



SPI 355

How to Build a Successful YouTube Channel in 2019 – with Derral Eves

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Derral Eves: Yeah, I would never rely on one platform because the platforms can change, policies can change, and you'd be trying to scramble to do something next and so . . .

Pat Flynn: You're listening to [Derral Eves](#). He is a YouTube and branding expert, somebody who a lot of people look up to in the YouTube space. He's actually also the founder of one of my favorite events that I have ever attended, which is called [VidSummit](#), and this is where I met a lot of people that you've heard me talk about on the show before: Roberto Blake, Sean Cannell, and several others. He's very connected in this space of YouTube, but he's also more than just a YouTuber, he's a businessman. He knows how to create businesses and brands that work. He is a producer on the [Squatty Potty series](#) with the Harmon brothers—like, not series, but you know that commercial with the pooping unicorn? Derral was involved with that. And he's involved in a lot of large, million plus subscriber YouTube channels, and helping them not just get more audiences and get more exposure, but literally helping them build businesses with the brands that they're creating on YouTube and outside of YouTube.

A big thing that Derral always talks about is you got to build a real business, it's not just about the views, it's not just about the advertising dollars, it's about the money that could be generated outside of those channels that you create. We go into a lot of strategies and tactics on how to do that. We also talk a lot about the environment of YouTube and video in today's world in 2019, and a lot of other tips that you can use as a business owner no matter what level you're at. So make sure you stick around, this is a great one, Derral is a great guy, lot of knowledge to drop in this episode for you. Hit [subscribe](#) and then cue the intro music, here we go.

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. Now your host—he's excited to give a unique conference experience to everyone at [FlynnCON](#) this year—Pat Flynn!*

Pat Flynn: All right, this is Session 355 of the Smart Passive Income podcast. Thank you for joining me today, my name is Pat Flynn if you don't know who I am. I'm here to help you make more money, save more time, and help more people too. To help us today, like I said, we've got Derral Eves. You can find him at DerralEves.com or Vidsummit.com, which is where I love to go every single year. I have gone the last two years and I bring my video camera and I just build amazing relationships. A lot of the collaborations I've done on YouTube have been a result of just attending his event. It's not like VidCon, if you've heard of VidCon. That's the 20 to 30,000 plus attendee conference where there's a lot of big YouTubers there, but they all have their fans there as well. I went to that in 2018 and it was—I do not want to go back. But VidSummit, I do want to go back because it's awesome.

And not only that, the content that's presented on stage is so useful too, whether or not you're doing YouTube or not, it's just very useful. The networking, obviously, is great too, but Derral is here today to share with us how to build a business with video, with your platform, and think outside of video to actually build something more long-term that will last no matter what happens with technology. We're going to talk about that, we're going to talk about the experiences that creators have been having on YouTube recently, and what we can do to make sure we are always giving people what they want and a number of other things.

He even shares a little bit about some of the cool things that have happened as a result of bringing me on stage at his event, talking about affiliate marketing and podcasting and that sort of thing. A lot of things today, let's just dive right in. This is Derral Eves, DerralEves.com. Here we go.

Derral, welcome to the SPI podcast. Thanks for being here, man.

Derral Eves: Hey, it's a pleasure to be here.

Pat Flynn: Now I have to thank you publicly here on the show because you've been so helpful for me and the YouTube channel that I've built. You actually flew to San Diego to give me some amazing advice, and since working with you and since actually getting involved with VidSummit, which has been amazing—we'll talk more about that in a sec—the channel's grown by over 100,000 subscribers since then. So I just wanted to thank you so much for all that because it's really been a fun experience.

Derral Eves: Well, you put out some pretty amazing content, which is good and it's needed out there. So there's no wonder why you're growing.

Pat Flynn: Well, YouTube is a beast, right? YouTube is this weird entity that has its own heartbeat, its own kind of way of doing things, which is what we're going to talk about today. But before we get into YouTube and strategies for 2019 and how to get on the channel and perform well on it, I want to talk a little bit more about you, and how did you become the go-to YouTube guy? People hire you for loads of money to help them with their channels. How did you even get your start in video and YouTube?

Derral Eves: Yeah, so back in '99, I started my company and we did a lot of search engine optimization. It was called spam back then, Pat, just you know. We were trying to get websites to write in directories like Ask Jeeves and AltaVista and Yahoo. Then there came a search engine that was really, really interesting, which was Google. It was disrupting the directory space and doing it a little bit differently, and we went all in on that and found that most of the world went all in. It took a few years before they really adopted that, and we got really good at making sure that our content was at the top of Google. I was going out and getting doctors, dentists, Pest Control companies, attorneys, the whole thing, to basically rate their sites because that was valuable research for them to get their phone to ring.

In 2005, I was literally expanding the business out and I needed to get a desk, and at that time—I like to save money as much as I can. So I went on Craigslist looking for a free desk, because you can

find a free desk on Craigslist. I went on there and I saw this little ad and it said that if you could get 100 people to sign up for this new platform, you can be entered in to win a new iPod. Now, at that time, the iPods were the size of a brick, and if you literally threw it at someone it would probably kill them because it weighed so much. But it carried 1,000 songs, right? But that October, Steve Jobs got up and actually introduced a new iPod called the Nano and so that was what they were giving away. I went to this website, was checking it out and I was literally blown away.

