



## **SPI 221**

# **An Unknown Way to Boost Sales and Increase the Size of Your List – Back with an SPI Student**

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- Pat: This is the Smart Passive Income Podcast, with Pat Flynn, session number 221.
- Announcer: Welcome to the Smart Passive Income Podcast, where it's all about working hard now so you can sit back and reap the benefits later. And now your host, his favorite color Post-It Notes are bright green and orange. Pat Flynn.
- Pat: Hey, what's up everybody? Pat Flynn here. Thank you so much for joining me in session 221 of the Smart Passive Income Podcast. I'm really excited because this is a very special episode. This is a student of mine who I had once helped through a niche site duel or niche site challenge. He created a niche site about magic for kids at [magictricksforkids.org](http://magictricksforkids.org). He got his daughter involved, and he and his daughter actually have some interesting news to share about that business. Through this conversation, I brought Ken back on because he wanted to share something that he discovered after he launched a product and he was struggling to find affiliates to promote his product. He came up with a solution that is very innovative, something I've never heard of before, that really blew my mind, and I'm really happy to share it with you today.
- He's going to walk you through step-by-step exactly how you can actually get more affiliates to promote your product and, even if you feel like you've tapped out your niche already. Ken's niche is the magic niche, and he's in the UK, so it's a very small niche. He's been able to expand his email list and grow his customer base quite big as a result of this strategy. Again, I'm really excited to share it with you, so let's wait no further. This is Ken Kelly from [magictricksforkids.org](http://magictricksforkids.org), and also [magicianbusiness.com](http://magicianbusiness.com). Here we go.
- What's up, everybody? You know, one of my favorite things to do is bring back guests who've been on the show before. We've done this many times before with people like Ramit Sethi; I believe Tim Ferris and Clay Collins, and what not. But I'm really looking forward to this one because this person is somebody who had shared a success story back in episode 101, back in March of 2014 and now,

2 years later, he's got a lot more stuff going on and this is a student who has really just taken off and has done amazing things. I'm happy to welcome back Ken Kelly, Kenneth Kelly, back on the show from Magic Tricks for Kids, although he's doing a number of other things right now. Ken, welcome back to the SPI podcast. Thanks for being here.

Kenneth: Absolute pleasure to be here, and I've been so looking forward to this. I can't believe it's 2 years since we last spoke, and, as you say, so much, as they say, water has passed under the bridge in that time. I guess for both of us there's been immense growth.

Pat: Definitely, definitely. I'm really excited to hear what you have going on. Why don't you give an update on where we were at back then. On Magic Tricks for Kids, you were doing this YouTube channel with your daughter, things were starting to grow, things were starting to take off, and myself and my son were actually really enjoying those videos too. Then, kind of go into what happened next.

Kenneth: Sure thing. I guess the seed was niche site 2.0 that you put out there, Pat, and it was about building a website. The YouTube channel was about teaching kids magic tricks and sharing a passion that I have, that passion of magic. That exploded. The YouTube channel has just continued to do well, but I've used it as, I guess, a traffic generation. Yes, it is a platform, and it's great to engage on there, but I also have the site Magic Tricks for Kids that the traffic has gone through there. Through that, I bumped into a fellow, a kid's entertainer, and magician. His name is Julian Mather, and we decided to get something together. We called it Magician Business. The idea was to service our niche of fellow entertainers and magicians, and to kind of share, as you do with your audience, Pat, tips, techniques, ways that you can increase business, and get more out of the time that you're putting in.

An email came into Julian, my business partner, asking if he would be interested in getting involved in a book, and he passed the book idea over to me. It was from Skyhorse Publishing, a New York publishing company. We negotiated a little bit. They looked

at the YouTube channel; they looked at Magic Tricks for Kids, and they loved what we were doing, and I'm really happy to say that we're just on the cusp now of the book launching. I wrote it with my daughter. My wife, Colette, she did all the pictures for that. It's just been an incredible ride. My daughter is now 12 years old, and she gets to put author on her CV at 12. Man!

Pat: She's a published author. Gosh, and how long we had to wait to make that happen. That's really amazing. I'm pretty sure that you didn't think that this little experiment that we did back in, 2013 when FoodTruckr was started and I kind of formed this little mastermind group with you and a few other people, that it would get to this point. How does this all feel? Is it still kind of surreal to you?

Kenneth: It's beyond my wildest dreams. When I had the opportunity to write the book, I wrote the book for me. I wrote the book for me when I was 10 years old, and I wanted to learn magic, and just being able to do that. Writing the book and getting the book deal is one thing. It's really interesting because we're now at the point where the publicist is getting in contact, and it's getting in all the bookstores. It's just pre-release, so it's press releases last Friday. We had the newspapers over taking pictures, so life has become a little bit of a whirlwind, and very surreal to how life was pre the book idea, but there are other things that have come from this. Because it's not just kids that are consuming this material.

We've got grown-ups out there, and we're getting emails in and one, just recently, from a chap that picked up the channel, followed us on Magician Business, and he was able to leave his job that he really didn't enjoy, and go full-time into entertaining. It's about that ripple effect, Pat, and those ripples started with you, with that idea and getting involved with you. When you said student and introduced me as a student, that's exactly what I was; I was a student of yours, and the ideas and your enthusiasm and passion kind of washed over me and, as a result, another person gets to leave a job that they felt stuck in and go and live their dream. It's just about paying that forward and that, for me, is the biggest bonus out of all of this, out of all of it.

