

**Gary Halbert Transcript From
Bill Myers' Direct Mail Bootcamp
— 1992 —**

Gary: You can't screw around with the public today when you're going out there and selling. You've got to have something almost that people can't live without. You've got to understand something about America and the World today, people are worried, they're scared to death, they are preoccupied, they're working two jobs just to make the rent. They're not going to shell out money for philosophy. They will shell out money to get skinny, to look younger, to have more, to save more, to save their lives and so forth.

I have a saying that you should concentrate on selling the foxes and don't worry about offending the dogs. A variation of that is that you should put your money where your prospects really are. And once a person, a man or woman has said, "Hey, I'm interested in that" then go after them. That's where to spend your money. The other things are what offers should you make. Nothing could make a difference as sweetening your offer. You know, I'll tell you one thing that would make - I'm going to tell you something that would make most of the people in this room with a product puke to put it delicately. Run an ad for your product, and give it away, offer it free. You will be surprised how few orders some of these screwball product ideas will get even though if you offer them free. So there's a point I want to make with that. It doesn't matter what the offer is if you're trying to sell something that somebody doesn't want. And, I'll tell you, the worst kind of conversations I have with people, and I try and be civil because I am just naturally a really nice person. These people, they just think I just love this concept, "Hey Gary, I got a great idea, I know you're going to love this. When I explain this idea for you, your not going to want me to become a client, you're going to want to be my partner. And you're going to want to finance this ad, and I'm going to let you finance the ad and I'm going to let you write the ad and I'm going to let you fill the orders, and I'm going to split the money with you." The very last product that someone talked to me like that was the day before yesterday. It's a guy most of the people in the room knows, I'm not going to embarrass him. The guy called me and said, "I know your busy Gary, you're at home and I know you value your privacy but I tracked you down, I got to talk to you. I got this hot product idea." I said, "Well, what is it?" He said, "You remember the Ouija boards?" I said, "Yes." He says, "I'm going to come up with an Ouija board with numbers one through forty-four. We're going to tell it to all the people who have no money and play the lotto. Get that, sell it to all the people who have no money, so they can figure out how to win the lotto with it." So, I was nice to him. Okay, what selling formula, there is a multitude of selling formulas but once again I guess I'm harping on something here, and I think the safest selling formula, it's not the only one, and it's not the best for everything, but the safest selling formula is a two step ad, or a small lead generating ad, followed up by a multi page direct mailer. Ted Nicolas said something that everybody in the business with experience knows is true, and that is, the fresher the name, the higher the response. Well there is no name that's fresher then the one that answered your ad in Entrepreneur Magazine or the Wall Street Journal yesterday and you got the letter today. That's as

fresh as it could be. By the way, speaking of fresh names - if you had a thousand names come in today, and you mailed your pitch to these thousand people. Let's say you got an X percent response. Do you know that if you wait until tomorrow to mail it, you get X minus a certain amount. If you wait two days it will be minus more, in three days it will be minus more. As Bill Myers said, you got to sell these people when they are in heat. Once someone gives you the indication that they are interested, you want to jump on them with both feet and you want to do it as fast as you possibly can. You should have, I do, hundreds of what I call headline cards. These are 3x5 index cards, and every time you see a news article or an ad with a good headline, you should write this down. I shuffle them like cards, when we're having creative sessions we just throw them out, and it's funny how that will click off ideas to you. It is impossible in the course of an hour or even a week to give you everything that you need to know about any part of direct response, and so what I try and concentrate on are what I call, safe bets - the safest bets. That's what you want. And, the last thing, when it's comes to format, I think the safest bet you can have is a direct mail letter with not a brochure, if at all possible, you want to avoid putting brochures in with your letters, but with an ad, and say, "By the way here's an ad written, here's an article written about me by a former client." These are all techniques and real secrets that will put the odds on your side. Most of the time when you are, when I am, or any of the other speakers here are talking to a room full of people, the biggest thing we have to vacuum out of their heads is their creativity because you don't want to be creative, you want to be rich, I think. Those two things are not synonymous. Some of the most creative people in the world are on welfare. When I had the Coat of Arms Company - when I was still half owner of that I did a full color, 72 page little catalogue, or 72 item catalogue. We mailed that out and we lost money. Then I did a sales analysis of all 72 products and put them in rank order. I took the top three products and put them in a brochure and we mailed it to our customers and we broke even. So then I took the top product, eliminated the other two, and sent a photograph of it with a direct mail letter and it brought in tens of millions of dollars. What you want to do is sell one thing to one person at one time. You don't want to sell, attempt to sell more than one thing at a time. I wouldn't use voicemail to do anything. Every time I call anything that, if you want to do business with me and you got voicemail, I'll never talk to it. I can't stand it. Now I don't think everybody feels that way and that doesn't necessarily mean that voicemail doesn't have a place in the scheme of things. It just means that I'm contrary and I won't deal with it. But, I'll tell you this, I find more and more that the people I'd want to sell to, in other words if I'm selling a \$15000 marketing service or somebody's is selling a \$10000 package and I hope you go for high end products. If you follow my way of thinking, and if I can convince you that you should sell a really expensive product or service, and you're selling something that goes for \$10,000 or more, let me ask you, do you want your second stage message to be delivered by voicemail? I don't think so. Do you want it to be delivered by some minimum wage employee staring blankly at a computer screen in some service bureau, while she daydreams about her boyfriend going to the drive-in movie with her? There's no

