kaufmann Fund Managers Plan To Manage The Fund For At Least Five Years Would Invest Own Money In Fund

Lawrence Auriana and Hans Utach, portfolio co-managers of the Kaufmann Fund (KAUFIX), the best performing general equity fund in America for the ten-year period ended Dec. 31, 1997, denied news reports that they were planning to retire.

"We are as committed as ever to the long-term success of the Fund, and have absolutely no intentions of retiring in the foreseeable future," said Mr. Auriana.

Mr. Auriana continued, "We can confirm the reports that we have been in discussions to sell or merge our management company. Any such transaction, however, would only take place with a firm which would preserve our unique investment style and culture and be able to contribute additional resources to better serve Kaufmann shareholders. Hans and I plan to manage the Kaufmann Fund for at least the next five years. In connection with any possible transaction as a measure of our confidence in the future prospects of the Kaufmann Fund, we would invest a significant amount of our own money in the Fund."

"While Hans and I may have more years of experience than many others in our industry, we are still quite young, we enjoy our work immensely, and we continue to be optimistic about the prospects for small- and mid-cap growth stocks. We expect for the foreseeable future to continue doing what we do best and enjoy the most, namely managing the Kaufmann Fund."

The Kaufmann Fund is a small company aggressive growth fund with net assets of approximately six billion dollars. These assets are invested primarily in companies beyond the venture stage that have established profitability and have substantial growth prospects. Generally these companies have strong positions in the markets they serve as a result of proprietary technology or unique services. The fund managers with rare exception meet with the managements of the companies in the portfolio on a regular basis. Most of the positions in the portfolio were first purchased on the initial public offering (IPO).

Exhibit #4



ALDO'S PIZZA
600 S. Norfolk
San Mateo, CA 94401-3071
(415) 344-5051
AT ALDO'S... Quality Comes First

Certicom Inc.
1400 Fashion Island Bl
San Mateo, CA 94404

Exhibit #3

Delight Everyone's Taste buds and Find Out How
Certicom Inc Can Get A FREE Aldo's Pizza...

For years local business such as Franklin-Templeton and Electronic Arts have relied on Aldo's to deliver delicious pizzas steaming hot with flavor. Why? Because with our four styles of pizza, crust and dozens of always fresh toppings Aldo's Pizza can please all of your employees, clients, and associates!

Aldo's also makes top-notch Charbroiled Burgers, Spaghetti, Ravioli, Salads, and Sandwiches. Ordering from Aldo's Pizza is better than having a pizzeria in one!

And, unlike those other pizzerias, Aldo's specializes in serving the business clientele of San Mateo and Foster City:

*Aldo's provides the perfect pizzas for your next business meeting or office party. We even offer a catering special for parties of 10 or more people that includes pizza, salad, and drinks, starting from \$5 per person (call for details).

*Any order over \$25 gets a Free Order of Chicken Wings (but you must request it as this is a secret offer to select customers!).

*In order to better serve our business clientele, I've put Aldo's Pizza on the Web. Check us out at:

<http://www.americandreams.com/aldoepizza/>

or pick out your next pizza by looking at the enclosed menu.

Set Up Your Corporate Account and
Get a FREE Aldo's Pizza!

If your company does a lot of catering, you can be ready to enjoy the taste of Aldo's Pizza anytime by setting up a Corporate Account. Your Corporate Account will take the billing hassle out of catering all your meetings and parties. And your company will be all set to order our unique pizzas whether your event is next week or next month.

Call 344-5051, mention you're interested in opening a Corporate Account, and I will personally give you the details. And if Certicom Inc sets up a Corporate Account before 12/31/97 you will receive one large pizza absolutely FREE with your first purchase of \$15 or more!

Ready to make your pizzas,

Manuel Lucas
Manuel Lucas, Owner

P.S. No other pizzeria (including ones you may have ordered from) can match Aldo's quality. Call me today and find out for yourself.