Pat: That's amazing, and thank you for giving me credit there in terms of starting this ripple effect, but obviously you've been a star student. You've taken a lot of the information that I've shared with you and actually put it into practice and have gone above and beyond. It's similar because I'm seeing a little bit of myself in you when I had started with Internet Business Mastery back in 2008. I was told the same thing; that I was taking their information and using it, but also just really going above and beyond with it.

What are some of those things that you feel that you learned from me but then kind of took the next level, that really helped you get to where you're at today with the website and these book deals? A lot of this stuff, it's not even things that you can really plan for. It kind of just happens, but what you're doing is you're giving yourself opportunity, and you're doing that in a very very smart way. Can you talk a little bit about, what are those things that you did learn from me? I'm actually very curious to hear what you have to say about that, but then also how are you taking those things to the next level and creating these opportunities for yourself?

Kenneth: You're 100% right, and you've hit the nail on the head when you say you create opportunity. There's that saying that the harder you try the luckier you get. What you were for me, Pat, was an inspiration of anybody can do this. I love your story of being laid off. It's just a great story and how you face the unfaceable barriers. It was the same idea. I was very happy, and this is going to sound maybe a little bit weird because I've been a professional entertainer all my life, but I was very happy in December to be able to lay down my tools as an entertainer. Now, that doesn't mean I don't go out and entertain anymore. I still love it, but I no longer make my living from that.

I now make my living from training other people to be entertainers and sharing that passion with them, and helping them better their business and live their dreams, I guess. It kind of allowed a whole new world to open up with me. Yeah, you've got all the tips, and you have on some amazing guests that I can learn from, but at the end of the day, it's about focus and consistency, getting down to it and

doing it yourself. Here's the thing, the biggest win for me was my failure. I know that's a gain; it's going to sound like a contradiction in term, then. How can you say your biggest win is your failure? But, what I learned about getting out there and doing it is you fall over, and you skin your knees, and it hurts, and you've got to stand up and do it again. It's very easy to listen to the stories and to read the material that is available about internet marketing and online marketing, and to think that it's an easy world, and that it's a get-rich-quick world, but it isn't. It's about hard work, and it's about failure and falling over.

I redefined failure from this journey in that I thought that failure was, I guess, how we understand failure to be, but it's not like that anymore for me. Failure, I think, is giving up, and if you don't give up, if you just stand up and do it again, then you don't fail. So much has gone wrong in the two years since we spoke. SO much has gone wrong, but so much has gone right too, When something goes wrong I'm able to learn from that; pick myself up, dust myself off, and kind of move on to the next thing, I guess. I've got something really cool that I'm hoping to share that I think may be valuable. It's something that we picked up that we used in our business making us a lot of money, putting lots of people on our list, and we're getting some great relationships from it, and it came 100% from failure.

Pat: I really want to hear about that. Maybe you can lead into that through a particular failure that you've had because I think a lot of people are curious now. You've talked about these failures that you've gone through. Well, what were some of those failures?

Kenneth: I'm going to share with you my biggest failure, and it wasn't to do with online marketing, and it came long before. If you listen to episode 101 of SPI podcast, you're going to hear the first part of the story where I speak about my television career and being an entertainer. There was something I deliberately left out of that, Pat. What I left out of it was that, sure, I had the television career, but I made a massive big error, a lapse in judgment, stupidity; call it what you like. When I was at the top, and I had the houses and

the cars, and I was making it, and I was a household name, I got into a crowd of people that were using drugs to get by, and I found myself getting caught down that road. At the age of 30 years old, I remember looking around, Pat. It's emotion. It's emotion when I tell you this. It chokes me up. Looking around and thinking, "You know, this is all broken. It's the biggest failure my life could ever be."

Because, Pat, I was in prison. I was in a jail, and I was two thirds through a 3-year sentence for theft out of motor vehicles, and petty theft for trying to support a massive mistake and a habit that I'd developed. And, that day, when I turned 30, I looked around, and I thought, "What am I doing here?" I needed to pick myself up. I had some friends that were working in the kitchen, and we got some flour, and we got some eggs, and we got some milk, and I made some little donuts, and I went around selling them. I kind of made a vow that from that day on I would look to my own business direction in life and make a profit, and that was a massive turning point for me, and it was a massive failure. It doesn't get bigger than that.

If you're out there, and you're listening to this, and you think, you know, "I can't do it because the stuff's not lining up for me"; you can do it. You just pick yourself up, and you go again. I didn't share that last time, Pat, because I was still out there entertaining children and it wasn't a story I felt that I wanted to get out at that time. From there it's been absolutely amazing. It led to me being able to do some shows while I was in prison. The newspaper was there. They picked up on it because I was a television personality, and they wrote a very positive article. I was very lucky. Even from inside the prison the magician makes the children laugh.

There was a girl in a school. She was 18 years old, and the teacher walked in with a big pile of newspapers and handed papers to all the students and said, "Go through the newspaper and find an article that interests you, and write a formal letter as if it was to this person." And there was a young girl who picked this up, and she found my article, wrote this letter and handed it in, got her marks back. She thought, "I wonder what would happen if I sent this to this guy."

I received this letter two thirds into my sentence, just the time when I had that kind of big shift within myself and decided, “No way. I’m not going on like this anymore.” I received this letter. We wrote to each other for over a year, and we met up when I got out, and we’ve been together ever since, and we’ve been married now for going on 17 years. We’ve got a lovely daughter. We’ve got a lovely family. There you go. That is from the biggest failure of my life, Pat. I have the biggest asset of my life, which is Colette, and our daughter, Kristen. Want to talk about failures? There’s a biggie for you.

