



Why Aren't You Scaling This? – With Anik Singal



James will help you level up your business game



Anik Singal

James: James Schramko here. Welcome back to SuperFastBusiness.com. This is Episode 740. We'll be talking about how to scale a brand new product. And I brought along Anik Singal. Welcome to the call.

Anik: Hey, man, thanks for having me. I'm excited. Let's do it.

James: It's my pleasure. We've had a few interactions lately. We had a few attempted calls for your podcast, and we finally made one stick. It was very, very early in the morning for me, and I got accused of being a robot by a YouTube commenter. But the content was solid, right? And we've had some great feedback from that. And I thought it would be the least I could do to host you on SuperFastBusiness, because you have some phenomenal experience when it comes to the online marketing industry. And you've also had a recent success, which I think would be worth breaking down into some key components that would be super instructive, especially if you're listening to this podcast and you have an already existing product, or you've just launched something and it's in the early days. I'd love to get into that thought process of your methodology of how you take something and then scale it, because I think you're really good at that, Anik.

Why so many people don't scale

Anik: Yeah, I'd love to, man, and I do have a method to the madness. And there's a process I use. It's very unemotional. It's incredibly logical, very data driven. And I've done it again and again and again and again and again. And actually, I'm constantly surprised and shocked when I see how many people will launch something, it's doing really well, and the first thing I always want to think is, why aren't you scaling this? And they just aren't. And I don't get it. But over time, I've realized that they just don't know how, they don't know what to do. And there's that fear: if I scale, what if I lose money? And that's like, that's for me, it's the silliest fear to have, because if you do it the right way, that's never a risk you'll have. So, happy to talk about it.

James: I imagine there's also another fear, and that might be a fear of success. A fear of having more responsibility and burden of becoming more well-known, having more customers, having this perceived demand on a person. You know, it can be too much pressure for some people, and I imagine some people might resist growth because of comfort.

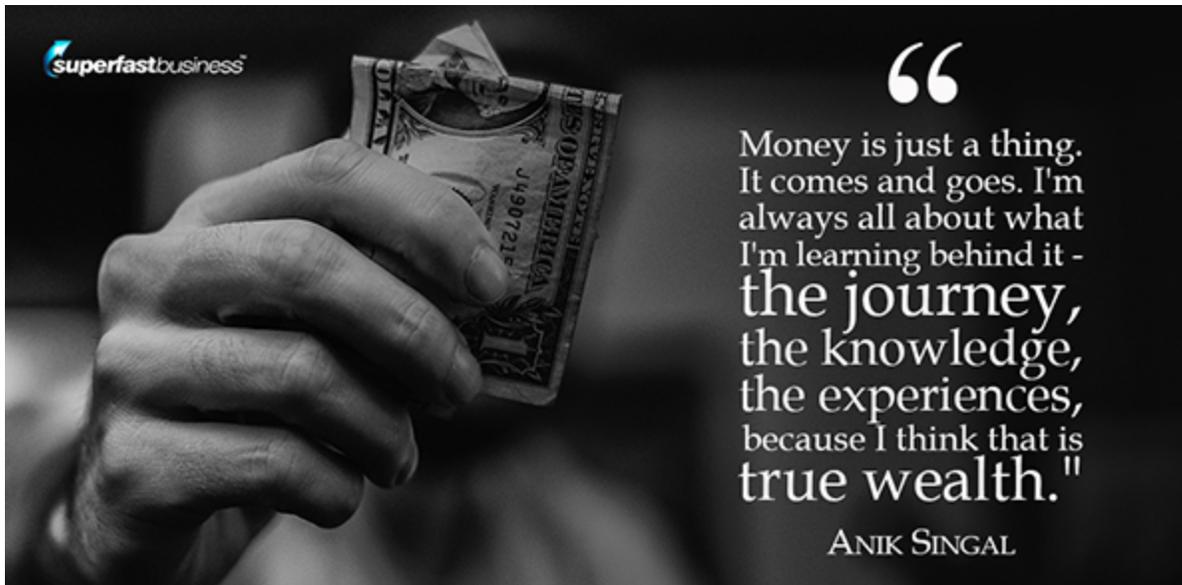
Anik: Absolutely, yeah. I mean, either way, right, that's their business. My business is to show them how to scale it, regardless of what their fears are.

James: How did you overcome your fears around money and success? Because you've obviously taken this to an extreme level. You've had significant campaigns in the past, some of the numbers that I've seen floating around in your history are big numbers, and might intimidate a regular online marketer. So what changed for you, or were you always like that from the time you were born?

Just born that way...

Anik: You know, to be honest with you, I've got to say I was always like that from the time I was born. So it's funny for me to listen to you say you've seen big numbers, because I think my numbers are small. And so my, just, way of being is one that says, How do we go bigger, badder, better? And now my approach towards it has changed. I've matured in my approach, which is when I was 22, 23, starting off, it was, let's just start running, with no thought process, and you know, anarchically, but let's go big.

Now, I'm way more methodical and systematic and, you know, I've got a life now. I have a wife, I have, you know, just different priorities as well that take a part of the equation, but I don't think I've ever had that fear. And to be honest, I've been in a place where I didn't have money, then I've been in a place where I made a ton of money. And then I was in a horrible place where I was \$1.7 million in debt, when I was like 26 years old, and I owed everybody including my parents who had to mortgage their whole house to save my butt, which is like, one of the worst, worst things that's ever happened to me.