Gage
MENSWEAR SINCE 1946

I don't know if you saw this the other day in the Sunpapers —

As you can see, due to the sprinkler malfunction we are selling everything Downtown at 30% OFF our normal discounted prices.

I just wanted to make sure you knew. Hurry, the stuff is going fast!

Bill Glazer

Low Prices — Designer Apparel — Legendary Service — AND — Incredibly Low Prices.

DOWNTOWN STORE: 200 W. Baltimore St. / Baltimore, MD 21201 / Ph: 410-727-0763

www.gagemenswear.com

thing to get cleaned up. Bernie says; Flood? How do you start a flood?) Anyway....

This is not an isolated incident. Let me show you another excellent Bill Glazer direct-mail piece pulling double -digit response: **Exhibit #8** (shown on page 9) is a letter sent to past, inactive customers. In real life, it's printed 2-color, blue and black; the handwritten notes, the signature and the headline are in blue. (Note: Bill: put the headline in handwriting, too.) As you can see, the body copy has a typewriter look. At the bottom, TWO coupons, because this is a double offer: there's a free, no purchase required offer with a deadline; there's also a free alterations with purchase offer, with a different deadline. If you study this letter closely (as you should) you'll find many techniques taught in my book, THE ULTIMATE SALES LETTER - for example, internal repetition and intentional there's single focus: get 'em in the store...a PS re-stating the offers. The back of the letter is blank. I hate blank backs, and suggested testimonials.

the tab for the follow-up ad (**Exhibit #7**). Nearly-FREE advertising!

Now, I am not going to tell you the total sales numbers generated from this quick campaign nor will I reveal the multiple return-on-investment, as Bill rightfully wants to keep that confidential, but let me just say it was a very big number and a very satisfactory multiple. (Enough to tempt a store owner to

hold a match under the sprinkler head. Which reminds me: old joke: one New York guy bumps into another New York guy on a Florida beach. Izzy says to Bernie: what are you doing here? Bernie says; we had a terrible fire in the store. Everything ruined. Burnt to the ground. I'm down here waiting for it to be re-built. What are you doing here? Izzy says: we had a terrible flood in the store. Ruined everything. I'm here waiting for every-

OK, now here's a "moneymaker tip" for everybody: Just about every business has inactive customers - and can periodically save a number of them with a good campaign like this one. By the way, this identical offer, a virtually identical letter sent to "cold" lists under-performs the one to past, inactive customers by more than half. (In our biz, we've occasionally used a reactivation campaign, offering past customers the opportunity to buy any one item out of the catalog at 60% or 70% off. Always works well. Would be a very bad idea with brand new "off the street" customers - but the value of recapturing the past customer is more of a "known", so it's worthwhile.)

I told Bill that a follow-up piece (You haven't come in for your free tie - shall I send out the search party? - See 'Magnetic Marketing Kit' for example) should pull half again as much as this first letter or better. By the numbers, NOT worth doing with the "cold" lists but well worth doing with the in-actives.

Key Principle:

Turning inactive customers back into active customers is cheaper than getting new customers.

Bill also utilizes frequent mailings, many featuring gift-with-purchase offers, a frequent Buyers Club, and out-bound tele-marketing by the reps to their personal clients.

Exhibit #7

ADVERTISEMENT

Customers flood Gage as a result of earlier sprinkler malfunction

Swift insurance settlement by adjusters Goodman-Gable-Gould Co. allows for retailer's rapid return to business with storewide price reductions

It has been several weeks since gallons of water were siphoned from the first and second floors of Gage Menswear's downtown store, and it appears that favorable customer response to the retailer's gutsy, ongoing 30 percent storewide discount has transformed what, at first, appeared to be an unfortunate sprinkler malfunction into a noticeably high watermark in storewide sales.