Pat:

Wow. Thank you so much for sharing that and being honest and transparent about that. I know there are some people in the audience who are going through rough times right now, and they need to hear that, and they can very much align with that. To see where you are now, and how successful you’ve become, and to now have this amazing family, and a daughter who’s actually doing work with you, and you guys are just enjoying life in that way. It’s just amazing. Thank you again, for sharing that.

In terms of what you had mentioned earlier about this really exciting list-building strategy that you have. We talked a lot about what you were doing, and some of the mindset stuff, which is very important, obviously. A lot of people who, you know this, people who are in the SPI audience, they also love tactics and strategies that they can actually put into place. This sounds like it’s going to be amazing, so I’ll let you lead into it and just talk about what is it that you guys are doing? First of all, talk more about, like, what’s the URL and, the business, who is it for, and then how are you able to grow this list in this way?

Kenneth:

Sure. It came from starting Magician Business, so I’ve already kind of covered what that was there to do. In doing that, again, we hit a wall. We hit a wall in that it’s a very small niche, and we saturated our market pretty quickly, that we was kind of able to touch base with the people we could get to, I guess. We didn’t see longevity in the business in that it was kind of a guess, like doing a launch when you have a big spike, which was great, and money coming in, but there wasn’t longevity of people coming through like in a



sales funnel where you would hope that you would have continuous traffic coming in to give you longevity in your business.

In looking at that failure or that problem, and realizing that there's always an opportunity in problems. We look to what can we do, and the solution for us was to get some affiliates on board, and affiliates is not going to be a foreign word to anybody listening to this. It's getting somebody on board to help you move your products, to help you sell your products. Traditionally, when we look to online marketing, you're going to be looking to somebody who understands online marketing: somebody who has a list, somebody who gets it, somebody who understands what an affiliate relationship is, someone who understands what commission is, all of those words that, for us, become a second nature.

The issue we had was that, when we looked to the people that held the lists within our niche, they were clubs and organizations. They weren't online businesspeople. They had little to no online presence and the ones that did have an online presence were your brick-and-mortar magic or magician supply stores. Sure, they got a website that they sell through; an ecommerce site that was built for them by somebody else. They don't fully understand how it works or what it does. They just know that they pack the orders when the emails come in.

When I was reaching out to them to say, "Hey, you know, well, we've got some great courses that we've built with my business partner Julian Mather," is an amazing course builder. The man spent 25 years working for ABC, Australian Broadcasting Corporation. Putting courses together, the man knows media. Killer courses, we tried and test them, we split-test them, we sold them to the finite pool that we had, and we saw this opportunity. I think this opportunity stands for so many businesses, like the hidden affiliate relationship. How many clubs and organizations are out there, or brick-and-mortar stores that kind of parallel the business you're running? What is their list size? How many people have bought from those sites? Can you imagine getting your product in front of those people? Whoa.

So, I started phoning around. I started emailing people, and my reply rate on it, Pat, was 0%; not a nibble. Not a dickie bird, as we say here in the UK. Nothing.

Pat: No dickie birds.

Kenneth: No dickie birds. Nothing. And I thought to myself, “What’s wrong with these people? They don’t get what’s going on here.” And then something clicked into place. Because of my past, because of my story, because of the road that I walked, I went on to train as a psychotherapist. I also now practice as a psychotherapist, and that’s my way of giving back.

I was doing a little bit of CPD, continued professional development. You’ll know that from architectural days. It’s something you can do if you have a profession. You’ve got to keep up to date. I was doing some CPD, though, on my online marketing, because I like to bring that into my marketing as well. I was watching a video on YouTube, and the chap was talking about seeing it through your customer’s eyes. He was speaking about empathy, and when he said the word empathy, I realized I’ve heard this word, empathy, before. I hear it in psychotherapy, as a counselor, we work with empathy. It’s really important within a counseling relationship.

A man called Carl Rogers, who is known as the founder, I guess, arguably the founder of modern-day psychotherapy identified that there are 6 conditions that when they are present within the counseling relationship, they build trust to an amazingly deep level very, very quickly. You would imagine, in counseling, a total stranger goes into a room, sits down, and starts bringing stuff they’ve maybe never shared with anybody in their life before, deep, deep pain, You need a trusting relationship for that to be possible.

I wondered. I thought, this empathy is 1 of those 6 conditions identified by Carl Rogers, but there’s another 5, and I wondered, would these other 5 fit the internet marketing model? If we integrated them into what we do, what difference would it make? I had a look at that. I looked at it from the customer’s perspective;

through their frame of reference, I guess. I realized I was doing it all wrong. I was talking about affiliates, they didn't know what affiliates were. That was my frame of reference, not their frame of reference. I was speaking about commissions. Shops, brick-and-mortar shops, they don't work on commissions. They make a profit.

They had different language for the same kind of stuff, but they did have a different language. We decided to put together a strategy to take an offline person who wasn't comfortable being online, somebody who maybe checks their email once a week, and get them online, and get them comfortable online and make them into a good affiliate, and that was the strategy. It took about 6 months to put together. It took some trial-and-error. We kind of broke it down into a number of, kind of, the strategy's broken down into some basic steps, which was engage, educate, invite, and deliver beyond expectation. Do you want me to kick off with you?