drive-in's anymore but you know what I mean. I don't think you do want that. I think if you're going for the big bucks that you want a real, live, savvy, human being, who's thought processes replicate yours as closely as possible to be answering your phone. Everybody in this room has a potential book in them. Many of you are here because you want to know how to sell a book. Because this is a seminar on direct mail the natural assumption is that everybody is going to advise you, that you should market the book yourself instead of going to a publisher. I don't necessarily think that's true. I think that if you have a very broad appeal book, you should consider going to a conventional publisher, but going to him in an unconventional way. I'm coming out with a book called "Halbertizing" and the subtitle is, "How to Get Everything You Ever Wanted Even if You Don't Deserve It." I've got Margot Hemmingway under contract to be the spokesperson for the book. When I go to a publisher, I'm going to walk in to the publisher or else my agent will walk in and he's going to carry a copy of the New York Times book review, he's going to open it and there, in there is a typeset rave review written by me about my book. He's going to say that's what the advertising looks like. Then he's going to plug in a video cassette, with the little portable VCR he brought in and there's Margot Hemmingway going to be holding up my book, you know extolling it's virtues, at least this is my plan. You go in and you present that publisher with a solution to one of his main problems, which is not having enough money in his bank account. If you do the marketing properly, I think - the publisher, I think, is going to take your book as long as it's not written in Japanese or something. If you have a real broad appeal for a book, don't rule out going to a conventional publisher - just rule out going to him in the conventional way, which is almost certainly doomed to failure. However, I am assuming that you wanted the answer to that question because you're thinking about selling it via direct mail. What would the price of your book be?

Man: \$39.95

Gary: For \$39.95 I think you probably ought to sell a book in a format almost exactly like David Deutsch is selling it. I have a book "How to Make Maximum Money in Minimum Time", and it's very similar to David's format. It's 8 1/2 x 11 which means that the book is oversized. It has a slip cover on it, which gives it a kind of heft to it. You can have those- Ken, what do you get those kind of books printed for?

Ken: \$1.21

Gary: \$1.21, no be specific what did you get it for?

Ken: \$1.21.

Gary: Okay, so, I think that's a really good format, you get it for \$1.21 and then your fulfillment costs are going to be less than \$4.00 if you sell it for, what did you say \$39, say three bucks shipping/handling. You've

