

Tape 20 – Mark Stoddard

Mark: As you begin to believe that, you're doomed. When you begin to believe your own press, you are doomed. You know what will happen. May I give you a couple of quotes just to remember? No one wants your product. No one wants your product. They simply want what it does. Little nuance of thinking. They only want what it does. In order to do that, you need to be able to answer this question: What problem in the life of my customer am I solving? Think about that one. Can you answer that? What problem in the life of my customer am I solving? If you can understand that, you'll have a much better idea of how to write that advertisement and how to model the product because you may find out that your product serves no real functional product except for making you money, and then you might as well be in drugs. Same process. It doesn't matter what happens to the customer.

Number two, everyone buys from emotions and most advertisers sell to intellect which may give you a clue why most advertising doesn't work very well. It's an emotional decision. Anybody heard that awful academic term called cognitive dissonance? Any of you heard it? What does it mean?

Audience: (Inaudible)

Mark: What?

Audience: (Inaudible)

Mark: Well, cognitive dissonance – it's when your emotional reaction and your intellectual reaction differ. That's all it is. I have to tell you that I took my written examination for my Master's degree and that was the question, one of the questions. I wrote this one phrase down, and I said this will never do. They will never let me get away with a one-sentence answer to this question. So I put about 20 pages of BS after that and they got very excited about it. I'll tell you, it's when the emotional reaction and the intellectual reaction differ. Now think about it. Guy goes in to buy a car. Let's take it better. Howard Ruff went away for a vacation. It's true, and the guy who was running his company at the time sold his airplane without Howard knowing about it. When Howard got back, there was no airplane. The guy was right, actually, but Howard came back, hit the roof, and decided to go out and buy another airplane.

Now if you were the airplane salesman and Howard Ruff walked up, here is what the typical ad, in effect, says. Howard, you want to buy this airplane, right? Yeah, I want to buy this airplane. Let me tell you about this airplane. It's got twin engines, and describe the engines in detail. This thing has incredible miles per gallon efficiency. It has this, it has this, it has this, it has this, and what's Howard doing? He's already gone. All right, so he came in to buy an airplane. What do you tell Howard? What's the first thing you tell him? Howard, I've got an airplane over here that will say this is a top American executive. This is a top person. This is a person that deserves only the best and selects only the best. This is a person who, when he gets into that airplane, because he doesn't want to deal with all those people at the airplane, this is a person who could lie down in this airplane and his pilot can take him and he'll wake the next morning refreshed. He's going to tell him all these things, and what are they? Are they intellectual discussions? It's all right here. It's emotion. So Howard's getting – his hear is palpitating, and he's saying, “Yeah, I can see myself there. I can picture myself. I'm getting emotional. This is wonderful and I buy it.”

Now what happens in the process? Is intellect – has it not entered the process, right? So what happens? The emotions have taken over and the intellect is going, “You idiot. You didn't need a twin engine turbo prop plane to get there. It's obvious that if even drive up to Salt Lake for one hour and you're only flying to Oakland, it's only an hour and a half trip. You arrive there about the same time.” The intellect

knows all these things. Your subconscious knows all these things and begins battering the emotions, and then what happens? Buyer's remorse. That's the psychological reasoning for buyer's remorse is cognitive dissonance. You have not satisfied the two.

So what must you do in your product? You immediately sell to the intellect, close the sale, and then what do you do? Mr. Jones, you've got yourself this fantastic Avanti. Remember the Avanti? This is something – you have one. You're the only person in America that still has one.

Audience: (Off mic).

Mark: Actually Gary went to her and she said, "Gary, you've got five days to live," and Gary said, "Oh, what's my bill?" Said, "It's \$100,000." "I can't pay it." "All right, you've got 20 days to live."

Audience: (Off mic).

Mark: She has two Avantis. Anyway, what do you do when you've gotten all emotional about buying this Avanti? You put them into the car seat and you begin showing them intellectually what all these neat features are. Then you begin the feature selling. You show them all the features because then the intellect is going, "That's a good reason. That's a good reason. That's a good reason," and you begin to supply that. When do you do that in direct mail? You do it – I tell you. One of the reasons for long copy is exactly that. Does everybody read every bit of every long copy ad? I'm assuming it's good, anyway.