It was like one of those moments when you're online and you actually see the future of where things are going to go, and that's what happened to me. I was able to go onto YouTube, that was the platform, and I was literally blown away at the video. Because at that time video actually had to buffer all the way to the end, so if you wanted to watch a ten-minute video, it had to go ten minutes if you had good internet speed before it even starts. But on YouTube, they actually had this great optimization for the player so you could actually hit play and it would start playing your video and start loading it in increments. I was really blown away by that and I really wanted that iPod so I basically signed up right then and there. That was about November 2005.

Pat Flynn: This was pre when Google bought YouTube? That was a strategy for growth, was like, let's run these contests and just bring people onto this platform to show them what's going on?

Derral Eves: Yeah, that was it basically.

Pat Flynn: Wow.

Derral Eves: They were just saying, "Hey, let's get a lot of people really excited about it and go from there. They put a couple ads out there and stuff like that, but as soon as they went on, it's like, I had to tell people about it. It was so transformational on where the internet's going. I could see it, I knew that the most powerful way to communicate is just face to face, right? Then that video component, it's like—it's been sitting powerful for years, but online it was very

awkward at that time. I basically was an evangelist at that time for YouTube, just to get everyone to sign up so I could get that iPod. Before you know it, I decided for me I always want to find ways to upsell my clients. That's one thing I want to do because that's the easiest type of transactions you can do if you're working in the service industry, is figure out something else they're going to need.

I thought, you know what, everyone needs a video on their website because you have the ability to actually embed those videos on other people's websites. It was really, really cool and so I'm like, "This is going to be the future." I went out, convinced my clients to do that, and in about 2006, 2007 we made 865 videos for our clients. In late 2006 is when Google purchased YouTube for 1.3 billion and things started to change in 2007 because all those videos, all 865 videos started to show up in search results. I'm like, "This is nice." Because I was literally fighting every day with Matt Cutts, who's the anti-spam saying, "Oh, no, we don't like this stuff here when you're doing SEOs." They changed the algorithm, there's every update, and it got really, really frustrating because we'd always have to rearrange.

But I found that if we just gave these videos a good title and a good description—they didn't have any tags back then—things just naturally started to show up. When a new platform is usually adopted by someone or they bring it on, they really put a lot of focus and attention on it. They started to show up on the front page of Google and I'm like, "Man, this is so simple because no one's doing this, number one." I said, "Number two, this is a wide open market. Yeah, websites are great but what if you can get video content that can really, really resonate with someone and get them to take action whether it's pick up the phone or whatever it may be?" We switched over to that model and it was pretty amazing because we would have all these videos ranked in the first place of Google and then we also had several positions of Google that we were ranking videos for.

I decided, at that time, I needed to transition a little bit because doing websites and really getting them on top of it, there's so many different moving parts and it was so cumbersome. I decided, "Hey, let's just sell that off and I'm going to just focus in on creating video content because I really, really love video. This gives me an opportunity to be a little bit more unique than my competitors out there." We started doing that because people could remember the videos, and when they'd come in, it's not necessarily they saw the website, but they could remember the videos if we had those video components in there. That's how it all started and it really happened a little bit where we started doing pay per lead and owning the assets.

One of the companies that we worked for or with was a pest control company. A good friend of mine had a pest control company because we live in a desert so we get these huge cockroaches like the size of hands, it was just huge.

Pat Flynn: That's crazy.

Derral Eves: But, so anyway, he needed some advertising and so we just go ahead and started to do these lead gen for him and we literally quintupled his business in four months. He was just totally blown away. Had to go out and start spraying himself because there's so many leads coming in, and so he actually started working with just the corporate and stuff that was easier, sprays so he could just do bigger and bigger facilities. One of those facilities was a piano store and the owner of the piano store came up to him and says, "Hey, do you know anyone that knows marketing and video because we're doing some stuff on YouTube that I'm really, really interested in." He says, "Oh, you got to use Derral." I went in and met with the owner and he was trying to sell these grand pianos on YouTube.

These grand pianos would go from anywhere from \$20,000 to \$50,000, and it was super, super crazy. Before you know it, they hired me to come in and start advising them and start working on their strategy and so on and so forth. When I saw their videos, it was really, really, really well done. They would put a lot of energy

and money into it and I turned to them and said, “I can see you’re putting tens of thousands of dollars in these productions.” He goes, “Yeah, yeah, we’re doing quite a bit because this is just our form of advertising, we’re not going to do radio or TV. This is just where the future is going.” I say, “But you’re getting hundreds of thousands of views on these.” They would actually take the piano and put them on top of mountains in just beautiful serene little locations and actually play music and do it in a fun way.