got \$38.00 of contribution overhead with every order you take in. So if you're selling at that price point, via direct response, that's a good format, the one David Deutsch has. You've got to understand something about America and the World today, people are worried, their scared to death, they are preoccupied, their working two jobs just to make the rent. There not going to shell out money for philosophy. They will shell out money to get skinny, to look younger, to have more, to save more, to save their lives and so forth. I don't mean this to be putting you down, don't take this the wrong way, cause that's a great book, but I don't want you to get involved with that book. You got to go right for the jugular; you can't sell abstractions in today's market. You can't sell philosophy, Robert Allen the guy who wrote the book "Nothing Down", it's the biggest non-fiction best-seller of all times. He had a seminar business that was going down the tubes and he hired me and he wanted to teach people, he wanted to teach them like philosophical ideas that were great philosophical ideas. He didn't want to teach real estate anymore. He hired me and I said Bob, you could teach philosophy till the cows come home but you're the guru of no money down real estate. That's what people will write checks for. I had to stand on his head until I finally convinced him and he built his seminar business to \$75 million a year. Don't sell abstractions. You can't screw around with the public today when you're going out there and selling. You got to have something almost that people can't live without. Direct response is the lowest pressure form of selling there is. You could toss the litter, you can turn - zap off the tube. You can turn the page in the magazine, don't try and sell something like that. With C.O.D.'s you can make a lot of money with C.O.D.'s. Most C.O.D. things are low ticket items. There's a couple of things that you can do to decrease your C.O.D. refusal rate. One of the things that I like is that you buy emeralds and put them in the package and then you write them the letter and tell the people, by the way we're sending a little surprise with you, there's a genuine emerald, you can buy emeralds for about a dime a piece, by the way. Another thing is you can send them a letter telling them to watch for the C.O.D. truck, watch for the UPS truck, tell them it's the big tall brown truck. Tell them how much money they got to have ready, tell them about when the truck will be there, and tell them they're getting a bonus. Another way to decrease your refusal rate is to telephone the people after they've ordered and remind them that it's coming. By the way, I think C.O.D. is an excellent way to sell a really high ticket item. I don't think you're going to have a big refusal rate with a high ticket item. I would be really happy to sell a \$3000 information package, C.O.D., because people who generally order a \$3000 package are serious people. How do you do risk reversal when you have a high ticket item and it would cost you dearly if you had to give it back? There's two answers to that. Number one, this one's really obvious, you must deliver what you said you were going to deliver. Let us assume that you are doing that. I'll tell you what I believe about guarantees. I do not believe the popular nonsense that the customer is always right, that's crap. Customers are wrong a lot of times. A lot of times customers are deadbeats and thieves. I think you should make of every justifiable refund that you can, but I don't think that you

should be brow beaten into making refunds where people don't deserve to have those refunds. I'll give you an example of how I solved that problem exactly. When I was called into work for Entrepreneur Magazine, as an outside consultant, they had, they were selling these packages, informational packages on how to get into the – why are you sitting on the floor like that? That's very strange. Look at this guy, he's sitting right in the middle of the floor. Anyway, they were selling these packages - it was a pretty big ticket back then, it was \$60, that's an equivalent of say \$300 then, for an information package anyway. They were getting eaten up by requests for refunds. How do you solve this, Halbert? I said, "You make it a double your money back." He said, "What are you talking about?" I said, "No, you make it conditional." What I had them do is, they offered a double your money back refund if you gave the information an honest chance to work for you. You had to send proof of it. Not outrageous, outlandish proof, you had to send - ask for your request on the letterhead that you had printed up and include a Photostat of your business license. Let me tell you something about refunds. Do you know when people decide to ask for refunds? When there writing the check to order the product. What I would think, if you're selling a high ticket item that you should, first, make sure you that deliver on your promise. Just to leap on that for a second. Be the person who provides people with pleasant surprises. How many of you throughout your business activities find your days filled with pleasant surprises with the people you do business with? If you are the person who offers pleasant surprises you will stand out like a sour thumb. One of the best ways, the very best ways to provide a pleasant surprise? I think you said it earlier, ship the same day you get the order. My ex wife and I, we used to order a bunch of stuff by mail and one time I remember we ordered something and we got it about five days later. We were so delighted; we bought all kinds of stuff. We just couldn't believe it. The stupidest word you ever see in advertising is "allow 4 to 6 weeks for delivery". Do you know why you have to allow 4 to 6 weeks for delivery? Because a faster delivery system wouldn't fit the god damn computer system. Excuse my language. You want to know the very best way to fill an order. The most profitable way you'll ever learn, you see all these computers and video cameras, and questions and answers, that's all garbage. I'll tell you - the most profitable way to fill an order is to have people with felt tip pens sitting there waiting. When you get an order you have fulfillment packages there, and you write their name and address and it goes out the same day it come in. You make a reputation quick. But the second thing is to make it conditional. Just because somebody wants their money back doesn't mean they deserve to have it back. I believe that if I describe something to you fairly and accurately and we make a deal for you to buy it from me for \$5000, and I deliver it to you and it's exactly like I described it to you, but now all of a sudden you decide you don't want to learn to be a copy writer anymore, that you want to dig graves for a living. To hell with you. There's a number of things if you want to avoid regulatory problems that you can do. There's no way to avoid regulatory problems all together, there's just no way to do it, but what I'm going to tell will keep you out of 95% potential trouble.