Pat: Yeah, I'm taking notes right now. I'll let you take the lead. So, yeah. Engage, educate, invite, and-

Kenneth: Deliver beyond expectations, and then you create an ongoing relationship from that. Engage is the biggie because you have someone who is maybe not an online kind of person, and it's about engaging them. You can't engage them online because they're not online. You need to go onto their home territory.

Internet marketing, selling online is about conversions at the end of the day, and there's a great term out there at the moment. It's gaining momentum. It's called conversion marketing, and that's where everyone's turning. You've got to be able to get those conversions. You've got to be able to measure those conversions. Conversions are not just someone going on your list. That is a conversion, of course it is, not somebody just buying your product. There's a whole pile of little steps that be conversions along the way.

So, here's what we did. We know that the magician, and I'm just going to take brick-and-mortar store here as an example because

I guess that will be a broad appeal for people listening. Brick-and-mortar store, what do they do? Well, they spend a lot of their time packing boxes, going to the post office, checking their stock levels; this is how their day is taken up. No wonder they don't go online. They haven't got time. They're in their stockrooms.

We wanted to meet them where they were at. So, the first thing we did was we decided to send them something through the post, good old snail mail. The first thing we wanted to do is we did split tests between a envelope with a nice, printed label on it, and a handwritten envelope, and yeah, sure, it takes more time to do the handwritten envelope, but it gets a better open rate. So, there you go, there's your first step. Because that envelope has only got one job to do; It's a step-by-step process, and that job is to get them to open the envelope. Because if they don't open the envelope, and they think it's junk mail, you stand no chance at all.

Pat: Right. That's the first conversion.

Kenneth: There you go, first conversion. First tiny little step there. Also found that a colored envelope does the job better. Don't send a white one; send a colored one. Because it feels-

Pat: So a colored, handwritten envelope.

Kenneth: There you go. I put together a case study of this with all photographs. You've even got photographs of myself and Colette writing out these envelopes here and taking them to the post office. I'll give you the URL for that.

Pat: I'm pretty sure that you're able to track these through some specific links, which we'll get into in the four steps here?

Kenneth: Oh, yeah. You're going to love this. You're going to love it. The envelope, now, inside the envelope, you don't want to be putting a letter. Because a letter's a lot of words to read, so they may put that one aside and say, "I'll get to that when I've got the time."

So, what we put in the envelope was a postcard. On one side of the postcard, massive, big picture that is going to resonate with your audience. It's about looking through their eyes. What are they going to resonate with? For us, we know the magic store owner spends all his time in his stockroom, so it is a picture of a guy in a stockroom with a box on his head. The box is on his head, and the box has got a really sad face on it, and he's got his hands up against his head, and he's going, "No!" Because he's overwhelmed by all this packaging. It says underneath, "Magic shop owner says no." Magic shop owner is touching, hitting the guy, the exact person speaking directly to them.

Pat: Right. That's the whole image on 1 side?

Kenneth: The whole image, just 1, and it's only got 1 job to do, Pat.

Pat: To turn it over.

Kenneth: The job it's got, turn it over, and then you've got another conversion if he turns it over. It's all those little yeses. It's all those little clicks that we see on websites today. We're taking them through a step-by-step process. Turn it over on the other side, just bullet points. I want them to be able to read what's on the other side of that postcard within a minute, without having to go through it and try and process it cognitively. So, bullet points, and a massive headline at the top. I'm very fortunate that my business partner, Julian Mather, is a copyrighting king. It's not my area of expertise. I like the tracking the stats and doing strategies, but that's where I say spend your time, on that headline.

Pat: Right. Can you share what the copy is on there?

Kenneth: Yeah. It says "Magician business limited. Range of products means you get to say no." Keeping in mind, on the front side, it says, "Magic shop owner says no." And it says "No packaging, wrapping, or boxing; No postage costs and trips to the post office; No expensive stock sitting on your shelf; No returns. No payments to wholesalers; No risk; No other product like it in the magic

marketplace.” There you go. That’s it.

Pat: I want it.

Kenneth: Yeah. All it’s there to do is to gain their interest, get them interested in what it is. Underneath is a URL, and it’s a URL, for us. It was our website name, forward slash, their first name. So, for you, it would be our URL, forward slash, Pat. So, it’s their name.

Pat: Got it. Got it.

Kenneth: Who’s not going to click on a URL with their name on it? They’re not online people, but man, it’s got their name in it.

Pat: This is what’s called the purl, P-U-R-L, personalized URL.

Kenneth: It is. We use LeadPages to do that because it’s just a great tool for creating personalized URLs and copying pages. Because we were sending these out by the bucketload, eventually, after we’d done our testing. So, you want to be making one, and you want to be copying that over, and then just giving it a page name. Really simple to do as well, and you get the added benefit, you can see when there’s a hit on that page because nobody else is going there. So, if you get one hit on the page, whoo! They have visited, and you know that they’ve seen what you have on that page.

Pat: So you have a bunch of these set up, and the URL that you create in lead pages, that’s what’s put on that particular postcard, right?

Kenneth: It is, indeed.

Pat: All right, just clarifying.

Kenneth: It says there is a very short video for them at that page that I made for them. So, I would be saying to you, Pat, “I’ve made you a video, and it’s less than 5 minutes. Go and have a look.”

Pat: You made ME a video, Ken? I HAVE to watch it.