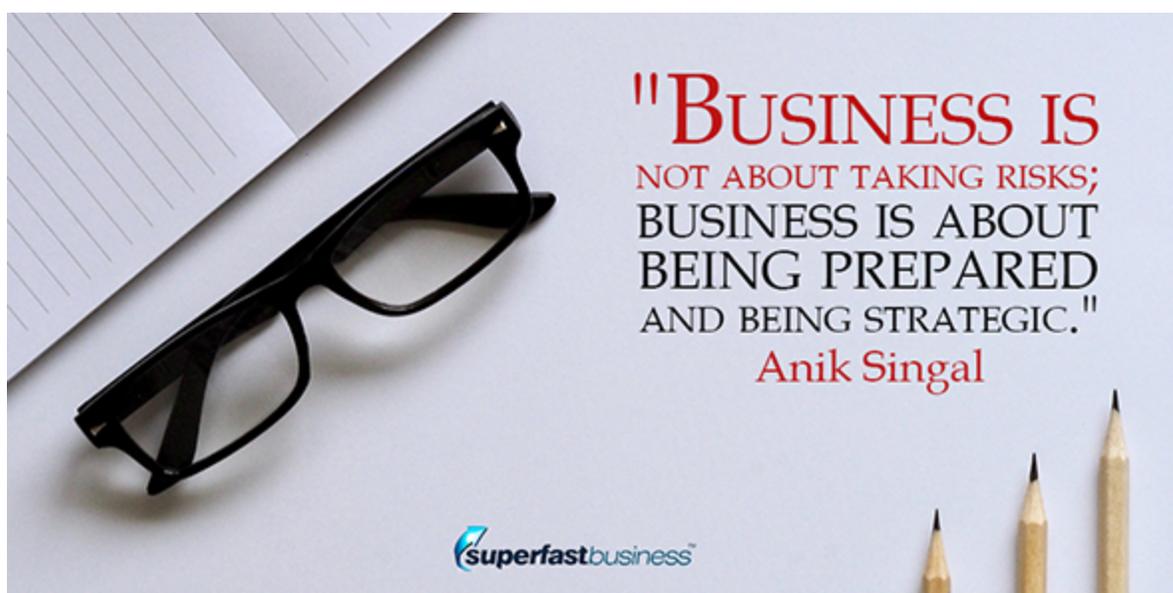


And then I made a lot of money again. And so I guess, you know, for me, money is just a thing. It comes and goes. I'm always all about what I'm learning behind it – the journey, the knowledge, the experiences, because I think that is true wealth. At this point, you know, especially, we live right now in a world that's weird, lots of things going on, the economy is strange and off. But I don't have a fear that I'm going to be broke or that I'll go broke. Because the skills I've learned over the last 20 years, I will make money. Like, money will be fine.

So my relationship with money has always been one of where I don't put it on a pedestal, I don't treat it as if it's something special. I actually treat the skills that it takes to get the money as what is special. So yeah, I really wish I had a solution, but I just never have had that fear of money.

James: It is interesting. We definitely come from different places there. I have a different relationship with money because, as a kid, my family had some financial setbacks and I've always been in a position where I'd rather not be in debt or be upside down. I definitely wouldn't want to put my parents through having to mortgage their property. So maybe I haven't seen such highs, but I've definitely not had lows. Do you think you'll have lows again in the future financially, or have you changed something that would protect you from that?

Anik: No, nothing like that. And I want to be very clear here kind of, you know, the comment you made about putting my parents through what happened. It was a perfect storm of just crap. And actually, I never intended, that was never even an option on the table. It was, I had called it quits. I had just said, "Okay, I'm going to go declare bankruptcy." And my father literally forced me to take his home equity line check. And I was, I was completely lost out of my mind. I had started drinking at that time; my whole life was falling apart completely. I took it, and I paid it back within, I think, about five or six months. I mean, that, for me, actually, ironically, taking that could have been what saved me and my business. Because that became my biggest drive - I had to get that paid back to him. And it just got me to think in a different way.



And I tell that story always, as much as it hurts, I tell it as a vehicle to remind myself always that business is not about taking risks; business is about being prepared and being strategic. So I keep it at the top of my foremind, because I don't want to ever go through that again. I don't want to ever have to do that. Because it wasn't just that, there was a lot of people I owed money to.

But what I've done since then, I learned my lessons right. So now today, I'm very well set up. Financially, forget about the business, but just financially for myself personally, for my business, everything, we're very safe. Everything is, you know, there's always a backup plan for everything, there's always just a lot of planning around things. So I used to do a lot of gun slinging before; now, it's all very strategic. So no, I'm not going to hit that kind of a low again.

James: That's good. That's the lesson there, isn't it? So you've gone from gunslinger to measured, data-driven, and, you've de-risked yourself to some extent, which is excellent.

The tale behind the latest success

I have been enjoying your commentary on social media. And I've observed that you've found a little more time and you've slowed down a bit. It's like you're discovering my world of [work less, make more](#), where, you know, it's not all about the hustle, or being busy all the time. There is a whole world out there if you want to take a layer off that sort of standard preset that seems to be in entrepreneurs.

So I've been watching that transition with interest. But it hasn't stopped you launching a brand new business that's going really spectacularly well. And it definitely got my attention, because you put it on a recurring subscription. Do you want to just tell us a little bit about where that business is at and what sort of steps you're taking as it's finding its feet?