It was really, really awesome and I’m like, “This is huge.” He goes, “Yeah, if we could actually just do this full time, that would be great. We don’t necessarily want to own a piano store but we’d love to just play music.” I say, “Well, how many pianos have you sold?” He says, “None. This just hasn’t done it, it’s okay. You got to do this.”

Long story short, about twelve months later, they had 1.8 million subscribers. They went from a couple about 10,000 subscribers to 1.8 million and about 200 million video views and really started selling out arenas around the world. If you’re familiar with [The Piano Guys](#), that’s who they are. That started my true passion, which is in audience development and leveraging an audience that really cares about something.

Pat Flynn: That’s super cool. Wow, so they shifted their business from selling pianos to just performing and using YouTube as a platform for building your audience?

Derral Eves: Yeah.

Pat Flynn: That’s amazing.

Derral Eves: Yeah, it is.

Pat Flynn: Now you are the guy to go to for building audiences and you’ve worked with amazing people. I know you’ve also worked with the Harmon Brothers, and you know that’s the [Squatty Potty](#) people and all that stuff. It’s just mind blowing who you are connected to

and I got to know you when I attended VidSummit a couple years ago. The quality of people that you were able to bring together and just the ties and the connections that you've had in the space is so amazing, and I just want to big plug VidSummit right now. It was probably one of the most helpful if not the most useful conference I've been to, and this is not VidCon. That's the big one where you see a lot of mostly teenage boys and girls, to go and find their favorite YouTubers and get autographs and merch. This is like a legit—I've learned so much from just the couple days that I spent at VidSummit in 2017. I went back in 2018 to speak.

Just kudos to you for bringing those people together and, obviously, you've been helpful to them, but how have you been able to really create these connections and invite these amazing people to come on your stage? How have you been able to do that? I think a lot of us would love to become a Derral Eves in our industry where we're so connected, we're able to bring people together at these conferences and just build amazing businesses and have fun doing it. How have you been able to do that?

Derral Eves: Well, that's a great question. I really wanted to go all in on video and I really wanted to be known as the man. When people think of YouTube and audience development or YouTube strategy, I wanted them to think of me. I remember sitting down with a couple of my friends and saying, "Hey, this is something," in a mastermind. I'm like, "this is what I want to do, I say in three years I'm going to be here." I had a very clear path of what that is, and so part of it is really developing solid case studies that people would know. For me, I had a really good case study that led to—that was one channel at over a million subscribers each, and it led to twenty-one different channels that I've been able to start and get over a million subscribers each, and to get thirty-nine billion video views. That makes a huge difference, and then two, to be working closely with the Harmon Brothers.

I was the executive producer on the pooping unicorn ad that everybody watched and it had \$45 million in sales. You get this name, but realistically to be very clear is and direct, I like

to surround myself by people like me. People that really see opportunity and want to seize that opportunity but still are willing to share. That's why, Pat, I was willing to come to you because you're one of those types of people. You're willing to literally be transparent and say, "Hey, this is how much money I make. This is what I do here, this is what I do there." I like to surround myself with people like that, and it was a huge compliment of what you said to me about VidSummit because what I love is people that actually would be a keynote—and you've been a keynote at how many different conferences, right?

That they would actually be on stage and then go answer a few questions for maybe an hour but then go back in the audience and start taking notes. Because the next person's up there, it's just a really, really interesting dynamic. I found the more people that I help and I don't really expect anything out of that in return, I think that the opportunities will come to me, the ones that I need to work on. That's how I was able to build that culture of creators just helping creators.

Pat Flynn: It's really become a culture under VidSummit and I will be continually going back because like I said, it's one of those helpful conferences. Thank you for putting that together and doing what you do there.

I want to shift the conversation to now we're in 2019, YouTube obviously still around and video is growing, and there are so many people talking about YouTube and strategies. And many of my great friends, and I love them all, but sometimes I hear conflicting ideas, sometimes I hear "do this," but that's not working. I know that every individual is different when they post a YouTube video and they have a channel and growth, but from the man, the person who is teaching people how to build audiences on YouTube, how should we be focusing and utilizing YouTube as a tool today in 2019?

Derral Eves: Here's the thing, is a lot of people really focus in on the wrong things. It's not that I don't love the other people that are teaching and training and giving information to the world, but sometimes

they're a little misguided because they don't have as much experience in some aspects as other people. The reality is that YouTube is looking to accomplish its goals and it's very specific at what it wants to do. It wants to bring people onto the platform and wants to keep them longer and longer and longer. The number one traffic source when we're talking about traffic source—it's like if you're doing search, that would be a traffic source, or embedded videos would be a traffic source. But the number one traffic source is YouTube suggestion. When YouTube actually suggests your video to a specific viewer, that actually equates to 70 percent of all views that actually happened on the platform, is YouTube suggestion.

When people really focus in on getting found in search results, that's so 19 . . . No, not 19—2014. It's like they're focusing in on the wrong area because, ultimately, at end of the day, YouTube is run by Google Brain and it's an AI that is trying to predict what's going to be the best thing for the viewer to watch. It's based off of how they interact with the platform, what videos they watch, what videos that they only watch a segment, what video that they consume the whole thing or watch over and over and over again. The videos that they come back once a week to. They really understand that, and they had gone away from YouTube channels and just focusing on the video itself. To predict exactly what the viewer wants is the main goal for YouTube because if they can do that, they're going to stay on the platform longer. As they stay on the platform longer, then they're actually going to make more money because that's the end result of what they're actually looking to do.