Kenneth: You have to watch it.

Pat: I have to watch it.

Kenneth: It's so personalized, and this is all part of the strategy of getting an affiliate on board. Because an affiliate, when they're on board, are profitable, and they're profitable for a long time.

Pat: I've seen this strategy used in similar ways, but not to just get an affiliate on board. One of the hardest things when trying to get a JV partnership going or an affiliate on board is to really earn that trust and to really just get them interested in who you are. This is a great way to do it, especially when you're going to markets offline, outside of the realm where probably your other competitors aren't even reaching toward. So, of course, you're going to make an impression. You're going to be that one that stands out that actually does this.

Kenneth: 100%. 100%. This is a technophobe. This is someone who doesn't feel comfortable online, and you're kind of bringing them in. You're coaxing them into your domain, our domain, which is online, online marketing. When they go online, and they go to that easy-to-recognize URL with their name in, the page welcomes them. So, your headline on the page is, "Hi Pat. Here's the video that I made just for you."

It's just a video on the page, and underneath it is a call to action button, which I'll get to in a moment. The holding picture, the jpeg, the still image for the video is a picture of me because they're going to be seeing me in the video itself, with a little speech bubble coming out saying, "Hi Pat. I made this just for you." Who's not going to click on that video? And that's the only thing I need from them. I just need them to play the video. It's just that next step.

So, the video, and I'll put the video if anybody's interested they can go look at that or put it in the case study, you can go watch through that video but I'm not going to bore you because there are probably not a whole pile of magic dealers out there, so it's not

going to be of interest to you. It starts off by saying “This video is less than 5 minutes.” It gives them a very, very basic overview of the product that we have. Really basic. We don’t want to give them too much. We don’t want to frighten them away. Underneath it is a click to download your partner pack, not your not your affiliate pack, because affiliate is a scary word. They understand a partnership, but they don’t understand an affiliate.

There you go, you’ve got that next button, the next step that you’re looking for them to make. They click on that. Words that we found that are likely to scare them away, send them running are affiliate, commission, opt-in; so, you wouldn’t say “Opt-in to get your list, membership, membership site,” anything technical. Anything technical we steered away from. We found words that really resonated, and I was very fortunate to have some magic dealers I could sit down with in their homes and speak to them about these words and found out what words they liked. They liked product. They liked the word profit margin. So, if you’re dealing with shops, profit margin is a sure winner. They like the word stock. You’re basically using their words to speak to them. So, you wouldn’t say online product. You just call it a product or the stock. They click on the button, and you have then engaged. It is the end of engage. You’ve engaged them. You’ve got them into your realm, and you’ve got a call to action from them.

Pat: The click that is the engagement, is that a click to open up a lead box, to collect an email address?

Kenneth: Yes, it is. So, the lead box would be, “What address should I send your partner pack to?”

Pat: Got it.

Kenneth: Name and address. I know who they are already because I sent it out to them, and we created a list before sending it out, so I’ve got their address. We’ve done that research. The download, infographic, not a big pile of paper telling them all about your products and how it’s all going to work, because they’ve just



taken those first steps online. You don't want to frighten them away. They're still timid at the moment, so you give them very little information. Again, something they could look over in a minute to 2 minutes, maybe pictures of your product. Don't mention, again, anything to do with online affiliate or any technical terms. We're bringing them in. That's step one of educate, and all that you're looking to do with that download, that graphic download is to get them to expect your call. We definitely found without the phone call we had a much smaller conversion rate on this. They need a call

Pat: They're used to dealing with people in that way.

Kenneth: 100%.

Pat: That's great.

Kenneth: It's snail mail, it's phone calls, it's all the traditional stuff. The wonderful thing is, they're expecting your call. They're interested. They wouldn't have clicked on the button if they weren't expecting your call. You can see that they have taken the action to click the button if you're able to track that lead pages. Again, great way to see that. You can see exactly when they click on that button.

I'm notified, and I try to contact them as quickly as I can. If I'm about, and the message comes in, I want to do it almost immediately. I want to be contacting them and saying, "Hey, Pat. I see you just took the time to download the partner pack. Love to have a chat with you about that. Let's set up a 20-minute meeting. I give you my word I will not take more than 20 minutes of your time."

Pat: So that's in a follow-up email you're saying that, and that's where you get the phone number?

Kenneth: No. That's the phone call. That is the phone call. I already have their phone number because they're an established shop. So we have on my spread list, we do a spreadsheet before we start all this, so I've got their number, but as soon as they have my download in their hand, they've kind of triggered me. They've sent me a message by

downloading it to say, “I got it.” I know who they are, I know how to get to them. They’ve got a shop. The phone number is public knowledge.

Pat: And they know a call is coming because you told them in that download.

Kenneth: They know a call is coming, and it’s in that download as well. Again, you can pick up the download in the case study of this. So, there you go. That is now the engage, and we’re starting on the educate side of things here. Phone call, it always expected, and we had a 50% close ratio on the phone call, and when I was on the phone call, I asked them to join me on Skype. Generally, they don’t have Skype, and that’s okay. I thought, “Man, this is going to be a massive technical barrier because I want to give them a presentation. I want to show them a slide show. I want to impress them. I want to show that they’re in good hands. I don’t want to speak to them over the phone because it’s difficult for them to picture it.