Anik: Sure, yeah. So I launched a continuity program, a membership site called Conversion Academy. And copywriting has been, most people don't know this about me, but that's my real skill. So I spoke before about what skills it takes to generate wealth, and that's where I really give the attention. Most people don't know, but that's literally the first skill I ever learned. And that's the one skill that I make sure I never go broke again. But it's not just, see, I teach copywriting so differently than the rest of the market. And my whole approach is very different. And I just never taught it for the longest time until about a couple years ago, I started teaching it more. And I've seen some profound results in my students who learn it. And so 2020 for me was going to be the year where I would really devote to teaching it. I am very passionate about it. I can go on hours and hours teaching it.

So we put together a program. And I haven't run a solid community or continuity program in over a decade, and one of the reasons I never revisited it over the last decade was because the attrition in a rebill where you are selling education is always atrocious. It's just so bad. And it always feels like you're chasing your tail trying to refill the membership. It's not like SaaS, it's not a software, it's education. And I just have ignored it, avoided it and had a different business model. But for this, I really wanted to see something where it wasn't just the continuity revenue, but it was being able to journey with my students and my members and seeing their progress and building a true community of cooperating training in a way that I don't see being done, but in a way that's generated tremendous results.

So I set out to do this, but I really didn't have a clue. So the first thing was we needed to build the technology ourselves. I couldn't use some of the existing platforms and tech, because Lurn is a custom-coded LMS system that we've developed from the ground up, so it did take a few months to get that out. But I had such a plethora of options, you know? Am I going to do a trial offer? Am I going to go straight to the rebill, and just charge what it is?

And then when I went out on a journey to find out who thinks what, that was when I asked you, James, to do the interview for our podcasts. And you have your approach, and I talked to some other very intelligent, very smart, very successful people, they have their approach. So, lots of different approaches. And I actually got no answers, like, no conclusive, "This is the way to do it." And so I just decided, I'm going to go out there, I'm going to throw stuff against the wall, and I'm going to have fun, that's what I'm going to do. So I'm going to go out there, I'm going to do something really good that's going to generate a lot of value. And if I suck it up, awesome, at least I had fun doing it.

So we launched it. I took a very unique approach, I combined pieces of a lot of different marketing I enjoyed, which I'm happy to go over. And here's the truth. It's a rockstar success. But two areas, it sucked in two areas, data-wise. Not content or anything, just the data, like the conversions. Two are not good. Two areas are great. And now I know specifically, to the tee, what I need to fix to get my numbers to be better. And I've got about 550 members that I can now ask and do focus groups or then poll and figure out what they want. So it's become so easy now to refine it. But we launched it in about a month or less ago. And upon launch, it's instantly turned into \$100,000 – maybe a little less, maybe about \$90,000 a month – of recurring income.

Some much-needed confirmation

James: Nice. It's almost a good fit for the topic of our episode, where we were talking about \$100,000 a month income. Was there anything in the interview that we did that you were able to incorporate into your launch?

Anik: So, there was the one part of the interview that I believe, you know, I heard – so, sometimes we need confirmation, we have a feeling about something, and then someone says it and you're like, Ah, you know what, that was the confirmation I needed. And one of the holes, the traps that I think a lot of people fall into, and that I used to a decade plus ago when I would sell continuity, is that you get so many things – you get this, you get this, you get this, you get this – it's this mass dump of things to try to build the value to get the conversion. But the problem is, yes, it helps with conversion, by all means, it gets you more conversions. But then when people get in, they're confused.

And there's a piece of our interview where you specifically said, you know, rather than focusing on the massive volume of things, focus on the results. And to me, that was confirmation, because I was already having this massive suspicion behind me. I was like, you know, I had to take a different approach. And just giving them a bunch of stuff, they don't know where to go to first. Confusion leads to quitting. And so it led me to tailoring the program into a very onboarding type of approach.

A jump onto the challenge funnel bandwagon

And so this is what I put together. This was kind of part of my own genius of just seeing some different things – I saw this huge thing right now that everyone's doing with challenge funnels, and I find them very intriguing. And I'm invested in a few other companies where some of the founders and CEOs of those companies decided to embrace the challenge funnel, and the numbers were amazing. So I started to dissect at a psychological level, why are challenge funnels becoming the thing? And it's because they're very action-oriented, they get you to do stuff. And people feel like they're actually implementing, they're very methodical, they're systemized day by day.

And the challenge funnels almost always have a purpose, and that is to sell someone into a high ticket. So you do a challenge for so much time, put them on a webinar and sell them into a \$1,000 or \$2,000 offer. I thought, why not just do a challenge funnel that leads into, automatically, a continuity? And so there is nothing else to present or pitch, but everyone just starts to rebill at the normal rate. And there was obviously some mixed feedback on that. And I just leaned a little bit more on my own knowledge and my own data and said, I'm going to try it. And it worked really well.

So we offered a 21-day challenge in copywriting where my promise is that I can turn you into a better copywriter than 80 percent of the world in 21 days or less. It's a very methodical piece-by-piece 21-day training program. People are absolutely loving it. And the content is so good that it's making my rebills very easy. So we are at over 50 percent of those challenge buyers automatically rebill. So on day 22, you rebill. If you don't rebill, if you decide you don't want to be a member of the community, it's fine. You can just keep the challenge and not cancel your rebill. But we had 55 percent that have now rebilled into a \$197-a-month community, and happily so. Not hidden, not forced continuity, not crazy, like they know about it. They're showing up for my trainings. And so that structured onboarding, I believe, has put everyone on the same page. The

terminologies, the verbiage – now, when I do teaching and training, they all have something to share notes about.