1. Don't lie, don't ever lie, don't even exaggerate. You don't need to. Hype, you can hype your products and services to the sky. But hype is different from lying. Don't lie.
2. Ship your orders immediately.
3. Make all your refunds all justifiable refunds immediately.
4. Answer all your white mail.

I'll tell you a #5 this is really something to keep in mind. I've been involved in maybe a dozen and a half successful infomercial shows, I've been involved in all kinds of space ads, I've written catalogues, I've done postcard mailings and so forth. But I love direct mail more than all the rest of them put together. There's a lot of reasons for it but I'll tell you one that isn't thought of much. Do you know that you can mail 10 million pieces of – 10 million direct mail letters and not get as much attention as you could get by running one 1/2 page ad in the local page here in Hot Springs, AK. Think about that. When you run a display ad or a television show, or a television commercial, you're holding yourself out; basically you should think of yourself as standing up here painting the bull's eye on your chest because that's what you are doing. Direct mail is a good way to do that. It's a good way to avoid that. Is there a final answer to all these people? I wouldn't know what it is. I think the best you could do is operate as 100% ethical, do all of the things that I just described and get yourself a good attorney to deal with the rest. Speaking of that, every once in a while I think of something that's important enough that you should write this down. Civilians must never talk to the military. I'll explain that, but write that down – civilians must never talk to the military. If a postal inspector comes to see you, there's only one response you have, 'excuse me', and you call your lawyer and you hand the phone to the guy. You never talk to an IRS guy, you never talk to a postal inspector, you never talk to an attorney general, they are the military. You only have an attorney talk to these people. That same is true, I think of reporters. If a reporter comes out and interviews you, and he learns 37 things about you and 1 of them is negative, that negative will be featured in the headline of his story. I sell my marketing services at \$15,000 plus 5% of gross sales. It would be absurd, would it not, if I said I will sell you these 8 sheets of paper, all I want is \$15,000 for them because that's not what you're buying. You're buying a solution. I think an excellent example of a high ticket item would be a business opportunity. Another thing you shouldn't overlook is very conventional high price products. I had a guy who imported Rolls Royce's to Los Angeles, and I wrote a letter to all the Cadillac, Lincoln, and Chrysler people in LA, and he couldn't mail the letter because he sold all the Rolls Royce's out. My pitch was "Since you got a 1987 Cadillac that shows that you're a person of wonderful, Isn't it about time you went up all the way? It's going to be cheaper than you think." Don't overlook the really conventional things. There's a lot of profit margin in a Rolls Royce. Don't

overlook selling houses for that matter. In addition to selling the book, you could read the book into a tape recorder, and that would produce perhaps 12 cassettes. Then you could make a video of you explaining the book. So now you have 12 audio cassettes, maybe two video cassettes, plus the book, which is now more or less a transcript of those things. Instead of selling it for \$39 or \$49, you could probably sell it for \$299. Believe it or not you would be doing many of the recipient's a favor because as a general rule, to learn something, to really learn it, it has to be impressed upon you 17 times, that's the average. You finally get it about the 17th time it's been impressed on you. It helps. If it's impressed through all your different sensory inputs - if you hear it, if you see it, if you read it. So you'll be doing people a favor if you do that. He has done a wonderful service for direct marketing community. He has put together a collection of the most hard to find valuable marketing books there are. Any of you who are serious about this business, I think you should just buy everything he's got, whatever it would be. It is chump change compared to what one idea from one of those sources would be.

Speaker: I just want to say Gary that I think you've provided tremendously valuable information. I really like a lot of the comments and I want to underscore particularly what you're saying about the shipping of the product the same day. I built a big business, and I know you built a big business by just doing those things like that, very well because the reality is, other people don't do them well. I know in Enterprise Publishing, my general manager about eight years ago, worked for Double Day Books, one of the biggest publishers in the United States. Double Day Books, he told me, I was astounded by this, gets 10,000 complaint letters a day, mostly for slow delivery. I thought, I'm going to make a fortune because in my company, you're not going to have a job unless the same day we get the order the product goes out. If people thought we're wonderful to do that. It wasn't that we were wonderful; it's that people deserve that. They give you their money and all you got to do is get them the product. So we would just raise hell to do that on a daily basis. I really want to underscore that, I think that's a tremendously important that all of you really should head. Okay, Gary, I appreciate you coming and speaking. I think we owe you a round of applause.

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