A major component to Gage's rebound is being credited to the rapid claim response and insurance settlement handled by the store's certified property loss adjuster firm Goodman-Gable-Gould. Referring to the sprinkler mishap that took place this past Easter Sunday, Gage Menswear's downtown Assistant Manager Zane McCreedy commented, "In an event like this, timing just can't be valued enough. Our Goodman-Gable-Gould on-call adjuster, Michael Hurwitz was on the scene within an hour after the situation was realized."

As part of a major insurance settlement for policy number M-14170, Senior Adjuster Barry Goodman swiftly facilitated arrangements with Selective Insurance, Incorporated (Gage's insurer) that allowed the 52-year retailer to sell its entire downtown store's inventory at a 30 percent discount to the public.

Gage General Manager, Armstead Black stated, "The merchandise is

still high-quality, top-notch designer apparel—most of which was not directly exposed to water. We're just pleased that our adjusters helped us quickly return to delivering the world class service our customers expect."

In light of the recent spike in Gage's post-sprinkler-malfunction business, store owner, Bill Glazer remarked, "I think being a well-respected retailer downtown speaks pretty loud to the consistent high level in customer confidence, despite the situation. It's a rare opportunity for us to sell first-run merchandise for 30% less than our normal low prices and the public has also recognized this as well."

To comply with the settlement offer, the downtown Gage Menswear store across from the Baltimore Arena, at the corner of Baltimore and Liberty Streets will sell its entire inventory of designer suits, sportcoats, dress slacks, dress shirts, casual wear, and all other merchandise at the sanctioned 30 percent discount. At this time, with business being so brisk, it is uncertain how long Gage will be able to offer the price reductions.



Anchored Menswear Retailer: Gage feels that passing its insurance settlement on to customers via a 30% storewide discount is the right thing to do when running a reputable business.

Exhibit #8



"How would you like a FREE 100% Silk Designer Tie just for visiting Gage Menswear in Owings Mills once again?"

- Bill Glazer, Owner / Gage Menswear

Dear Mr. Noonan,

I was going through our store records and discovered that it's been too long since you last visited Gage Menswear at Valley Centre in Owings Mills. Since we already know the types of clothing you've purchased from us in the past, I think I should tell you that now is a perfect time to stop in at our Owings Mills store again.

For instance ...our new Spring Collection is in, and I know first-hand there are several items that I think you'd be very impressed with. Now's also a great time to update your wardrobe with fresh patterns and fabrics that are perfect for the lifestyle you live.

Most important--and convenient, I might add--is the fact that Gage makes it a point to know you by name and keep track of your sizes. We also know what your style preferences are and precision tailor to fit only you. Plus, we always keep you informed of special events that will save you money.

Still, knowing all of this I'm surprised that you haven't visited us in a while. So I'm going to make you a special offer, good exclusively at the Owings Mills store ...

I'd like to give you a FREE TIE just for stopping in at the Owings Mills Gage. Best of all, NO PURCHASE IS NECESSARY. You see I'm so convinced that when you get reacquainted with the store and all of the advantages that come with being a regular Gage customer, you'll turn to us for all of your men's apparel needs once again.

ABOUT YOUR FREE TIE: Simply present the coupon at the bottom of the page to your Owings Mills Gage Sales Associate before May 24, 1998, and select any one FREE TIE from our 100% Italian silk "Prima Italia" neckwear collection. These ties sell for \$45 elsewhere, but I've reserved one for you ABSOLUTELY FREE!

AND ...to sweeten the pot ... Here's an offer I've never made before - AND MAY NEVER offer again!

If you visit Gage in Owings Mills before May 17, 1998, feel free to use the second coupon at the bottom of this letter and I'll give you FREE BASIC ALTERATIONS from our world-class tailoring department on any new tailored garment you buy! As you know, our basic alterations include waist, seat, and straight or cuffed trouser bottoms, and jacket sleeves--combined, they're a \$28 value, but any or all of them are also yours FREE when you present your coupon to your Owings Mills Gage Sales Associate!