Know how good your copy is in five hours

We also did a really good job where I built a feedback loop. This was another thing that I picked up from my focus groups and I was just trying to see what people want in the copy world. I spent a lot of money, but we have an amazing leadership council in the Conversion Academy that I'm paying a lot of money to. And our average response time to give you feedback on your copy is about five hours, between the coaches and us. So you post something into the forum, into the community, you get feedback within about five hours. And that has created a whirlwind of just feedback and reviews. People love it.

So those two pieces, that guided onboarding and the feedback loop that we've created for our students, have been probably two of the biggest pieces of success so far.

Two good things, two bad

James: Were they the two success pieces that you mentioned before?

Anik: Mentioned before when?

James: You said there were two good and two bad things.

Anik: No, no, no. When I was talking about two good and two bad, I was talking about the specific data. So I'm a very data-driven person.

James: Well, that's data. I know you've got 50 percent rebills.

Anik: So it contributes to it. Yeah. So, okay. The two good, one of the two good was the 55 percent rebill. Absolutely. The other good was the fact that the amount of testimonials I'm currently getting, I can't keep track of. We have over 100 different people that have posted in the Facebook group raving reviews. That's what I was looking for. Because in the end, my sales page for this is going to be super simple. Just stack all the testimonials on. I won't have to say much, as long as I know that what I'm offering is so good. That's the two good things.

So the two bad things are: when you look at the data, I have to look at what my 30-day value is, because in order for me to scale a product on media buying, in an ideal world, because I'm not Agora – I don't carry six months' worth of burn rate, and I don't want to, that's too much stress – I want to make sure that I am breakeven, ideally profitable on my media spend within a shorter window than 30 days. And so I track everything on a 30-day window.

So when I do data, I will always track my customers at cart value. I always know what that is, meaning by the time they're done with a cart, how much have they spent. I would track the customer's seven-day value, which many times doesn't change much depending on what's going on. And then I track the 30, the 60, and the 90-day – these are very important data numbers for me. And the 30-day number for Conversion Academy came in about 30 percent higher than what I wanted it. So that's awesome. That means I've got a lot of ability now to start buying media for it and be profitable in 30 days and start building this community up at whatever pace I want.

The bad numbers, which is only good now because even though my 30-day numbers are great, they could be better because my app cart numbers are really bad. So my bump number one was at 25 percent – it should have been minimum 40 from my data. So I'm not offering them the right bump offer, which I'm not surprised, and makes sense. My upsell number one, I'm almost too embarrassed to even say what it is. It's like, 2.2 percent.

James: You don't have to be embarrassed. I don't have upsell bumps in most of my programs and it's for a different philosophy. So it's okay.

Anik: Yeah. So the conversion numbers on that, for me, typically would be more like about 10 percent. And so we're way below, we're way underperforming on that particular conversion number. So the opportunity that I see there is that by actually revisiting those and seeing what the right offer there could be, the app cart value will significantly increase, which will automatically increase my 30-day value, which will infinitely increase my ability to now buy media and actually afford to buy traffic for it, which I'm already at a great place. This will only make it better. It also allows me to now predict a lot better what the value of a member is, which then really allows me to predict my explorer to be able to expend more on the program, too. So if I want to bring on two more coaches, or if I want to spend a little bit more in developing certain features or software for the membership, I can put that into my budget.



To scale or not to scale?

So how much of my decisions are driven by those numbers, most people would never think, but the scalability of it is driven by that. Now, if I'm not trying to build a scalable business, for example, right now, I have \$100,000 a month, I could continue going on with social and organic traffic and keep it at that, I wouldn't have any problem. I don't have the aspiration to scale it, then these numbers are irrelevant. You know, upsells, downsells, cross sells, back end. It's irrelevant. It's not necessary. But the data, if you want to scale something, is absolutely necessary.

James: And why would you want to scale it? What would be some of the reasons?

Anik: Why wouldn't I want to scale it?

James: Why would and why wouldn't you? What would be the pros and cons?

Anik: So, for me, you know, personally, knowing what I like to do and how I like to live, if I was going to scale this, I'm not going to be able to support it myself. So I'm going to have to build a bigger infrastructure of support around it, because it's only so many hours in a day I can be involved in the community and reviewing and checking. So if I don't want to scale it, it means I don't want to build a team. I don't want to build coaches around it, then I know what number of students I can take and slowly increase the prices and keep that number of students so I keep my life and my schedule the way I want it.

So that's probably the biggest reason of not wanting to scale something, it's more of a lifestyle choice.

Why do I want to scale it? Because for me, it's a very mission-driven thing. I'm really excited to introduce copywriting. We're teaching copywriting to a very different group. These are not people that know copywriting. These are people that you know, are trying out there to build businesses or they even have a business and they're never been introduced to the topic. And I love it. So I'm introducing a very core skill to a large mass market, because that's what happened to me. I did not know anything about copywriting, did not want to learn about it, thought it was stupid, didn't want anything to do with it until my mentor changed my mind and changed my life at the same time. So I would love to scale it, but that's just because of what I'm trying to build with Lurn and what I'm trying to build with yeah, mostly with Lurn, I'm trying to build with Lurn. Everything is about scale for us right now.