I've seen this time and time again. Wow, this is great. I've read the first page. I've read the last page. I've got to have it. I call up. My wife comes in the next day and says, "What the hell is \$159.95 for? Why did you write out a check for that?" and you say, "Read it. It's all in here. All the details are right there." The wife goes, "Well, if it's all written down, it must be good." That does happen. That happens all the time. That happens constantly. You begin in your copy giving the intellectual reasons why that's important, but there's an even better time. Upon delivery of the product, make sure you have some kind of a post-purchase reassurance, an intellectual confirmation, that this was a brilliant thing to do and how it's going to work, particularly if you have a high-end product.

May I make a suggestion that you give them a call saying, "I just wanted to call to confirm that you received the product." Wonderful, great. What does that do? Intellectual stimulation that says this was the right decision. I dealt with the right company because they have done something proactive to keep my business. There's more to say on that, but I won't continue, and by the way, I constantly hear people say, "Yeah, that may work for – that may be true for a \$19 product but when you're buying a \$400,000 product, it's intellect," and I think you can agree that that's not true.

Number three: In a world of chaos, he who instills order attracts people. In a world of chaos, he who instills order attracts people. Why is McDonald's successful? How many go there for the haute cuisine and define atmosphere? Why do we go there? Because McDonald's knows that America is looking for a fuel stop and it's the same every time and you can count on it. In the world of change, McDonald's is constant, and if you have had a McDonald's in Moscow or a McDonald's in Dubuque they're exactly the same. I've had both.

Number four: People don't buy from institutions. They buy from other people. Personalize. That's the idea of personalization. Even if it's an institution, they've got to begin to feel that you are the person, you really are human.

Number five: Human beings act in predictable manners. What is evidence of that?

Audience: We're all here.

Mark Stoddard: We're all here, yes. The reason's pretty predictable. All of the surveys you hear, the polling – how can you go ahead and predict a presidential election with 2,000 people out of a universe of 200 million or 100 million voters or whatever the number is. How can you do that? It's because human behavior is predictable. Is it the same in Russia as it is here? Yeah. We all react to the same emotions. What are the five key emotions in selling? I've already told you the most important one. Curiosity. The other four are in no particular order, but certainly fear is there.

The next one I like to call an improved status of life in some way, greed, and love. By the way, you don't say in your advertising love. What do you do? You evoke love. You evoke curiosity. You evoke those things. Some people think that you're supposed to write those words in there. It's not the words, and when you're writing – you know the Hemingway theory of writing? Iceberg? You acquainted with that? Hemingway believed in only giving you the tip of the iceberg. Now when you read his information, when you read his novel, you read his story, you get the tip of the iceberg but you understand what's below. That's what your writing has to be about.

The problem I have with most writing, of most people that I read, particularly for folks like you, is it sounds like you've swallowed a bunch of Jay Abrahams' letters and basically have regurgitated them back trying to say the same words and the same phrases, and I'm so sick and tired of reading those. What you've got to do is you've got to be able to impart that information in a very concise fashion. Concise could be 24 pages long, could it not? One of the best marketing letters written was for George McGovern and it was 24 pages long. It raised more money than any other letter in direct mail history for politics but it was very concise. You hated conservative Republicans with a passion. I'm conservative, and I'm sure that's a surprise to some of you. I hated them when I was finished with that letter. I sprayed shaving cream all over the mirror and said I don't want to see you anymore. It was a great letter. You've got to make sure that's understood as your doing it.

Let me just take a little survey to help show this. I'd like everybody to write down the numbers one, two, three and four so you can write one word after each one of them and we're going to do a little survey. This should work. Got enough people here to do it. One, two, three, and four. I'm going to tell you something and you're going to write something down immediately and we're going to go on to the next one, no chance to think. This is strictly and emotive exercise, okay? Number one, write down the name of a flower, the first flower that comes to your mind. Number two, a number between one and ten, write it down. Number three, a color, and number four, a piece of furniture.

All right, how many of you write for a flower chrysanthemum? Nobody ever writes it down because you can't spell it. A smart person says mum now and then. How 'bout a pansy? You wouldn't dare in Key West, would you? By the way if you do this test, you say exactly what I just said because you will find that if you say – what I usually say is – we did it in San Francisco and you can't believe how many people wrote it down, everybody laughed. We understand certain things, but I'll get to why that's important in a second. How 'bout a carnation? All right, did you guys write anything? How 'bout a rose? Okay, look around you. Now, how does it feel to be predictable, folks?