Please accept my invitation to visit the Valley Centre Gage Menswear store once again. Now's never been a better time to be an Owings Mills Gage customer. And our FREE OFFERS will make it worth your while.

Warmest regards,
Bill Glazer
Bill Glazer
Owner

P.S. Don't forget about your FREE TIE and FREE BASIC ALTERATIONS!
Your favorite Sales Associate is looking forward to helping you select a FREE "Prima Italia" TIE that's right for you!



Low Prices ...Designer Apparel ...Legendary Service ...AND Incredibly Low Prices

OWINGS MILLS: 9016 Reisterstown Rd. / 410-521-5351 HOURS: Mon. - Sat. 10 to 9 / Sun. 12 to 5 2 miles north of Gateway Exit 21, in Valley Centre

Two coupon sections: 'FREE 100% SILK TIE' and 'FREE BASIC ALTERATIONS'. Each includes a barcode and detailed terms and conditions regarding the offer's validity and usage.

HOW TO "THINK" MAILING

The mechanics of obtaining mailing lists are discussed in detail in my "HOW TO TURN MAILING LISTS INTO MONEY REPORT" provided with The Magnetic Marketing System.* Here, I'd like to coach you in how to THINK about lists. You see, you should constantly be checking out available lists, especially newly available lists as they become available as a means of shopping for opportunity. So, I thought we'd look at a few recently available lists and think through the different businesses that might use them profitably:

CLUBS OF AMERICA - this file contains buyers of various continuity programs, including Beer Club, Wine Club, Coffee Tasters Club, Chocolate Club, etc. 148,000 total, break-out by gender, state, zip. Nat'l marketers who might use this: a newsletter publisher, an info-product marketer - egs. "How To Become a Fine Wine Expert Course", some other kind of club marketer, egs. a travel club. But let's say I'm a local restaurant owner: maybe I can create my own continuity club to sell to the local hunk of one or more of these lists.....say I own an Italian restaurant: for \$39.95 a month auto-billed to your credit card, you get one special dinner a month on certain nights, one-month Northern Italian cuisine, another a Creative Pizza Tasting Buffet, etc., etc., a newsletter, 10% off anytime, a free dinner on your birthday, etc. (Trap: many of these club memberships given as gifts. Question: can buyer-users be segmented?) Stevens-Knox List Mgmt, 212/388-8800

INTERNATIONAL MALE CATALOG BUYERS: 80% male buyers, avg. \$90 purchases, very trendy GenX type fashions. 204,000 current buyers by state or zip. National marketers: music/entertainment. Local: a hot nightclub, certain types of car dealers, shoe store, hair salon. Fasano Assoc. 213-874-4400

BRIDES-TO-BE: compiled list (in biz since 19101) incl. 60,000 avg. monthly "hotline" i.e. very recent requestors of info about wedding invitations and accessories that can be ordered by mail. File is selectable by wedding date, phone number, geography. Local: photographers, travel (honeymoons, cruises), real estate "first time buyer" programs. Rubin Response 847-619-9800

WALKERS HUNTING PRODUCTS - 32,000 buyers of a device that works kind of like a hearing aid, that amplifies noises like turkeys gobbling or deer walking through grass. Local: gun store or club, military surplus store, sporting goods store, travel agency (hunting trip destinations), pick-up truck and SUV dealers. Other List Co. 914-228-5859

UNIVERSITY OF TEXAS LIFETIME HEALTH NEWSLETTER. 30,000 subs. 56% male, over age 60. Nat'l marketers: vitamins and herbs, especially re. prostate health, Viagra alternates. Local marketers: MLM distributors in health category (improve health, make extra money, have something interesting and rewarding to do), doctors, chiropractors. List Services 203-743-2600

LISTS AND GROW RICH

I pulled all the above from the listings in the 7/27 Issue of DM NEWS, which serious students of direct-response get.