It's just a personal choice, it comes down to lifestyle, really. I mean, there are different sets of problems and challenges that come with scaling something. There's more money, yes. But as they say, more money, more problems.

James: Yeah, it's definitely a realm I deal in a lot, especially in the higher level of coaching, where people can go bigger. And it comes down to why I thought you might mention somewhere that you like building schools.

Anik: Ah, yeah, well, you know, it's funny, James. I don't think I need to scale my business to be able to build schools. We love doing that. We're very well capitalized in our nonprofit, my wife and I. And here's the irony. If tomorrow morning I woke up, and I decided to actually simplify my business and go back to what I love, which is email marketing and affiliate marketing, I am just, I get it. It's, you know, it's like when Beethoven looked at a piano, he didn't see keys, he saw music. I look at that, just the business model makes sense to me, I would probably triple if not quadruple my net income. Because I wouldn't need the infrastructure, I wouldn't need the team members, I wouldn't need a lot of it, life would be simpler. And so I'd actually have more money to build schools.

But the mission and the dream behind Lurn is something that I know, for now, if I just did that I would be miserable. I need to do what I'm doing. So funny you mentioned that. But yeah, I mean, for \$45,000, we can build an entire school in the slums of India that is self-sufficient forever, that serves about 100 children a year. \$45,000. So, you know, that's not a lot of money. So it's like, if I can get my continuity up to, you know, double that, oh, I can pull another 40, 50 with one school a month. Like, that's crazy. We can't even keep up with that. I mean, we wouldn't even be able to build that money. So, but yeah, it's ironic, right? I actually think I could build more schools if I stopped doing all this stuff I'm doing.

The media buying equation

James: How much of your revenue do you tip back into your media buying?

Anik: Oh, good question. Probably about 25 percent.

James: And is that because you want to keep a preset amount of profit for other reasons? Like, why not tip all of it and grow faster? Why not tip a little less and have more profit? So, how do you get to 25 percent?

Anik: And I'm just roughly guessing on 25 percent. It could be 30 percent. I can tell you this, we're not in the business of making profit right now. That's not Lurn's mission. So for me personally, the way I've set up my life, I have multiple companies. And I have my companies that I call cash flow, profit generation companies, they're the ones that are set up to do that. They pull profit every month. And they, you know, make a ton of money and they're very simple and that's what they are.

Lurn is not. Lurn is, you know, at the end of the year, if we've made profit, we didn't, we didn't do something right. So we were supposed to be reinvesting all of that profit back into growth. But growth doesn't just come from media buying. Growth comes from infrastructure; growth comes from team members; growth comes from investment in technology; growth comes from development, and a lot of that. If you're growing your key executive team, that alone is super expensive. We just, you know, we just hired someone who's our most expensive hire in the history of the company. God bless him, because he's going to help us. He's going to help me. I'm going to sleep better every night, and sleep has no value. So it's all great.

But, you know, I can media buy as much as I want. I'm already spending millions of dollars a year in media buying, but at some point, I've got to be able to support the people that I'm buying. I have to support those leads. So you have to invest in different areas. So as of now, we've invested, we are now scaling. So as of May, actually, next month, we are going to be increasing our media buying because we spent the last six months streamlining our team and getting some things in place that we needed to.



So you can scale only so fast, as fast as you can serve. And so you've got to invest in the right areas at the right time.

James: Well, it's interesting you talk about this, and it's good to get some clarification on numbers. We hear big numbers on the revenue side being talked about. Where I think people get stuck is big numbers on the expense side. I think a lot of people would have trouble spending \$100,000 a month. That requires a different mindset than your small operator where they're making 100 grand a year, right, and keeping it all as profit.

Just what is the ultimate vision?

I'm interested too, what is the goal? What's the end goal with Lurn? Is it for big payout, big sell at the end or something like that?

Anik: It's actually not. Believe it or not, I never think about selling Lurn. Although I will tell you one thing: I'm a big believer of the fact that emotions in business don't really need to make sense and shouldn't. So I don't treat Lurn as if it's my child. It's a business. It's an asset. So I evaluate it as such. If some amazing opportunity in the future came together to sell it, I'd be open to it.

But for me, without getting into some of the confidential side of what the big vision for Lurn is, but it's a distribution network. It's for me to supply, facilitate – that's a word that we use a lot, is “facilitate” – 10 million entrepreneurs worldwide in a central platform where we're providing them with the connection, the community, the training, and the assets that they need to succeed. And that, really, for me, is something I think is missing for entrepreneurs.

Because if you're an engineer, if you're a doctor, if you're a lawyer, just look around. Every single day, you wake up, you go commune with people that are just like yourself. You spend every waking moment professionally with people like yourself. As an entrepreneur, you don't. It's a very lonely business. Yes, you can listen to podcasts. Yes, you can go to events, but that's not a daily part of your life. And so I really love the idea because when I was in college, I was part of an incubator program there. And I loved it. I mean, just, you know, being able to spin ideas off of people, have some guidance, mentorship, training, just, it was amazing. When I graduated, I just completely felt like I was off on my own. I didn't know what I was doing.

