



More traffic... more sales... more often

MDJV Questions and Answers

February 22, 2012

Sales Presentation

In the presentation materials you say:

"I'll be responsible for directing the creation of the marketing piece, with input and approval from whoever you designate."

But I thought the List Side Company creates the email offer/introduction. It contains a link to the Product Side Company's Landing Page. The Product Side Company creates the Landing Page. So we don't create anything, right? But we help the List Side with the follow up emails?

Correct. The operative phrase here is "directing the creation". You're actually coordinating getting the copy from the product side and delivering it to the list side. This is NOT something you want to defer to them to take care of.

Finding partners for both sides of the deal

When you have your prospect set up ready to go have you ever had any problem finding someone for the other end of the deal? What's the longest it's ever taken?

It depends on which side you've signed first. If you have an agreement with the list side, it's always easiest to find partners. For example, right now I have a client with a list of 160,000 paying customers. When I approach potential partners and ask them, "How would you like to sell your product to a list of 160,000 paying customers?" the deal almost closes itself.

On the other hand, when you sign the product side first, it can take longer. The list ALWAYS has the most value and because of this, a smart company with a good list will be careful about outside products and services they offer their subscribers and customers. Plus, they have to find room in their mailing schedule. That said, if the product you're bringing them is a great fit, the deal can get done quickly.

I can't really put a number on "the longest it's ever taken" as much of that has to do with your level of experience. The more experience you have and the more knowledge you have in a given industry, the quicker deals tend to come together.

Privacy issues

How do you deal with the list side's privacy policy, etc? Is this usually a sticking point?

This is a non-issue. Privacy policies state that you won't rent, sell or share your list with anyone else. But that means allowing other companies to use your list independent of you.

Many of the ezines you subscribe to probably carry advertising. They are NOT giving their list to those advertisers, but they are allowing them access to it. However, this access is only through the list owner. And with a joint venture the access is handled in the exact same manner. The list owner mails to their own list rather than giving the product side any direct access to the list. This is in complete compliance with standard privacy policies.

Tracking revenue with more complex sales

In a JV between a luxury car dealer on the product side, where the sale of a vehicle would require a test drive and other efforts from a salesman (requiring that salesman to be compensated), what is the best way to track sales? Links can be tracked of course, but from there how do you know what happens? Is the only solution to operate on blind faith?

To further complicate things, if the dealer uses certain bargaining chips to close a sale (like oil changes or details - things that have a cost associated with them) should this be deducted from the amount I would collect commission on?

Another concern would be different vehicles having different costs and profit margins. Would I be better approaching dealers as the list side only, and pairing them with a more concretely trackable product sale? What do you do in circumstances where the potential profits are high, but the tracking is tricky?

The solution is simple. The partner who is directing their customers to the dealership should give their customers a coupon that's good for a special service or discount. Since that coupon has value which can only be redeemed by using the coupon, all sales should easily be trackable.

As for the bargaining chips necessary to close a sale, those are a cost of doing business, so they would be rightfully deducted from the amount you're paid commission on.

Prospecting sources

How do I utilize networking, presenting to associations, building relationships?

Networking is covered in the materials under the "Start Where You're Standing" prospecting process. Presenting to associations is covered in a special section on doing JVs with associations. Building relationships is a skill that is beyond the scope of this program.