That being said, that's what you need to focus in on, that you, as a creator, as a marketer, as an entrepreneur, you need to focus in on your content to make it appealing for people that would love your content. Now, I want to explain what content is because this is the biggest misunderstanding that people have in dealing with content. It's like, they just hit the video, and the video, believe it or not, is just a small subset of what the content really is. The content is your title and thumbnail, actually, like your billboard to your video itself. It's like literally the most fundamental, most important step because if they don't click on it, YouTube's never going to promote it. That's

that first indicator, so they actually have new data that you can see in the analytics, which they call impression to click-through rates. You can see that percentage of how many people actually see the video or the thumbnail on the title and the people that actually click on it. The higher that is, you have a higher probability that YouTube's actually going to promote that out because that was that first little trigger that the AI is looking for is like, "Hey, this is good content."

Now that being said, it's like . . . I like to use this analogy just so that people have context. If you're trying to be deceiving to what the content's about, and it's like if you have a billboard that would be your title and your thumbnail. You're basically promoting pizza and you go into the place that you think is a pizza place and all they do is hamburgers, they have no pizza, then people actually leave because they were really wanting that pizza. That being said, that's what YouTube's looking forward to, so you got to make sure that your title and thumbnail corresponds with your content.

Now sometimes creators put that content at the very, very end and people lose interest. We literally don't stay on it. Seriously, like goldfish have a longer attention spans than humans do. It's like, you got to introduce it very quickly, and so that's where that hook comes into place where your hook should support what your thumbnail and title is all about. Then after that, it's all about if you can get them past that hook and they're like, "Oh, this is a video I wanted to see." You basically have about forty seconds of their attention, and so as you bring that value in—and the only way you can bring value in video is to inspire, educate, or entertain. If you're doing one of those things, or all three of them all at once, then they actually stay on, if they're able to find some value in it.

The way to do this—and this is something that I've learned just over making thousands upon thousands of videos—it's like, if you can think of one person that you're making that video for and really define who the viewer is going to be, it's going to resonate a lot better. I think the biggest mistake that content creators make is, number one, they don't plan well enough before they . . . they just pick up and start shooting instead of saying, "Okay, let us think

about the elements that we want to go over and what is going to be in this video.” The second thing would be that they’re not really identifying who’s watching the video, and so if it’s just all over the board it can go from there.

I have a client of mine, and I showed this example at VidSummit which was super amazing, but he was actually doing a channel that was gearing towards people that were getting ready for law school. I helped him understand who his target audience is based off of the goals that he has because he says, “Look, I want this to be consumed a lot more.” I say, “Well, your viewer segment is super small because there’s only so many people that actually go to law school. You’re going to get a couple thousand views, it’s not going to be very massive on it.” Even if you can go, you have to have something that they are all appealing to. By the time that they find your channel and consume it, they might even be done with law school, by the time it happens. You have to be a little bit more broad and we defined, I helped him define that it was people who were interested in law want, and that they can go from there. I say, “Well, is it really that they want, to become a lawyer, they’re interested in law? Or is it they just have a fascination with the whole law and order aspect? That’s the TV shows they watch, that’s the movies that they watch, is that the type of content?”

Just by changing a small strategy from taking content that would be for them to get ready for law school versus doing a review of maybe their favorite trending shows, like Suits, for example, show that they actually say, “Is this actually, are they doing a good job portraying the law here? What are they doing good? What are they doing bad?” He has had massive, massive growth because he was able to hone in on who his audience really is and was able to give content back to them that they wanted. At the end of each video, they were putting comments, “Oh, you should do a review of this. Better Call Saul, we want to see Better Call Saul.” When you do stuff like that, then it’s like, “Okay, boom.” He was able to grow very, very quickly. He only had a couple, like 10,000 subscribers or something like that, and got it to the hundreds of thousands of subscribers and millions of views per video release.

He's getting million plus views per video release now, and so it's like, really understanding that audience and who you're making the video for will actually help you improve the content you're making. You say, "Oh, they'll resonate really well with this thumbnail and this title. They'll resonate really well with this hook and this content from there, we can do this little element in the video." The more that you do that, the better your content is. The biggest thing for me is really prepare and think of those things when you're actually developing content to push out to the world.

Pat Flynn:

See, like when I create a YouTube video I'm thinking of like, "Okay, what questions can I answer for my audience? Because they're likely typing in those questions in YouTube." I get these questions via email or on social media so I'm like, "Oh, I'm going to create a really highly valuable video that's going to answer that question." So a person might come and find me by understanding how to start a podcast or something, but they may or may not subscribe, but then I'll create another video that's about something that's outside of the podcast realm. Then my subscribers aren't seeing my videos and I think it's because of like, not every video will necessarily relate to them. My audience on YouTube at least is not like, "Oh, I can't wait for the next episode of Pat's videos," because it may or may not be relevant.