Here Are some compiled lists:

ALTERNATIVE HEALTH PROFESSIONALS: 72,000, incl. massage therapists, chiropractors, nutritionists, etc.

ADDICTION TREATMENT PROFESSIONALS: 87,000

BUYERS OF ASSORTED BOOKS RE. PUBLIC SPEAKING: 17,459

What might you do with those?

A FEW THOUGHTS FOR LOCAL MARKETERS

Local marketers under-use commercially available mailing lists. If you use them, you gain an enormous competitive edge. Let's say I'm a carpet cleaner: how about a list of everybody who responded to radio or print ads and asked for info about arid/or bought a new Oreck vacuum cleaner?

If I'm a chiropractor, how about BackSaver or Magnetic Therapy catalog buyers? Or golf-gadget buyers? If I'm a travel agent, what about buyers of travel videos? If I own a bakery, how about members of that chocolate-of-the-month club? Tip: TAILOR YOUR PROMOTION & OFFER TO THE LIST.

CAN FINDING ONE HIGHLY RESPONSIVE LIST MAKE YOU RICH?

Sometimes one great list is all it takes. For the owner of a local, really great, authentic German deli, a list of all the German families in his area might be enough (ethnic lists avail, from Numa Ltd.). Or he might find a list of people who buy gifts from Germany or German sausage by mail. If you're a national marketer, one or two good mail-order buyer lists with 100,000 or 200,000 could keep you busy for a long time. Even a small list, like Walkers above, could be worth \$100,000.00 or more to a savvy marketer of how-to video tapes for hunters.

DO YOUR HOMEWORK

Take the time to carefully...consider each list; is there some way to make a good, strong link between these people and my business? (My HOW TO TURN MAILING LISTS INTO MONEY REPORT is free with The Magnetic Marketing System.)

UPDATES RE. LISTS:

(1) The selling of motor vehicle registration information has been controversial; some states do it, some don't; some offer registrants opt out opportunities, some don't. DMV listed are of great value to many marketers - for egs., weight loss, because lists can be built by height/weight. DMV lists are currently sold commercially in 45 states. R.L. Polk is the largest compiler. Illinois, one of the largest states, has a pending case in its State Supreme Court re. the secretary of state's rights to restrict or terminate the sale and distribution of this information. (2) The deal between AiriEx and a big data provider fell apart, but AmEx is still aggressive in offering lists of cardholders to its merchants. Virtually any product/buyer break-out is available.

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Advertising Example
(From 10/98 Newsletter)

CHURCH DIRECT MARKETING. I'm often asked -especially after my speeches at the Peter Lowe events - if churches use our techniques. They do, and often very effectively. Recently, I got some very good direct-mail pieces from Rev. Jim Pearring of Discovery Church. Both are oversize postcards. Yes, this is a "junk mail" format that can usually be beat with letters*, but in this case, he has done a lot of smart things to grab the recipient's attention and motivate readership, and I like these pieces a lot. The one I've shown here is a special event promotion utilizing athletes and a "baseball clinic." The mailing side of the card (#9-A) has Jim's photo and a quick personal note in the corner and a good line of "bullet points" along the bottom. Its other side (#9-B) features the four athlete / guest speakers. Problems / opportunities: the headline area could be improved by reducing the size of the church name, enlarging a better "how to" title for the event for each athlete, a few points about what they will say...the coupon at the bottom in a bold coupon border. I also suggested to Jim that some clear delineation between the baseball clinic and the seminar or other presentation might help. (*I suggested testing this piece against a 2 to 4 page letter, tickets, in an envelope ala a typical seminar piece.) Keep in mind that "special event marketing" is appropriate for churches, chiropractic/dental clinics ("patient appreciation events"), retail stores, car dealerships, etc., etc. And, as non-enveloped mail formats go, this size oversize postcard as well as a full 8-1/2x11" postcard can often be very productive, especially as one step in a sequence.