A number between one and ten – how many wrote down zero. There's usually somebody that can't follow instructions. How 'bout one and ten? Those are the ones I mentioned, see? Hardly anybody ever writes those down. I realize I said between but people don't listen to that many instructions, either. How 'bout three? We'll get about 20% each time. How many wrote down seven. Oh, you're so predictable.

Let's see, a color – how many wrote down chartreuse? Same reason. How many wrote down red? We

should get about 30% and that's about what we got. How many wrote down blue? The rest of you, okay. How 'bout piece of furniture? Now depending on when you do this, you will get a different response, what time of day in a seminar. How many of you wrote down bed? Yeah, later on in the day, we get a few of those people. How many wrote down table? It's right in front of you. Shouldn't that be obvious? No, let's see where our brains are. How many wrote down chair? Okay, there you go.

So what do you learn about that from that little exercise. By the way, I've done this exercise more than 100 times in countries all over the world. I did it in Russia. I do it in Russia all the time and I'm flabbergasted. They give exactly the same answers you do. I did it in Saudi Arabia and they do all exactly the same except the flower. Flower doesn't work. It's not there, but the color and other things, they do. What do you learn from that? People are predictable but they're also images that are universal and words that are universal that can evoke the kinds of emotions that you need to be able to evoke in order to be successful in your advertising and your overall marketing and you need to know what they are.

How many of you, seriously, have read the Bible? Anybody? Okay, why is that important? Forget the spiritual side. I believe it's very important for the spiritual side, but why is it important in your profession? Because most of the images we have in our literature, in our vocabulary, are Biblically oriented as well as the emotional and spiritual orientation of people. Before when I went to Saudi Arabia, one of the first things I did is I read the Koran. I understood how the people are thinking. I could use images, allusions, that they would understand. There are some allusions that fit both cultures, but you better know which ones they are so you can write accordingly. The buzzword of today is we call this a paradigm, the mindset of people. I still think a paradigm is 20 cents.

Number six: People are attracted to spheres of influence. We are attracted in great ways to spheres of influence and how people react. You've got to build your sphere of influence, your own. You can't be intimidated by the fact that Gary has a number of people who come out. You've got to have your own sphere of influence. How do you get it? In some unorthodox ways. Let me tell you about a friend of ours who had a bank, and this bank needed to expand its sphere of influence because it was new. It needed to get a lot of depositors very quickly. The president of the bank threw a party in a room like this. He did not get too ritzy because he wanted to invite the most important people in New Orleans to this party, and who were the most important people for him? It was not the other bankers. It was not the politicians. It was not the people that we usually invite.

Who did he invite? Hairdressers, beauticians, barbers, cab drivers – that's who he invited. Why did he do this? He had this great party for them, free champagne, a lot of beer, and various other kinds of neat little things they had there. The goodies were there and they were going, “Wow, we're invited to something special,” and the vice-president of marketing got up and welcomed them and said, “Listen, we've got a program for you. You guys are the most important because -” First of all, why were they the most important? Word of mouth. Bus drivers, too. He brought a lot of bus drivers. All these people came there, and they're having a great time. He says, “Listen, I'm going to give you \$20 for everybody you take to my bank and you send to my bank.” They don't even have to open up a deposit. They just need to come, and I'm going to give you \$20 for each one of them that are there.

Well, the next day, the president of the bank went out to the airport to test this out. He got in with his empty bags or filled them with junk, got into the back of the cab, and said, “You know, I'm new in town. I need to start a banking relationship. You know any banks I ought to go to?” The guy started off with the usual, “Yeah, there's this – wait a second. I'll take you there.” Drove him right to the bank. The president of the bank got out and said, “Now you were supposed to – now you're going to take me

inside. Is that right?" He was supposed to take him inside, introduce him to the branch manager. There's a routine you go through. He says, "Here's my \$20. I'm the president of this bank and I want to thank you for doing what we suggested last night." He goes, "Hey, this is great."