I found it relatively easy to get them onto Skype. Skype is so easy to work. It really is. It’s so user-friendly. You just go on Google, and you put in Skype, and before you know it you’ve got Skype there. You might not know how it works or what it does, but if somebody calls you on Skype, it rings, and you push the green button and, hey ho, you’ve now got them on Skype.

You may have to say “Ooh, I see that I don’t see you. Just click on the little button at the bottom and it’s going to turn your camera on.” We found that the barrier to getting them onto Skype was pretty low, and they were happy to join us on Skype. One of the best things from that was one of the guys said, “You know, I’ve been wanting to do this for years. Now I can speak to my kids in Canada.”

Pat: That’s awesome. I love it.

Kenneth: What a win. We’ve brought them into our world. We’ve brought them online. Not only have we brought them online, we’ve kind of done it in a way that everything has worked for them. I guess

they may have that fear that if they go online, they're not going to understand, it's not going to work. Everything has been simple, easy to understand, and they're using a new technology. It's just so awesome. Really. Try this, guys. Try it. It is so profitable, so rewarding, and the relationships you build from this, unimaginable. Give it a try. Really worth it.

Pat: I bet. So, you get on a call with them, and where do we go from there?

Kenneth: It's a slide show, and it would be whatever your product is. Whatever you're trying to show them. Again, even at this stage, steer away from affiliate. Stick to partner. We're looking for you to partner with us. For every sale you get 50% profit. That makes them smile. In magic, they usually get from the wholesalers, they end up with a 40%. They say, "50%, wow!" They love that. You don't have to post it. We'll do that for you. We'll sort it out for you.

Pat: No returns. We take care of customer service for you.

Kenneth: No returns! It's almost too good to be true, and they do say that. And it is. Think about it. If you don't understand online products, it's too good to be true. What do you mean? I just send out an email, and you give me the copy for the email? And you give me this magic link that I put in this email? And then people buy stuff, and then you pay money into my account? Yeah.

Pat: Sounds like how I first sounded when I first discovered this affiliate marketing stuff, to be honest. So, what is your response to that?

Kenneth: It is great. Really, it has been such a good closing ratio. Like I say, we get 50% of the people we reach out to end up being our affiliate. From the original outreach that we did, it was a 0%. So, from a massive failure, seeing opportunity in failure. Looking at the process, looking at it through the frame of reference of the person that you're contacting. Changing it to match them and what they're interests are. That is a significant increase. That is a MASSIVE increase.

Pat: Yeah, it's huge. And you're not selling them anything except the idea. You're not pitching them a product, necessarily, in terms of, I mean, they don't have to pay anything, and they only make money if- You know, there's nothing to lose.

Kenneth: There is NOTHING to lose. That is, the way you've said it is a great way to pitch it. There is nothing to lose here. Just trial it with 1 email. We'll give you the email copy. You just send that out to your list. Just trial it with 1 email, and see how that works for you.

We use Infusionsoft to run our backend. It runs the affiliate side of things, which is absolutely great. The partners that we get on board, they have a dashboard that they can log into. The thing is, of all the partners we have, there's only a handful of them have EVER logged in to their dashboard. They don't even go there. They're just happy that they get money paid into their account. That is the weird thing here. The relationship is so trusting, it's like magic to them, that it just magically appears, which is great.

Now, here's the thing. They send that out to a list that has not been bombarded with email, after email, after email, after email telling them about the next wonderful and marvelous thing. They never get emails, the people on their lists. They're an unmarketed-to list. We have an opt-in, so we would have a course that they would send out. The product, a course. People would come in. They would opt in, so whether they buy or not, it improves our list, and makes our list bigger. We know that they are people from our niche, so we are growing our list exponentially from this.

Pat: What was the size of your list before you had done it?

Kenneth: It was around about 900. We're at 3,500 as of today, and we just sent out 40 affiliate invites 2 weeks ago. We're now watching that come in and tick over with new people.

Pat: That's cool. Are you sending them around the world, or are you still targeting local shops?

Kenneth: Sending them around the world, we're sending them around the world. We started off with 10, just to try it, and then we looked for feedback from them to see what was working, what wasn't working. We adjusted and tweaked a few things, and wording, and just how we handled that and sent it out again. We just continuing to see great results from that.

Pat: This is like a master class that people would probably be like, "I feel like I could have paid for this content, Ken. Thank you for sharing this." This is great, and actually very educational for me as well. Especially for things like foodtrucker.com or securityguardtradinghq.com. You know-

Kenneth: A hundred percent.

Pat: It's exactly in alignment with that, which is what most people are doing who are outside of the space that Smart Passive Income is in. This is fantastic stuff. I definitely want to test this out. What are some of the reservations that people had? I know you had already mentioned people saying it's too good to be true. How do you respond when people say, "This seems like it's just black magic like this doesn't work." Then we'll get into some of the other reservations that people have too. But, how do you respond to, when people say, "This just doesn't even sound right."?

Kenneth: I think what's important to point out here is, again, we have a very small niche. Magic is not massive, and the people that do this for a living, and that would be willing to buy courses, and that supply magic; it's a small pond. I guess we're fortunate in that we now have a good number of partners on board, so we can use them as testimonials. It's the same as any online marketing. Your testimonial, yeah, of course I'm going to tell you this is wonderful. I'm trying to sell you a product. But, if this man here, who you know because he's maybe your competitor, if you see it in HIS words, that's going to be a lot more believable.