I answer their question and it's like one and done at that point, versus my podcast, people are mad if I am late with publishing my podcast. It's definitely not like that on YouTube, I'm wondering if, and I got this great advice from Roberto Blake, who I know you and he are good friends as well. He was like, "Your channel"—and I'd love your opinion on this. He's like, "Your channel would perform much better if you treated it like your podcast where you don't necessarily have to have different kinds of content. You don't have to change the content, but it's just the framing and understanding who your audience is and why they would subscribe and why they would be anxious for the next episode. Number one, you have to be consistent, which is a big lesson that you taught me as well. But, number two, what if it was like the Pat Flynn show, instead of

like, random videos of how to solve this problem and solve this other random problem that is not necessarily relatable to every subscriber?

I'm trying to balance how-to videos, and using YouTube as just a place to answer questions and help random people in that way, versus like building an audience which I know I'm not doing. Even though I have 150k subscribers, most of my video views, 80 percent are coming from people who are not subscribed. It's very depressing.

Derral Eves: No, but that's the norm. Even with the biggest channels that are the most subscribed, it's the non-subscribers that watch the bulk of the views because the AI does a really good job of predicting what people want to watch. So that being said, there's two types of channels that you can actually create. One, that would be a utility channel, a resource channel which is the how-to content. If you're helping people, answering their questions, that's a very resource-driven channel. And then you have the other channel, which is more for the people that are more creating a community, and then they come—it's like your podcast here. It's like if you're late, man, you got people that are really wanting you to be on time and being consistent. That's the same type of development that you'd create there. Now, for me, it's just all—and I've had this conversation with YouTube before too,—it's just like, "What do you want? What's your finish line? What do you want to accomplish with your channel?"

Because like, there's some things that a resource channel's so much better for. It's like, my channel that I have on YouTube is a resource channel and it does its purpose. I get leads, I get things going into different funnels, and I get people aware of the projects that I'm passionate about and it does what it needs to do from there. Now, do I have like, a super engaged audience? No, but I'm well known because I'm that guy. It fulfills its purpose, and I was blown away by some really, really big YouTubers that are like, "Man, when I got started, I really appreciated that content you put out there." I'm like, "Wow." It meant a lot to me because I had no idea that they

were even watching my videos. That's what you got to decide, is between the two, but knowing your passion and where you would like to drive, I do agree that . . .

You've done a couple of videos that you've put a little bit more thought into it, in the sense . . . I'm not saying that you didn't put a lot of thought in the answering questions, but a little bit more thought into more of the Pat Flynn show-type, where you just use your creativity. You did a book review that I really, really liked and it was really funny and hilarious, especially, when you're standing on top of the kitchen counter swinging around. Like that was really, really engaging, and I would actually watch more content like that. It made me laugh, it got me pulled in, but two, your commentary is really good too. Even just a talking head where you're just talking about situations and stuff like you do on the podcast, I think is really powerful too. It's just like, so that you become more of that personality type.

That's the other portion of the channel and that I think that's where you can have a lot of massive growth, because you're starting to influence in other ways because they're looking for you to help them be entertained or inspired or educated every day.

Pat Flynn: You mentioned that a couple times, I know a lot of other people who share the same thing, like you have to have that element, either one of those three or a combination of entertainment, education and inspiration. I think a lot of people create their videos without even considering one or a few of those. They just come on to answer questions or be a talking head.

What I find challenging is I watch a lot of YouTube videos and then I start to go, "Oh, I wish I could do it that way," or, "Oh, I should probably drop a giant thing off a trampoline from 400 feet in the sky because that'll give me a ton of views. I get so—

Derral Eves: You actually have to have an Australian accent.

Pat Flynn: Yeah, so you know which one I'm talking about. I want to like throw a basketball off a dam and see how much it curves because of science and stuff, but like it's hard for me to see those and not go, "Oh, I should do it that way." How do you recommend staying in your lane and developing your own style, versus just like, yes, getting inspired by others but not getting off track of where you should be?

Derral Eves: Yeah, I think the biggest thing is what is your passion? What do you want to accomplish? Where's your finish line? Once you can understand that, I do know that there's a lot of creators that need to do a creative release. They feel like they're in the mundane, and I know I've had this conversation with you too in the past. It's like, you got the podcasting down and you're not really challenged, you know what I'm saying?

Pat Flynn: Right.

Derral Eves: It's like you're just fulfilling time to provide a service that helps all your other funnels that you set up to actually accomplish. I do believe—so I think you're a super creative guy. I know we went over a lot of ideas and stuff when I was at your office but it's like, coming up with ideas that would just be fun for you and no one else is a good way to release and to create, but you can also gather. Let me explain what I'm saying from that.

With VidSummit, I was actually going and speaking at different conferences, I was at different conferences for years, and I was really disappointed in what type of information there—like at VidSummit you can't pitch, you can't get up and say, "Hey, go buy my products back in the room." Why? Because I hate that. I feel like I've already paid enough money to come to it, I want to be able to... You spend time, which is money, you spend the flight and the hotel and then you have to go buy another \$5,000 worth of stuff? Come on.