What'd he do? He hot-footed it back out to the airport and began asking people, "New in town? No, I don't want you. You're new in town. Let's go." Taking them down there every time, and they were finding the same thing with beauticians. This bank has the Louisiana record for more deposits in the shortest time than anybody else. Boom. Now the sphere of influence – he began to tap into this incredible network of people talking and he made it worth their while.

Number seven: People want to believe. Now you've heard a lot of talk correctly that people don't believe. That's true, but people want to believe. More than anything else, they want to believe. You know what I'm finding in Russia? The desire for religion is at a fever pitch like I have never seen anywhere before. Communism tried its best to establish atheism and people didn't buy it. They suppressed it, and they desperately needed something to believe in. We all do. We want something to believe in. How does that affect you? What it should be is you've got to examine all your materials and say is that something somebody can really believe in? You've got to make it easy for people to believe in you.

Let me give you a few techniques in closing. First technique, I say it all the time and I'm sorry for those who've heard me, is write a book. I don't care what it's about. I really don't care. If it's about your genealogy, your ancestors, it's something you know about. Sit down and write a book. How do you write a book? Start. Write chapter one tonight. Pick the subject and write chapter one. Don't worry about chapter two. That'll come later. Begin writing the book. How good is the book? It doesn't matter. First of all, you will care about it because you'll make it as possibly as good as you can but it really doesn't make that much difference. You've got to write the book.

Why? Because if you've ever noticed when people say, "I read your book," or you say, "I read your book," instantly the assumption is that the guy who wrote the book is brighter than you are. Isn't that true? He wrote a book. He's smart. That's how I got into Russia. I wrote a book. Somebody accidentally got in the hands of Boris Yeltsin and the Council of Ministers. They said, "Hey, this guy wrote a book. He must know what he's talking about. Let's invite him over here." I ended up in Communist Russia, for Heaven's sakes, because I wrote a book! I don't know what's going to happen to you. You might end up as a permanent visitor in Cuba. It's okay. That could be true, too. Whatever it is, write a book.

Why? Suppose nobody reads it. Will they read about it? Why? Because you are going to write a press release that goes into your local paper that says you wrote a book. Will they publish it? Will they publish the press release in a local paper with your photograph? Absolutely, and you're going to – what are you going to do with that? You're going to clip it out, you're going to Xerox it, and you're going to send it to all your customers. They're going to say, "Wow, she's really gotten smart. This is great. This is great." You're going to have it on your wall, as well. By the way, I hope as I'm saying this you're not thinking I'm demeaning writing a book. I love to write. I've written a lot of books. I will write more, and I just wish that you'd write it because you'll find an incredible satisfaction, and you won't write it schlocky/ You will do a good job, and you'll tell information that you never dreamed you knew of. Did you know that? When you write, you will discover things you never, never, never knew that you knew.

Audience: (Off mic)

Mark: The question is how will this apply to mail order. I'll give you an example of it. I've forgotten your name. Craig, Craig Hayne. Got the last name. I always forget a name but I always forget a face.

Craig Hayne has asked me about doing cruises to Russia. He wants to go to Russia, but what he's really like to do is have other people join him. See, one of the things we're doing is Affinity Cruises. We had a group of dentists we took over to Russia. A hundred American dentists met with a hundred Russian dentists. They had an incredible time of their life. Craig has a circle of influence and all of you have circles of influences that you already have. They are people who know you or at least know something about you.

Now they may not know his name, but if he says that what he does is he deals in executive training, industrial training, there is a whole bunch of people across the country who deal in industrial training. When they get a letter from a fellow industrial training person, they listen. You have some commonality, and that's what I'm talking about. You expand that circle of influence constantly. You write them a letter about your product. Is there any reason why they shouldn't buy your product, the people that know something about you? Church groups – I don't care what it is. Some kind of circle of influence, write them a letter, as well.

I know people that will not write letters to their friends because they're afraid they'll buy the product. Then they'll hear about it the rest of their life, about an awful product this is. It's a good test. Sell it to your mother. See if you're willing to sell your product to your mother. Does that help you? You see what I'm saying? Yes, sir?

Audience: Gary used the phrase (unclear) direct mail (unclear) sphere of influence (unclear) subscribers and coupons are given, gift certificates (unclear).

Mark: See, what Gary did is he just absolutely increased his sphere of influence. He doesn't even know the people He just keeps moving them out. Keep moving that sphere of influence out further and further.