And so my big vision for Lurn is to be able to be that. We call ourselves a home for entrepreneurs. And that's really what we want, is to provide a place where people can come and incubate themselves in a protected community, where everyone in that community is just as crazy as them and has big dreams. So the big vision for now is to get 10 million members into the community. We're at 380,000, and we're still a beta. The platform has about 20 percent of the features that it's going to have in the future. So we haven't invested a dime in growing the platform – 380,000 has come purely from the other marketing we're doing, or organic. We have never really spent much money at all, maybe \$20,000 in test ad buys, just that goes straight to, Hey, become a member.

Once we start doing that, I mean, we already know how to do media buying, so 10 million is definitely not going to be a problem. But we don't, you know, at the moment, we don't have all the features and all the bells and whistles that we want.

So we're just kind of letting it chug along.

James: So it's more like a LinkedIn or that type of thing where it's a platform and you reinvest and you grow. But is it a privately held business?

Anik: Yeah, completely privately held, there's no external investors. It's just my company that we've started and grown.

Where to buy the media

James: Great. Okay, so we want to buy media. Where do we buy media?

Anik: So right now, I am exclusive on Facebook and YouTube. And I'm not saying that they are the only ones to do. It's just only so many hours in the day and they treat us so well, we don't need to go elsewhere right now and complicate things. But we're starting to add some new sources.

Facebook, I still love, and Facebook's a little finicky so they can throw a "ban happy" and things and they're not nearly as transparent. So really our new favorite platform is YouTube. And for a few reasons. One, it's really easy to launch ads on YouTube. There's less pieces, less things to fill in. YouTube has an ever growing inventory, their ad costs don't go up as much. Facebook does not. Facebook has a limited inventory, and they're starting to see a little bit of a peak on that. Actually, I've already seen it. YouTube is not. And so I love the fact that costs stay down on YouTube, you can scale pretty aggressively on YouTube, they're much more friendly, they're not ban happy, you can make mistakes, they forgive. Quality of traffic is amazing. The pixel is super, super amazing.

However, here's the downside with YouTube. I think of YouTube as kind of a bit of a fraternity in college – they seem to have like a hazing period. When you first start with YouTube, it's just not that good. It takes time. The pixel is a little activity-driven. So the more activity you give it, the better it gets. So you have to be able to ride out some losses with YouTube early on. But then it's just like, there's a sunny pasture ahead, beyond that. We are now really starting to learn more of the Google platform, because we've given Google so much data now through YouTube. One of the biggest wins behind Google is that you could take that data and translate it over to display ads, to Gmail ads, to search ads. And so that data just kind of helps you to scale into an infinite level. So now we're starting to get into display ads and Gmail ads, but we're still babies in that. So we're still learning. And honestly, we're only doing it because we're bored. We don't need to. There's so much more traffic we can get from Facebook and YouTube alone right now. But it's like, you know, we want to learn something new as well.

And then of course after this, the next one that I've been really interested in learning a little bit more about are the native ad platforms like Taboola and Revcontent and some of them, just for retargeting, if nothing else. Once you've hit our site, we'd love to track you and follow you around on stuff. But man, if you can just figure YouTube and Facebook out, you could spend millions a month and still not have tapped out on traffic.

James: That is interesting. I am hearing a lot about YouTube lately. It's like the new frontier for people who loved Facebook. Facebook, YouTube, and [GDN](#) just come up all the time. And I have a lot of people who have ad agencies, some of them in YouTube, a lot of them are lead gen style, and they love these platforms.

The person who does the buying

When you say “we”, who's doing the media buying? Do you have someone in your business? Or do you use an agency?

Anik: No. I actually figured out media buying years ago myself. I just decided, and I find myself in this company, especially in the marketing world, I like to figure things out myself first, just because I have fun with it. And once I figure it out, and I feel like I've mastered it over the course of a few months, I'll always get the right person and train them. So we have an in-house team now. They are absolute ninjas. I think they could run circles around most agencies I know. But they are full time and dedicated to learn and they are really, really good at it. And I'm very proud to say that, you know, like with YouTube, I figured out how to do YouTube advertising a little over a year ago. I had the flu and I was lying in bed. I was sick, I was bored, I couldn't watch any more Netflix. So I started binge watching YouTube videos about how to do YouTube ads. And took a little little sample money and started playing around with it. And next thing I know three months later, I was spending about 350 grand a month on YouTube super profitably. And figured it out and taught it to a couple of team members and they've since, you know, kind of multiplied from there and so now we got a little team.

James: What type of team member do you look for, for an in-house media buyer?

Anik: Okay, you want a very analytical person. This is one of the things that I think a lot of people when they're hiring in the marketing world make a lot of mistakes. They look for creative people. The worst thing you can possibly do for yourself is hire a creative person, a thinker, an idea guy or girl in media buying. The worst mistake you can ever make. They're going to bankrupt you. They're going to fall off and go off and do all kinds of crazy ideas and testing. You want a methodical, systematic, operational-minded, analytical data-driven person. Almost a introvert type of not social, very analytical. And man, have I found massive success with them.

We use a couple of these tools in our company when you want to come on and work with us. So we use Culture Index, there's a tool called Culture Index, and we use Enneagrams. And so based on that, during your interview process, we kind of get an idea for, are you analytical, more creative minded, you know, are you more deductive or inductive? And so we're really looking for analytical, deductive, number-driven, systemized, like operational mind. That is the mind that is going to really do well with media buying.