For me, I wanted to create a safe zone to learn and I love sharing information, I love learning from people. I think that's the best way to learn, is when you get someone's experience and you see where they're coming from and you see their pitfalls and you're like, "Oh okay, well if I could add this to my life, it'll make it better." For VidSummit, I actually couldn't find a conference out there that I liked that was meant for me and so I started one. The only person that I think about, I know this might seem really bad, but I have my avatar and it's me. I want to make the conference so I enjoy it. I know there are people out there like me that would enjoy the same thing.

That being said, and that's been very successful that way because it encourages people that are speakers and trainers and educators like you, and have a following that feel comfortable actually sitting in the audience and learning from somebody else. Where, you go to another event and it's like they put a panel on, and you're like, you don't really get anything out of it and so that's where I focus in on. If you actually had a YouTube channel that actually was fulfilling one of your needs—which I think you have a need to create, and I think that's why you get really itchy. Like you need to do something, you need to do something.

Pat Flynn: It's super itchy.

Derral Eves: It's like you need to create. What if that was like your outlet to create and it was just the things that you wanted to do to go have fun? Can you actually build an audience out of that? Yes you can, and the thing about it, and this is what I really love, it can be about anything. You just need to be consistent in what you're doing. So once you define what that is, you just need to be able to be consistent in it and then go have fun. It's like, you never know what happens coming from when people watch your videos. I have a good friend, Daniel Markham, he has a channel called [What's Inside?](#) He actually got into it because his son wanted to cut open a ball for a science project and they posted it on YouTube because that's what you do, because it's just easier than putting it on a drive, whatever. He started getting a whole bunch of views and was like, "Well, that was fun, let's do another one."

They then started cutting things to see what's inside, and so he was in the medical sales arena and he was very, very successful, like the top salesman in the company, had a lot of perks, had a lot of seniority, had a lot of money come his way. He was having so much fun being a creator, he came to me and I remember he's like, "I don't know if I can quit, man. It is good money, and YouTube's really, really good money and I really enjoy it. It's just, I just don't know if it'll last, and I'm like, I said, "You can always go back into the things that you can fall back on." YouTube's a great opportunity and he listened to some other creators and talked it over with his wife, but he quit his job and went full time on YouTube. What was great is his wife was working and actually made more money than him, and she was able to quit and just be with the family. They have two channels on YouTube and a couple of pages on Facebook and they're getting hundreds of millions of views.

Pat Flynn: Yeah, it's insane.

Derral Eves: The thing about it is a lot of people think that there's no opportunity in the money being made, and I'm here to tell you there's so much opportunity in integrated brand deals and the advertising that's there. Doing your own merch and products, you can make a ton of money and set it up very systematically where you have a lot of automation and stuff involved to really provide.

I truly believe that a lot of people think, "Oh, the wave's gone." I think the wave is still coming up. I think there's been a smaller wave that happened but I don't think we've seen the mass entrance into this and where the bigger dollars are now starting to come in, and they're actually putting more money behind it. So what people would do for a brand deal, they might get \$20 – \$30,000 for an integrated brand deal where they do maybe two minutes of video that's focusing in on a product. Now it's like a couple hundred thousand.

It's just like, seriously, per video. There's a lot of opportunity there, and then two, I think it's just the way—I truly do believe this, and you can mark my word on this podcast, but I truly believe the way that

advertising is going to change is it's going to get more complex and more regulated. There's just a lot of that fear factor of everything that's going on and so the brands are going to shift more of their advertising dollars into influencers, to people that actually say, "Hey, go buy this," and I'll go buy it because it's an easy sell. You have a pitch person for that, someone that is giving you a solid review.

Those deals are going to be bigger and bigger and bigger, and I've seen struggling businesses that would do one strategic ad buy and they were still struggling. Just because they're like, "Oh, man, we're just not hitting it. It's just, we can't scale it to the level." But then they get one influencer and spend about the same amount of money on their ad buy and they quintupled their business. That's the reality is like, when you can find those influencers that really speak to your brand or for your brand, it can be really, really impactful. I truly believe that's where the social and the advertising are converging, and yeah, there'll be some ad-supported remarketing that will work very effectively for companies, but I think that's where the bulk of the money is going to be going in the next three to four years.

Pat Flynn:

Well, thank you for that insight and going back to Dan really quick from *What's Inside*, what an amazing story. I actually got to meet him at VidSummit which was really cool. Super nice guy, saw he was featured on one of my favorite channels with [Mark Rober](#) very recently and just, it's really cool to see that the community's there. Man, like you said, a ton of money right there on videos and advertising, but there's also other ways to generate an income. This is where you and I pretty much align very well, which is you have a YouTube channel and an audience there: It's not just about the advertising dollars, it's not just about the merch, creating business out of what you've created on your YouTube channel. And I know that's a lot of why you wanted me to come onto VidSummit last year and talk about podcasting and continuing to build your audience, affiliate marketing, and generating money that way.