Next little thing is radio shows. Joe talked about it. I've got to endorse what Joe said. Get on the radio. Everybody's afraid to be on the radio. I started my own radio talk show, never been on the radio once, ever. I went in and said, "You have an open space time right here. You're playing lousy music." They went, "Well, we don't have anything else to do." I said, "I want to have a talk show." "Can you do a talk show?" I said, "Of course. I know how to talk. I'll do it." I discovered something very, very profound. You own the mic and you can turn people off. I bet you won't go on a radio talk show because you're afraid you'll look stupid, right? You haven't got anything to say, right? But you do have something to say, but you're afraid you'll look stupid.

Somebody will call you up and ask you a question that you don't know the answer to, right? Anybody afraid of that? Good fear. Why? You don't have to worry about that anymore, and I'll tell you the secret. When anybody calls up and starts asking a question, listen very carefully and take notes. Pick out key words in what they're saying and be jotting them down as you're going because nine times out of ten, that difficult question's something you can't understand. If you can't understand it, I guarantee you the audience is not listening close enough to understand it. Pick out a couple of key words and say, "You know, that's really an interesting comment, particularly when you're asking about b-do, b-do, b-do."

Now let me tell you about that, and you go off. That's not what the guy was asking. I've been asked questions I really should've known the answer to. I just didn't know. Instead, I picked out something I did know and I educated the audience. The guy's off the air. He's going, "Is that what I asked?" It's okay, but that's okay to do. You'll be in there. Get on the radio. Get yourself in the press at least once, and then do the little technique I use all the time. You've heard about tear sheets? What better than a tear sheet about you that was put in the press by the press where you can get a copy of that and send it

to everybody else? Everybody who's ever done business with you, send them that along with your next advertisement.

We're the most hypocritical society I think mankind could ever find. We denigrate the press constantly, right? But we believe everything that's written in it. If it's in writing, it must be true. So get in writing, and what happens? People say, "This guy wrote a book. He's in the newspaper. What he says must have some validity." Now I'm assuming you do have something valid to go with it.

The next thing is get an award of some sort. When I was a contractor, we had a project that Jimmy Carter singlehandedly destroyed with the gasoline situation. It was completely sold out, and when the rates were at 8%, and within two months' time, we were at 18%, 20% if we could get financing at all. Everybody backed out of the condominiums. I had 85 condominiums sitting there absolutely empty. I had already spent my money on marketing. There was no more money in the marketing budget because we had achieved what we wanted to achieve and it'd gone exactly right. How were we going to get more publicity to let people know they were here?

One day I was sitting down with our insurance agent. This was the guy that did the liability insurance. He says, "Mark, just thought I'd let you know some good news is that we've reduced dramatically your premium for your casualty insurance." I said, "Oh, really? Why is that?" He said, "Well, you haven't had any accidents" Really, how long? Wheels start turning. How long? He says, "Well, this many days." I said, "Let's compute that into man hours." So we computed it into man hours. It was an enormous amount. I don't know what it is, 80,000 man hours, without an accident. I said, "That's pretty notable, isn't it?" He goes, "Oh yeah, it is." I said, "Doesn't it sound like I get an award for that?" He said, "Well, we don't have awards for something like that." I said, "You do now." He goes, "Oh." I said listen, and I sat down with a piece of paper and drew out the way I wanted the award to look.

Alliance Insurance Company in our outstanding safety award, LA Stoddard and Sons with a map of the United States on it, the other images that I wanted, and made sure it was in blue, surprise. Neat award. He says, "Okay, I'll be back with that award." So he comes back. I said when are you going to be here and he told me the day. He comes to the office. He says, "Here's the award." I said, "No, no, no, no, not so fast. Come here." We drove out to the job site where I had the television and the newspaper people standing, waiting for us to come, and there we received the award, and it was on the evening news, it was in the newspaper, everything else. This great condominium project is safe because nobody died here and it was wonderful. We got a lot of free publicity out of that and the phone started ringing again and they figured out they could do it because the rates had come down.