Exhibit #9A

Non Profit Org
 U.S. Postage
 PAID
 Permit No. 9
 Benicia, CA

Mailing Address
 8737 Santa Ridge Cir.
 Elk Grove, CA 95624
 For more information:
 Call (916) 685-0458

Carrier Route Pre-Sort
Postal Customer

Rev. Jim Pearring

Dear Friends,
 I want to personally invite you to be my guest at a special sneak-preview service at Discovery Church.

The sneak-preview format is designed to help you find out what this new church will look like. We're excited about what is happening at Discovery. As a baseball fan myself, I'm pleased we can bring in four professional baseball players who will speak at our service and teach at the free baseball clinic.
We'd love to have you join us.

Discover the Difference!

February 8th 9:30am - 10:45am

Sneak Preview At Discovery

A New Church in the Elk Grove/Laguna/South Sacramento Area

Relevant Topics • Upebeat Music • Quality Children's Programs • Youth Ministry • Thought Provoking Drama

Discovery Church

Presents

"Principles For Reaching Your Potential"

A Special Sneak-Preview Service

Sunday, February 8 • 9:30 am

Laguna Village Theaters at Bruceville & Sheldon

Doug Henry

Doug pitched for the National League Western Division Champion San Francisco Giants last year. He has also



pitched for the New York Mets and Milwaukee Brewers and recently signed with the Houston Astros.

Kevin Maas

Kevin was American League rookie-of-the-year runner-up



in 1990. He has played first base for the New York Yankees and Minnesota Twins.

Brian Hickerson

Brian pitched for the San Francisco Giants from 1991 to 1994. He also pitched for the Cubs and the Rockies.



Currently he works for The Christian Organization: Unlimited Potential Incorporated.

Gary Wilson

Gary was a star at Sacramento State University and has played for the Pittsburg Pirates.



He currently is in the Pittsburg Pirates organization.



BASEBALL CLINIC - BASEBALL CLINIC - BASEBALL CLINIC - BASEBALL CLINIC - BASEBALL CLINIC

Please join us for a **BASEBALL CLINIC**
SUNDAY, FEBRUARY 8, 1:30 PM - 3:30 PM

This instructional clinic will be led by professional baseball players Brian Hickerson, Doug Henry, Kevin Maas and Gary Wilson. These players will offer instructions on pitching, hitting and fielding. Included with the instruction will be an in-depth look into the motivating factors in the lives of each of the professional baseball players. The clinic will be held at the Laguna Town Hall.



RAIN or SHINE
a COMMUNITY EVENT
 sponsored by Discovery Church
 (916) 685-0458


BASEBALL CLINIC - BASEBALL CLINIC - BASEBALL CLINIC - BASEBALL CLINIC - BASEBALL CLINIC

Discover the Difference!

Advertising Example
(From 11/98 Newsletter)

Here's an ad for the famous Dale Carnegie Courses that has elements of a successful ad but manages to fumble its opportunity badly. **(Exhibit #10)** If you look at it, you'll see its power is in the list of well-known grads. But the rest of it is mundane, the headline is generic – could be used by many others for many other purposes, and the placement of the company identity ahead of the story serves to send many readers away thinking “already know about that” without ever getting to the sales story. Finally, there's no easy, non-threatening offer. Check out my rewrite next to it to **(Exhibit #11)** see how I fixed these flaws.

**Do you have
the competitive
advantage?**



DALE CARNEGIE TRAINING®
People. Performance. Profits.

What do these people have in common?

Lee Iacocca, Former Chairman Chrysler Corporation
Warren Buffet, Chairman Berkshire Hathaway
Thomas Monaghan, CEO & President Domino's Pizza
Frank Perdue, Chairman Perdue Farms, Inc.
Bud Hatfield, CEO Kwik Kopy Corporation
and over 4 million business professionals.

They are all Dale Carnegie graduates

Dale Carnegie Training®
1.888.340.DALE (3253)
www.dale-carnegie.com
**Call today for a special
offer—mention this ad.**

Sponsored by Performance Training Associates, Inc.