If you have a YouTube audience, big or small but targeted, what would be your best recommended way to turn that audience into a real business, versus just relying on the one platform to generate

money from?

Derral Eves: Yeah, I would never rely on one platform because the platforms could change, policies could change, and you'd be trying to scramble to do something next. Going into it, I try to build the email list as quickly as I can. The email list is a very, very powerful asset and resource that you can have because even if you go to Facebook and you're going to Instagram, you're basically putting your business in other people's hands. So making sure that you actually develop a relationship outside of that. I'm really interested more in text messaging now, just because the open rate's a lot higher and stuff like that. We're set really well, if you can get them nurtured into that type of interaction with you. But you don't need that much, you don't need that many followers to make a decent business out of it.

The way I look at it is really understand the pain points and solutions to those pain points for the people that you're creating content for. Like, for example, you had a product that I saw at VidSummit that everybody was freaking out about. Is that public now?

Pat Flynn: Yeah, it's coming out. I think by the time this episode comes out, it may be actually on Kickstarter, so that's for the [SwitchPod](#).

Derral Eves: Yeah, so that, you basically created a need between you and Caleb, You were like saying, "Hey, this is a need, we need it like this." When people were at VidSummit, they're freaking out about it because that was a need for you and for Caleb and it's just like, "This would be so much easier if we could do this." You found a way to get it produced, you partnered up with the right people for it, right?

Pat Flynn: Yeah, shout out to Richie.

Derral Eves: Yeah, Richie's a great guy. That's where the power is. It's like, you had something that people would need and that's where you can start bringing business in from your influence that you have. Because now you can say, "Hey, if you're getting into it, this is so

easy. Let me just show you a flip of the wrist of how you can get this all set up.” That’s the cool thing about it is like, the creativity, or you can partner up with certain brands or businesses. It’s like really, really interesting once you start getting a following. It doesn’t need to be super big. I want to give this very big disclaimer and just so that everyone knows, it’s like, you don’t need an audience to make money. I’ve had people that contacted me and say, “Hey, we have this idea, we’re going to go out and shoot this pilot so that people can see it, that we want to pre-shop it for our brands.”

They didn’t have any audience, and this specific client went out and got two brands to pay him well over a million dollars to produce the content. They were a sponsor for the whole year, and now they got up to hundreds of thousands of subscribers and millions of millions of millions upon views because their strategy was sound. But you don’t necessarily need to have an audience to start making money, and that’s the thing that I truly believe. You just have to have vision, you have to have a concept, and I truly believe you can get people to share your vision and be able to help you deliver on doing it full time, whatever it may be. But I definitely encourage anyone that’s on YouTube or any other platform to really diversify and to automate. You should automate everything that you possibly can with [Zapier](#) and all the other applications out there to do things, once you do certain items, that it triggers other things to happen

I would do it because at the end of the day, if things go away, you don’t want to go where you have to go flip burgers at some restaurant or something. Unless that’s what you want to do, but the reality is just you can really protect yourself in so many ways if you can diversify it. You can actually make some pretty interesting money there as well. People look at my channel, for example, and say, “Oh, you only get so many views and you’re not making money off of that.” I say, “That’s true, I might make a couple thousand dollars off of the ads in a given month.” That’s good for somebody; that would never support my family at all. But what I do is have had very strategic videos up that actually bring in leads and those leads are automated. It goes through a sequence and it goes through a

sequence of sell or whatever, and it keeps me busy. I get anywhere between 200 to 300 leads a day.

These are our own content that I put a lot of effort and time into back in 2013, and I'm still doing it, and I'm just getting ready to re-release because I've matured quite a bit since 2013. There's some content that I will redo that will make it so much better. But I didn't necessarily need to do it because it was doing its job. And that's what I'm getting at, is that YouTube's a great long term strategy, and as long as you have a good plan with these platforms, it doesn't matter what platform you're on, to how to actually do work for you, that's where you're going to see a lot of success.

Pat Flynn:

Thank you, Derral. To finish up, just a couple quick questions. Number one, you said you've been collecting 200 to 300 leads a day from your YouTube videos. I've heard that it's not the best strategy to collect leads from YouTube because you want to not take them off your website, you want to keep them on YouTube, because that helps your algorithms or whatever. How are you collecting leads from YouTube? Is it simply a, "go to this website, sign up to get this thing," or is there a specific strategy there that we should all be aware of?

Derral Eves:

Well, it's the strategy that we all use. You're creating value that the person watching the video will want. Whether it's a thirty-minute training that's exclusive behind if they give me their name and email address that they get access to, then it's an exclusive training. That's the whole thing, so that you basically have, where I'm dealing with video, it's just video content that they can get a little bit deeper access.

The reality is, is that you bring up a point of bringing people off a platform and it's like if you do that every video, you're literally breaking Terms of Service. There are Terms of Service in YouTube that says if you're consistently taking people off a platform, you're breaking the terms and they can terminate your channel.