James: Makes so much sense. One of my dear friends [Ilana Wechsler](#), who runs [TeachTraffic.com](#), is a former data analyst for a huge corporation. And she just loves, she, like, loves the traffic side of stuff and it makes sense that she'd be good at it. And you really emphasize this. It's all about data. You've talked specifically about not being emotional.

Anik: I cannot emphasize that enough.

James: Especially emphasizing.

Anik: Yeah.

What about the creative aspect?

James: And how do they interface with people who have to create, or do the creatives? Because you need a concept for your YouTube ads. You need visuals for your Facebook ads. Do they have a creative department they draw from?

Anik: Yes. So, we do. We have our audio visual department, our AV team, is innately creative. That's their job. But even there, you know, the limitation to how many things you want flashing on a screen, how many different color combinations you want... I'm a very simple person, so I'm not going to go out there and make the next viral video ad that takes two months to film and it's all nifty.

James: You did do some kind of a movie trailer once. I'm having some flashback.

Anik: I did. I did.

James: It was highly creative.

Anik: It was. And I'll tell you that served a completely different purpose internally for me. It totally flopped as a marketing test and I half expected it to.

James: I still remember it. I remember it, but I didn't buy anything.

Anik: Yeah. I wanted to just make a movie. I wanted to go do the whole process. And I did, and it's on IMDB. I'm a listed producer, actor. And we had a full 130-person crew. And I got to do the iconic James Bond shot that every male wants to do in their life. And that was I held the gun up to a car, pulled the trigger, it blew up, and I walked away like a badass. So the whole thing was for that shot. I just wanted to do that.

But ads, some people throw too much creativity behind ads. Listen, audience, tell them what the heck you're giving them. And just get to the point and say it. So I don't know, man. When it comes to creativity, like creativity is good, but I don't find the need to have 10 creative ads so that I can have one that's a rockstar success. I like to have 10 good ads that just follow my model, and I know that five of them will do well. Not one of them will be like a rock star success, but five out of the 10 will do well, and that just kills it for me. And so my creative team, also, they have their creative realm, but it's within a certain sphere. You know, it's like, don't go outside of this. And at this point, we've done so many ads, like they have so many examples to go off of.

A simple formula for effective video ads

James: Do you use frameworks? I mean, you're a copywriter who loves data, and loves media buying. So I imagine you've got a formula.

Anik: Yes, so when it comes to the video ads, I do. Absolutely. I mean, I have filmed my own, which innately follow my framework. It's very simple. So your first line that you say in the video is very important. So either making a shocking claim, shocking statement, shocking statistic, or flat out saying, here's what I've got for you, you know? So I'll give you an example.

It also depends on what audience you're going after. So when we get into creative creation, we're going to go down a whole nother rabbit hole, right? So I want to know what the purpose of the ad is - are you going to go to cold audiences or are you going to go to warm audiences? Is this a blitz ad? We call them a blitz ad in our company, which is, is this an ad that's meant to help introduce it?

For example, when I was launching Conversion Academy, we were going to go after the warm audience with a two-week blitz campaign. So every ad I'm filming is going to be blitzed into the audiences for two weeks and then may never be seen again. And so I just know, all right, I'm talking to my audience. I'm talking to people who know me, who've been around me. So I'm going to speak differently. The opening line, the framework, what I say, how I say it, the length of the ad, it's all going to be guided by that.

Now, we're going to be filming evergreen ads in the next couple of weeks here as we get ready to go with Conversion Academy. The whole approach will be different. Because I know eventually these ads are going to live in the ether for months, maybe, and they're going to go after cold audiences who have no clue who Anik Singal is. But my five-step copywriting formula is the same, man. It's the same for ads, same for written sales letters, video sales letters, webinars, it doesn't matter. It's introduction, story, content, transition, pitch. And the only difference is, in an ad, you do all five steps in like a minute and a half or two minutes. On a webinar, you take two hours.

There's no gaming the platform

James: With the YouTube videos, do you discourage people from viewing past a certain point so your ads don't cost?

Anik: Nah, I don't do any of that. I think all of that creativeness is just unnecessary, again. You know what it does, you'll hear people say, you know, "Get them to click off within six seconds, so it doesn't charge you more," it's actually not true. Here's my honest feedback. Google and Facebook, they don't charge you per view. They don't charge you per click. They don't charge you per conversion. I know they present that data to you. But they don't control that data. Hence what company in the world would ever agree to charge on that? They charge you on CPM. They charge you on the number of impressions they give you. And so, let's just say you have concocted a way to get people to click off, and not watch your video, hence, they're not charging you. Guess what they're going to do. They're going to charge you a higher CPM. Simple, they're still going to make their money. So if you do all of these fancy things in your ad, you're going to still pay the same. So what happens with me is when I make an ad, I just make an ad. I talk, I say, I stick to my five-step formula. And what I'm finding is I have really high view through rate. And so my CPMs are really low. And so my cost per clicks are still really low. So it all evens out. I frankly, at the end of the day, you cannot trick their algorithms by doing these kinds of things. They're too smart. They're just going to charge you more on the CPM and make you feel good on cost per whatever, but they'll get their money.

James: I think that's a good philosophy to take across the board. You can't trick people. You can't trick platforms. Basically the tricks are really short plays. I like this, keep it simple. Deliver what you deliver. So your five steps were intro, story, content, transition, pitch. Yeah, that's a keeper. That's really valuable. It's those little nuggets, isn't it, Anik, that make a difference?