I was very fortunate that we have a international magic convention. It runs once a year. It's the biggest in the world, and it's held in

Blackpool, which is about 40 minutes drive from where I live. I'm just so fortunate. I miss out on all the cool stuff in the States, but we've got the big Blackpool convention here. At the Blackpool convention, I was at a dealer stand, and the dealer, I'd been corresponding, and they'd kind of said, "A little bit too good to be true." And then they said, "You know what? I was just speaking to Marty, and I mentioned your name, and he said you're such a cool guy. He says he can't believe that you actually pay at the end of each month every single time. Just get in contact with me after the convention." Again, word of mouth. People are really happy with it, and passing that around. That is the biggest objection: "It's too good to be true."

Pat: Yeah. I love that. Do you think this would work for even those who have an online business, primarily, but maybe just get bombarded with affiliate offers from other people? Going the snail mail route might be a pretty interesting, different way to approach it, and show that you're kind of different than the others out there.

Kenneth: Let me ask you a question. How many emails, I don't believe you actually clear out your own inbox anymore, though, Pat. I'll ask our listeners, how many emails did you clear out of your inbox this morning that you didn't look at, that you didn't read, that you just junked, and just got rid of?

Pat: I haven't reached my time of the day to actually look at my emails yet. I literally schedule in time to check my emails. I have to, or else I check them all the time. A lot of emails I get I don't read. because they're just not what I'm paying attention to right now, or not what I need to pay attention to right now.

Kenneth: That said, it flows over us, all of us. The same with my inbox, and I'm just a lonely little guy. We get bombarded, so anything you can do that's going to make you stand out from your competitor, that's going to get an interest that's going to put you in front of somebody. Do it. Try it. What have you got to lose? A couple of envelopes and some time writing it out. The postcards cost us a dollar. A dollar! An affiliate is worth thousands to us.

Pat: It's cheaper than a click on Facebook, sometimes.

Kenneth: Exactly It's, I can't speak anymore, but you're right. You're right. It's cheaper than paid advertising. I would suggest give it a bash anyway, and think in the way of how CAN you stand out? If you're working in a crowded niche, how can you stand out from your competitors? There's some great, actionable stuff here. Just look through your customer's frame of reference and get in front of them with the words and the interests they have. Meet them somewhere else. If they're going to spam your email, then meet them somewhere else.

Pat: You had given me access to a lot of the stuff that you talked about, as far as the case study. We're going to put all those things in the show notes for you, so thank you for that, Ken. I really appreciate that. The last thing here, step number 4 here. You talked about engage, educate, invite, and then deliver beyond expectation. How do you do that?

Kenneth: It's very easy for us and, again, it goes back to that it's almost like magic. They send out this email, and as I've shared with you, very few of them actually go and log in to their affiliate dashboard. I try, we've got some video training for them. I really try to make it easy, but I guess it's their choice whether they do that or not. They do definitely go and do the signup, which we need them to do, and pop in their PayPal email address or however we're going to be paying them. They go through that process.

They send out an email and they kind of forget about it. I guess they don't have massive expectations because they haven't laid out any money on stock or anything like that. Then I get back to them, and I give them all the stats. I do it for them, Pat. I actually go, I take all the stats. I tell them how many people went through the page, how many people clicked on that, how many people actually signed up to get the free giveaway, and then how many of those people buy.

Here's what we do, and I guess this differs slightly from how it might be done if you're doing mass sales online, and you would need to

check this with your niche. With us, we pay them at the end of each month for the sales they've done that month. We're very fortunate in our courses that we've put together, our refund rate is less than 0.5%, so we're very grateful for that, but we take that on the chin, and we'll call that back, and we let them know, rather than say, "Well, we're going to hold onto your money for 60 days, just to make sure that we cover out guarantee period." We just give them their money.

What they're used to, here's what they're used to if they're running a shop. They're used to getting to the end of the month, looking who owes them money, raising invoices, putting those invoices either in an email or putting them in letters and sending them out. Waiting the 30 days that the person has got from the date of the invoice. Chasing up because the person hasn't paid the invoice. You're saving them all of that that they normally face in business, and that is delivering beyond their expectations. It is easy to deliver beyond expectations because you're bringing them a concept they don't know.

Pat: So much opportunity out there, I think, for a lot of us who are listening right now, and I think some people are chomping at the bit to just get started on that. Man, Ken, thank you for the rundown. There's going to be some questions, I think, and if you don't mind, like, I think last time you were in the comments section every once in awhile just to check I with everybody. You've been massively helpful today, Ken. First of all, congrats on everything, because this is seriously amazing. The student has now become the teacher, you know, type of thing, right now. Again, the book, just all great stuff. What is the name of the book that you and your daughter are coming out with?

Kenneth: The book is called Abracadabra! Got to have that word if you're selling a magic book of mine. Abracadabra!: Fun Magic Tricks for Kids. It is an AWESOME book. If you've got kids, buy this book. It is just so good. I loved it. Maybe I'm biased, but I just think it's really awesome. The whole point of the tricks in the book are that they are good. They're going to fool an adult. Believe me, if you buy this



for your kid, your kid comes to show you this, you're going to go, "Whoa! How did you do that?"

The book is put together in such a way that the child makes the tricks. So they're going to be going into the cupboards and taking the cereal boxes out, and emptying all the cereal out so they can cut up the box to make the magic trick. But, you know what? They're not on electronic devices. They're doing stuff with their hands, and sellotape and paint, and that's what we want with our kids, you know? It's great fun for the whole family.