What I do is not have it be . . . I only have six videos that I've created out of almost 200 that are lead generation videos, and then led people to Amazon and other places with that, but I just don't do it in every video. Because that does break terms, but it does affect your views because what's YouTube's goal? They want to keep people on longer, and if you have the video that's sending people off, that can be damaging unless you have your other indicators that it keeps other people on. Because not everyone's going to click on it, you just have a percentage of people that are watching what will become that.

Pat Flynn: Right, okay. It's not every video that you have a lead magnet, and it seems like you are very strategic with what those videos are. The other videos that you have are adding value, keeping people on YouTube, and eventually a person is going to get to one of those videos and because you've given them value either in that video or several other videos, they're likely going to follow through and join you elsewhere.

Derral Eves: Absolutely.

Pat Flynn: Got it. Oh, man. What's on your plate now? What's coming out in the future? What should we be aware of and also, if you could give us any info on VidSummit and what we can look forward to there, that'd be great.

Derral Eves: Absolutely. So I have been working—like I really believe in disruption, and I think if we want to really change the world in a positive way, we need to disrupt what things were status quo or whatever and make it better. One of the things that we did was we actually got approval with the Securities and Exchange Commission to take public money and do a new offering. We are actually funding a TV series, like right now I'm actually in Dallas right now and we're producing a TV series. We were able to raise basically \$5.5 million up to this point. By the end of a few more weeks we'll be probably about \$6.1, \$6.2, and we will be the number one most crowdfunded TV and film project of all time. We're number three right now and we're literally about \$200,000 away from that, which will be, just a

couple weeks it will be above that.

This series is unique because instead of just getting a t-shirt, people are actually investing in the company and getting stock. As the project succeeds, they're able to benefit in their investment. Right now we have well over 8,000 people that have contributed and are now what we call our partners, is how we're putting it, and we're just getting ready to put the final touches on this TV series that we're doing.

Pat Flynn: Dude, that's amazing. If people go to DerralEves.com, will they eventually be able to find that, or can you reveal any way people, if they're interested in that because that sounds really intriguing.

Derral Eves: Yeah, so they can go to TheChosen.tv.

Pat Flynn: Okay, cool.

Derral Eves: That will take you to it, it has all the information there for you. I really do believe this, this is something that I'm really excited about. I do believe in the crowd, I do believe that certain people want certain types of things, that if they're able to help fund it to make it possible, that's a win-win for the world. You'll find other people that are like minded like that. We would have well over 8,000 people actually go through this process, which is just humbling, to be honest with you. The great thing about it is there are amazing projects out there and this one should be able to pave the path. If we're able to get our investors' monies back, which is a very big weight on my shoulders, which we do have a pretty amazing thing because we're actually doing things that've never been done before in film and television. Which is, we're actually building an online audience first and we're actually putting out content every day.

I think our Facebook page is right around 70,000 likes right now; that's where we spend the most of our time right now because it's just an easy platform to share. What's been great is we're actually doing behind the scenes of the production and you can see what's going on right now that's going to get people excited to watch the

series. We have some really cool launch strategies we'll be doing that will integrate the new way of really getting the word out with influencers and stuff. We're excited about that.

Pat Flynn: Yeah, that's so cool, that's so cool. It sounds like you're having a lot of fun with this too.

Derral Eves: So much fun. You can find it at TheChosen.tv and then definitely VidSummit, just to end on that, because you mentioned that, we don't have dates quite yet but it's going to be either the second or third week of October.

Pat Flynn: Okay, you always do a big announcement and everybody gets excited about that with the—

Derral Eves: It's coming, yeah, it's coming soon.

Pat Flynn: Okay, cool man. Derral, thank you so much for taking time to hang out with us and share with us a lot of your expertise in the video space and what's coming, and good luck on the projects, and can't wait to see you again at VidSummit this year.

Derral Eves: Thank you.

Pat Flynn: All right, I hope you enjoyed that presentation with Derral Eves. As you can tell, a wealth of knowledge and Derral, I'm so thankful that you are just, that you had time to come on this show because I know you're a busy guy. You're working with a ton of brands and I'm so thankful for that.

I hope you all enjoyed this episode. If you did and you want to give a shout out to Derral Eves, you can find him on [Twitter](https://twitter.com/DerralEves) or [Instagram](https://www.instagram.com/DerralEves) @DerralEves. Also VidSummit, make sure to check that out. I will be going back next year for sure, and it's going to be awesome. Also, if you love this episode, please make sure to leave a review for The Smart Passive Income Podcast, that'd be helpful like none other, if you had just a couple minutes to do that. Just go to iTunes and [leave a review](#) for the show and let me know what you think. I appreciate you for that, thank you so much.



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I appreciate you, Team Flynn, you're amazing. I cannot wait to serve you in the next upcoming episodes, we got a lot of great stuff coming your way. Until then, keep rocking it! 2019 just got started. I know you're already off to a great start. Here we go, Team Flynn for the win. Let's do it.

Announcer: *Thanks for listening to The Smart Passive Income Podcast at www.SmartPassiveIncome.com!*



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