For those now looking to spend...

What advice would you have to someone, say someone like me, I've got a reasonable-sized business that's pretty organic. I used to do a lot of traffic buying, like 12 years ago, 13 years ago, and just stopped. If I wanted to start spending more now, you've pointed to the platforms, you've given a framework. Is it really much else to it? Is there an 80/20 we should be familiar with, the easy wins?

Anik: Yeah. So, first thing I would sit down is, figure out what your data is, so I come back to that. What is your average lifetime value of your customer? How much are you willing to spend? And then work backwards from that. If you're going to go into media buying, organic data doesn't count. So the data that you're getting right now, you can't carry that to media buying, because your average lifetime value is going to be way higher. The number of months someone will stay with you will be higher. Why? Because the person may have listened to 38 episodes of you before they joined. Before they joined, they're already in love with you. They had already figured out in their head that they're going to stay with you forever. It's a different type of customer. Whereas when you're doing media buying, if you're going to go cold market, that's not what you're going to get. So, I will almost always look at my organic data, and dare I say, divide it by two, and say, Okay, I'm going to get half of that for now. Just so that I'm safe in my planning.

And the other thing I would tell you is that right now, it works really well for you organically to say SuperFastBusiness.com, which is a sales page for your offer. And that probably even converts really well if you were to throw some pixels on there, and you'll be like, Oh my god, I'm converting, you know, 6 percent of visitors or 5 percent into a straight continuity. And that's not going to work on media buying. You're going to have to build a funnel, you're going to have to introduce yourself to the community.

So you've got [your book](#), you've got some potentially other things. You know, what is a low-commitment offer or something you can put in front of a cold audience that gets them to come in? And they don't have to make a big commitment, but they get to know who you are. So you got to think about the funnel, you got to think about the psychology behind all of that. And that's where numbers come in, right? So I go as far as, right now, what I'm doing with Conversion Academy, I kind of know what I pay per click, it's about \$1 to \$2. So I'm going to estimate two on purpose because I always want to be conservative, which means pick the highest cost per click out of what I'm seeing in my data. And I'm going to say, you know what, I'm going to take them straight to a free, I wrote a book, which people have loved and gotten great feedback, I give it to them for free, digital download called The Silent Salesman. The conversion on that page should be 35 percent, 33, 35. So I'm going to pick up a lead for about \$6. That's actually higher than what I've been seeing. But I love that. If I can make the data work on higher, I'm in for a win.

Now I know what I'm willing to spend. Let's say I'm willing to spend \$150 to get a customer. So I'm going to do 150 divided by six. I can actually do that math right now. I think this is literally what I would sit down and do to see if there's even a chance at this campaign working. So that 150 divided by six is 25. So that means I need to get a 4 percent conversion. The way I did that math is for every hundred leads I get, I would end up picking up four sales. So if I feel like I can get a 4 percent conversion, and 4 percent of my leads buying into my continuity, I'm at a breakeven point. And that's actually very doable. It should be. But now you get backwards and think okay, how many autoresponder emails do I need to write? How many videos do I need to film throughout the process? What are some of the common objections they may have? That's when you put the copywriter hat on. And then you give it a go. And you start trying on a limited budget. See what happens. What's the data looking like?

And then let the data make the decision for you. I deal with this with my team all the time. So we did a campaign two months ago with another one of our experts. We did the campaign, and he comes running back and he's like, I need to refile the sales page. I said, Well, why? He's like, Well, because we're not getting a good rebill rate. So what the heck does a sales page video have to do with the rebill rate? Our trial subscriptions are amazing. He's like, Oh. I'm going, You're not letting the data follow it. Your issue is actually in getting people to upgrade. We have something here. We have a different area to work on. Like we have a problem in here, and you're trying to fix here.

So people make emotional decisions, start running and trying to fix marketing problems that don't even exist. So I look at the data, one by one, and then I'll launch a test campaign, let it run, look at the data, come back. Okay, where's my data messing me up? Fix that, run another test campaign, get it to the point where it's singing, and then just start to throttle up the traffic a little bit. But it is a very different approach. If you're an organic person, the mindset is very different. You have to look at the funnels and the numbers very differently.

James: Yeah, I'm looking forward to doing that. And I think I'll carry some of your ideas, I think a free course, free book. And I'm actually setting up a whole brand new website for front-end products just to introduce paid traffic. And I'll reinvest the whole lot back into building that database. And I think they'll be a lot of fun. And having this podcast today has been really insightful, especially the frameworks, especially the mindset, the inspiration, the journey that you've been going on is insightful for us. I think it's really helpful if we want to get into media buying, if we want to scale our business.

So Anik, really great stuff. You've got a podcast over at AnikPodcast.com. And we'll pop the transcription of this episode up, number 740.

I just want to say thanks for sharing.

Anik: My pleasure. Thank you for having me and everyone who's listening, I always say this: when life pushes you, stand straight, smile and push it the heck back. Head over to AnikPodcast and join us at the Fighting Entrepreneur Podcast. I'd love to have you. Thanks for all you do, James, for the industry as well, man. Love your podcast, love everything you do.

James: Well, I've really enjoyed our last few interactions, and I'm sure we're going to be friends for a long time. Thanks, Anik.



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