Re-written Carnegie Ad

Exhibit #11

*New, free audio cassette
reveals.....*

**How might you profit
from the "power, influence and
success secret"
shared by some of
America's greatest
business successes?**

- including these super-entrepreneurs
and executives:

1. **Lee Iacocca** (Former Chairman, Chrysler)
2. **Warren Buffet** (Chairman, Berkshire Hathaway)
3. **Tom Monaghan** (Founder, Dominos Pizza)
4. **Frank Perdue** (Chairman, Perdue Farms Inc.)
5. **Bud Hatfield** (CEO, Kwik Copy Corp.)

Lee Iacocca has inspired hundreds of thousands of business leaders with his amazing accomplishments as one of our time's most effective executives. Warren Buffet, America's most successful investor. Tom Monaghan, a rags-to-riches entrepreneur who built a global empire from a tiny, struggling retail business. Frank Perdue, who created a national brand from scratch. Bud Hatfield, a pioneer in franchising business services. What single secret do these influential, charismatic and successful men share?

They are all proud graduates of the Dale Carnegie program. Maybe you think you know about the Dale Carnegie program - it's about smiling, strong handshakes and overcoming fears of public speaking, right? Well, yes and no. Today's Carnegie programs are about comprehensive, effective communication skills, so you can get your ideas across, persuade others, enjoy confidence, and advance rapidly in a very competitive, fast changing business environment. That's why more than 4 Million executives, entrepreneurs, sales professionals and others have followed Iacocca, Buffet, Monaghan, Perdue, Hatfield and thousands of other legendary leaders to Dale Carnegie. Maybe it's time for you to put this dynamic advantage to work for you, too. Why not investigate further?

For a FREE AUDIO CASSETTE, "SECRETS OF INFLUENCE & POWER", and an Info-Pak about Dale Carnegie Success Programs, call our FREE RECORDED MESSAGE HOTLINE anytime 24 hours a day, 7 days a week at 1-888-340-DALE. Or visit our Web Site @ www.dale-carnegie.com. Or, for information about classes forming now and limited time discounts, call our office directly at 000-000-0000 (Performance Training Associates, Inc., Boston.)

a Direct Marketing Pro's Rant - Dan Kennedy

I envy Dennis Miller, getting paid to rant. So, no guest article this month. I'm my own guest. I want to rant and ramble about two topics. First, insistent myopia. Recently, I spoke at one of Michael Jans' Insurance Profit Systems' Boot Camps, for property/casualty agents and brokers, and, as usual, had a great time and, I think, did some good for most of the attendees there. But even after my talk about marketing incest, universality of sound marketing strategies, etc., there was one woman left on Sunday morning still fighting it tooth and nail. We were talking about selling by cheapest price and my opposition to doing so, when she insisted that hers was purely and solely a cheapest price business and that I just didn't get it; that hers was an intangible, not a product; that my examples didn't apply; and that, basically, I had my head up my butt.

Well, if you've ever been driving home from a party or meeting and thought, "Here's what I *should* have said...."

Dear Lady: You can buy, sell and - trade stocks paying only dirt cheap service fees and no commissions with Schwab or AmeriTrade but you can also PAY MOPE to buy, sell and trade that exact same stock through full-service brokers. You can fly coach or PAY MORE to fly first class in the same plane and get to the same place at the same time - heck, first class even has a disadvantage; you hit the mountain first. You can get financial planning for free from over half of all financial planners (who make their money only from commissions) or PAY FOR THE SERVICE AND STILL PAY COMMISSIONS to other fee-based planners. You can get your taxes done by HSR Block or PAY MORE to use a CPA. When I travel and rent cars, I always rent from Hertz - the most expensive car rental company; and, after all, a rental car is a rental car. Why would I do such a stupid thing? The "core service" is the same, every company takes a reservation via an 800#, reserves a car, picks me up in a van at the airport, takes me to the car, and gives me a map. Why pay 504 more to use Hertz?