Within the book, it's the first book in the world that has got interactive videos where the kids can actually learn, first magic book for kids. Sorry, let me rephrase that. Not the first book in the world, the first magic tricks book, training book for kids that has videos in the book. It's little QR codes, so you read the description of the trick, you click on with your smart device, and it's going to take you to a video. It's going to show you the performance and the secret. So that is *Abacadabra!: Fun Magic Tricks for Kids*, and you'll get that through Barnes and Noble, you'll get that through Amazon, you'll get that through any reputable bookseller, and if they haven't got it, go and shout at them and ask them why.

Pat: Dude, Ken, I love it. Congratulations to you and your daughter for that, and to you and your business partner for all the stuff that you guys have going on with the magic business stuff. Just super proud of you. That's the last thing I want to say. I'm just very happy to see all the work that you've done, and just how much you've progressed since we first started, and we were literally picking this niche together. I'm just so thankful that I get to be here for the ride. Where else should people go to find out more about what you have going on, what websites? Drop in anything you want right now.

Kenneth: Sure. So, case study. If you want to have a look at the case study, including, I've got some nice footage showing, I had an agreement with one of the partners we brought on board. They were happy for me to use their stuff as a case study, including showing their whole process, showing the sales coming in, showing the conversions

on that as well in a little screen-capture video. The video we send out EVERYTHING that we've spoken about today, You're going to get that at [magicianbusiness.com/spi](http://magicianbusiness.com/spi). My personal blog is [personcenteredbusiness.com](http://personcenteredbusiness.com). That is around about the philosophy of psychotherapy and online business, and kind of bringing the 2 together.

It was about those 6 conditions that are used by counselors. It's about trust building, and I'd welcome anybody there. It's not a hard-sell site. You're not going to be opted in everywhere you go. Same is true of [magicianbusiness.com/spi](http://magicianbusiness.com/spi). You're not going to opt into anything. You can have it. You see, you taught me well, Pat. You give it away. That's what you do. You give it away.

Pat: Give it away. You will be rewarded

Kenneth: Absolute pleasure. My business partner, [julianmather.com](http://julianmather.com), an amazing guy, great copywriter. Yeah, definitely. I couldn't have done it without him in the same way as I couldn't have done it without your inspiration.

Pat: Well, thank you, Ken. I appreciate you, and I appreciate all the credit, but you are the one that put in all the work, and so congrats to you, and I look forward to having you on in a couple years to talk about all the amazing things that have happened since then. We'll make this a recurring thing, for sure. Ken, thank you so much, and we'll talk soon.

Kenneth: You take care.

Pat: All right, I hope you enjoyed that interview with Ken Kelly. Again, I'm just so happy that he was here again. For those of you who missed that initial episode, you can find that at [smartpassiveincome.com/session101](http://smartpassiveincome.com/session101). That's when he talked about when he first started and, again that was years ago. To have him come back and now teach us something amazing and very innovative, this is great. I know it's going to help a lot of people, and Ken listens to the show, so he knows that all of you who are listening love actionable advice, and

this is definitely one that will help you.

Again, it's not push-button easy, obviously. There's a lot of steps involved, as many things that are, that will bring you success. He actually, like he shared at the end, is going to give you some more information about this; a case study that walks you through, shares the conversion rates, and all that stuff. If you go to [magicianbusiness.com/spi](http://magicianbusiness.com/spi), that will redirect you to all that information. Again, that's [magicianbusiness.com/spi](http://magicianbusiness.com/spi). Again, he and his daughter have a book coming out. You can check out his book and his website at [magictricksforkids.org](http://magictricksforkids.org), and his personal website is at [personcenteredbusiness.com](http://personcenteredbusiness.com).

Ken, I know you're listening to this. Thank you SO much. I hope you're smiling as much as I was this entire interview. As always, it's just a pleasure to talk to you, and I can't wait to hear what people have to say. If all of you out there have something to say, or if any of you out there have something to share or comment about this particular episode; perhaps you put these strategies into action and want to share the results and help everybody else out too. Please go ahead and leave a comment, or a question, or anything for Ken over at [smartpassiveincome.com/session221](http://smartpassiveincome.com/session221). That will redirect you to the show notes here, where all the links and everything that I just mentioned are going to be available for you with easy clicking. Again at [smartpassiveincome.com/session221](http://smartpassiveincome.com/session221).

Now next week, I'm very excited to bring back another guest who's been on the show before, who, again, just continues to be somebody who is highly requested, and even though he's been on the show a couple times before, he always delivers the goods, and we're going to talk a lot about strategy and certain actions that you can take within your business to help you grow, and it's a great conversation. I look forward to sharing that with you. I won't reveal who that guest is. You'll find it out in episode 222 next week.

Until then, I appreciate you guys. Thank you so much, and keep pushing. Keep pushing, because there's a lot of opportunity out there, and just keep going. Thanks so much. I appreciate you, and



I'll see you next week. Bye.

Announcer: Thanks for listening to the Smart Passive Income Podcast at [www.smartpassiveincome.com](http://www.smartpassiveincome.com).

**RESOURCES:**

[MagicTricksforKids.org](http://MagicTricksforKids.org)

[MagicianBusiness.com](http://MagicianBusiness.com)

[PersonCenteredBusiness.com](http://PersonCenteredBusiness.com)

[Magician Business Case Study](#)

[Abracadabra!: Fun Magic Tricks for Kids](#)

[JulianMather.com](http://JulianMather.com)

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