The last thing I'm going to mention because there's so many things I could mention. I'm supposed to quit now, is the back of your business card. Anybody have a business card with them handy? I'd like to see a couple if I could. Okay, here's one. Anybody else want to give me one? What I'd like you to do is consider, if you would, an interesting thing to do with your business card, and I see somebody here is already doing it. I would like you to consider that this business card is a great little calling card but you're missing half the fun because you make it blank on the back. Put something on the back. What should you put on the back? Tell about your product or tell something even better. Put there about your accomplishments, what you've accomplished in your life; children, family, awards, whatever else. Put something on the back of there.

Why? Because people keep these things and they go, "Bill Ragsdale. Who is he? Let's see. Oh, that's right, he did this and this and this and this and this," and they remember it. Put it on the back. Try that. You'll find it a very interesting way of keeping people to remember. There's another technique, too, is

when you do a mailing, sometime, if you're going to people who you want to be sure who – your goal is just to try to get them to remember who you are. If that's part of it, they can do something else. Send them the old stamped envelope, return envelope, and make sure – how many stamps do you put on a return envelope? One, right? No, five. See, one is real easy to peel off. Five is a waste of time, and people always say, “I can't throw this away. What I'm going to do is I'm going to tear it off later. Now, where can I put it? I will put it oh, inside my desk drawer. That's a convenient place to help me remember when to get it.” Every time they open that drawer, guess what's staring them in the face? You. You just bought advertising time right there.

Okay, there's a lot of those other things to do such as yellow pages. If you really want to have an effective Yellow Page ad, run an ad that says, “Come into our store and just bring the coupon from the Yellow Page ad from our competitors.” Think about it. We did that with a pizza company. Domino's Pizza, just come into our pizza company and bring a Domino's Pizza ad out of the newspaper. They never called Domino's again for some reason. I can't understand why. That's kind of guerrilla marketing there. Fliers, do you ever use fliers? Fliers are great. Use this principle: If you're selling water purifiers, who should you sell to? People who get bottled water delivered, right? That make sense? Why are they getting bottled water? Because they're afraid they need to get purified water. How do you find that list of names? Get a bunch of college students. Have them follow a bottled water truck and every delivery, have them deliver a flier on you water purification system.

Little things, little things. Okay, I've said enough. I need to quit. I will close with this one idea. You want to get your letter opened? I'll give you a virtually guaranteed way of getting your letter opened. How many of you would dare open a letter – not dare open a letter. How many of you would open a letter that was hand-addressed and it came in a nice-looking letter, sort of nice, it's nice, and it has two big Russian stamps on it and it's postmarked Russia? Would any of you open that letter? How many of you would open that letter? I have a feeling everyone would open that letter. In our tests, it's virtually 100% of the people open the letter.

We're now doing a business in Russia. I have five businesses that I'm doing in Russia. One is we just finished a contract for 720,000 t-shirts a month with a factory there that we're selling to various distributors around the United States. Second one is we have 5,000 shotguns we just sold to Romania. Don't even ask me. It is not what you're thinking, I guarantee it. No, they have a hunting club there. They hunt Croatians. I'm sorry, I shouldn't have said that. Strike that from the record, your honor. We do our cruise business, and then we also have a direct mail business. We're going to take a total of ten clients and their mail, and we will be mailing directly from Russia. It'll all be hand addressed, stamped, the whole thing, and guess what the cost is per letter. Sixty cents. It takes ten days. It's about a 95% delivery, not a bad situation.

If you want to talk to me, you can call me on the phone. May I just say in closing that I've talked about the psychological part of human behavior in understanding how to sell. Part of that whole thing has to do with ethics. We all tend to have an interesting sell-out point that we need to always be cognizant of are we selling out our ethics? Are we selling out the base, and I'm reminded of the old gentleman who was in Las Vegas. He went to the International Ethics Conference and was sitting there with this lovely lady and said, “You know, it's really interesting, utilitarian ethics and formalistic ethics and pragmatism and all the other interesting things, but I have a real life question for you. I'm very wealthy. I'm disgustingly wealthy, but the doctor tells me I have nine months to live. In theory, why don't we get married and nine months later, you collect everything?” She says, “Would I do that? Let's see, that's an interesting question. I don't like you. I don't know you. I don't want you, but why not. Sure.” He goes, “All right, here's the key to my room and \$150. Let's have tonight and just call it a night.” She goes,

“What kind of person do you think I am?” He says, “Madam, we've already established that fact. Now we're just dickering over the price.”

Thanks very much for your time. Don't dicker on the price.