Wake up and smell the coffee, lady - and buy the way1, you can pay 50 cents or \$3.00 for a cup of coffee, McDonalds vs. Starbucks. Both in

paper cups. If you think Starbucks is selling coffee, you need therapy.

VALUE DIFFERENCES don't have to come from the "core" item, whether a product or a service; they usually are built out of SERVICE and EXPERTISE. Sometimes guarantees and warranties. Or access or open-hours. If you're stuck selling a commodity, you'd darn well better master the fine art of creating value differences. If you can't give me five really good, compelling, specific reasons to buy insurance (or whatever) from you at a higher price than I can get it from your competitors, you're stuck "selling" instead of "marketing."

Look, these people who want to stubbornly insist that "my business is different" just never make big money. They're solidly parked right in their own way. Big money is made by translating great ideas from outside your industry, whatever it is, into your industry so you have a competitive edge, a unique selling proposition.

And about price, I re-state: if people bought by price and price alone, EVERY garage'd house a Yugo, EVERY closet only clothes from K-Mart, EVERYBODY'D join an HMO, EVERYBODY'D stay at Holiday Inn. (Ugh.) Etc.

Of course, insurance is insurance, just like a steak is a steak. Doesn't matter a whit whether we're talking about an intangible or a tangible -the principles are IDENTICAL. In fact, one of the tasks of selling intangibles is to "tangibilize." (In life insurance, the best example I know of is Barry Kaye's ingenious Million Dollar Gift Certificate. Of course, since you don't sell life insurance - you sell property insurance - you could never benefit from that example!)

Oh, and if you are going to use "lowest price" to get your foot in the door and/or to acquire a new customer/client/patient, then the race is on to "switch" that newly acquired c/p from price orientation to value orientation before somebody finds 'em and offers to beat your price. Think "added value." Think "golden handcuffs"; benefits/service so good I won't walk away from it, even for a lower price;

Then there's another thing: the "I've heard that before" reaction. Well, there's a big, fat diff between having heard

something, even KNOWING something vs. DOING it. Most of us are pretty thick-headed, muddled-thinking, slow to implement. We NEED to have things hammered in repeatedly and relentlessly. Fortunately, most of us realize this. Some don't. They are the "know-it-alls" who can't be bothered to read a book, listen to a tape, or be in the Seminar room instead of outside Smoking. But if you want to know how smart they really are, check their bank balances.

I can usually "stump" a client in the first 10 minutes, within the first 3 questions I ask - catching him not doing something he already knows to do. (I can be similarly stumped.) Earl Nightingale told the story of the farmer, reluctant to attend the Farm Bureau meeting, because "I'm not farmin' half as smart as I know how to now." Of course, the farmer misses the point that only continuous exposure to the same smart advice will finally push him over the edge to action. But there is something to be said for knowing less, doing more. And there's a lot to be said for doing SOMETHING. My hope is that, after going through each Issue of this Letter, you do something. At least one thing.

It's worth noting that there ARE smart folks who aren't too smart for their own good. At this most recent SuperConference, attendees included: Ron LeGrand. Ron came to the 2nd Conference years ago. His company has twice been on the INC. 500 list of fastest growing companies in recent years. Still a "student." Jeff Paul, who has built not one but a series of successful direct marketing businesses, been to EVERY Conference but one, been recognized and had one of his sales letters published in 'The Greatest Sales Letters Of All Time'; still a "student." I could recognize others, at risk of redundancy. The late Cavett Robert summed it all up with "School is NEVER out for the pro." A few smart questions for each day's end:

1. What do I know now I didn't know yesterday?
2. What was I reminded of today that I'd forgotten yesterday?
3. What did I do today, to improve things vs. the way they were yesterday? First two answers aren't all that valuable without a good answer to the third question.