John McIntyre   Hey, it's John McIntyre here, the auto responder guy, and it's time for episode 103, of the Mic-method marketing podcast. We'll discover how to get more customers with less effort by using automated email marketing machines. Today I'll be talking to Mitch Lepidus about 2015 trends marketing name. Might be one ... Basically, I want to go and gets some enterprise email marketing guys, guys with agencies that work with the clients surrounding a freelancer consultant or big-name copywriter, like John Carlton or Perry Marshall. I want to get some people who're working with corporate, big fortune 500 companies to find out how they're doing the marketing, because it's all very valid and then this is where millions and millions of dollars get invested in the software and in the creation and these campaigns. So, I want to get Mitch on, he has a company that works with these kind of clients and find out how he does it. What sort of projects they're doing? What's going on in the industry? How the industry is changing? And, get some really interesting insights. That's what today's about. To get the show notes for this episode, go to the micmethod.com/103. Now three things: Number 1 Reviews. I don't have a review to read out this week, so I'd like you to head over iTunes, search for the Mic-method, leave me a review and tell me what you think about the show? Be honest, I can take it. Now, the other thing is listening to this podcast, you might be thinking that you need to get something like this, set up itself, but you don't have the time, you can't join. You can't go and buy training yourself. You just flat out your business on and clearly do not have the time. That's where I come in, I work with people like you to take this sort of stuff of your hands and create the campaign for you, so you can focus on growing the business, knowing what you need to do and if you want to learn more about that, shoot me an email at John@micmethod.com. We'll have a quick chat on Skype this week or next to discuss your project and have fun, get you some customers, get you some more freedom with one of these automated email marketing machines. Now, I got one Mic-master's insight the other week and that is speak up, ask for help and what do I mean by that? This is one of those things, where all of you be able to try to go it alone, try to do it, you can do itself, do it solo and well it's admirable, if you really want to get ahead in life, you have to ask for help, you have to ask for feedback and you have to be open to receiving negative feedback and in all honesty the best entrepreneurs I know are actually fantastic to take the negative feedback. They love to get negative feedback, because knowing where they suck really helps them to get the information they need to take things through the next level, okay. Now, that's why Mic-master is actually a training forum, where you can learn, basically you post questions and get feedback on your emails and checkout the templates and check out the training and ask questions and that's the ideas around and this is the kind of feedback I am talking right. You can post reply within a couple days, to let you know if the email such maybe the Hawks wrong maybe the stories, you know a bit off. You can hear this kind of stuff, but it's only to people who are ready to take that kind of feedback. That's Mic-master. If you want to learn more about Mic-master's, the private training community I have for people who want to grow their business with email marketing. Go to the micmethod.com/micmaster and you get all the information there and that's for today, let's get into this interview with Mr. Mitch Lepidus.

It's John McIntyre here, the auto-responder guy. I'm here with Mitch Lepidus. Mitch is the former chief technology officer from ... which is an American research company far bigger than Forrester, he has done a bunch of other stuff and I'll like turned over him in a second to complete

the full details. He is now heading a "...Tech" which is a email marketing agency and what's interesting and why I got Mitch on the show today, because I wanted to bring on perhaps an alternative perspective. I have spoken to a lot of copywriters; a lot of marketers with a variety of size businesses, what I want to do is to get some with an agency that works with different companies instead of working with internet marketing person just to setup sales funnel who are working in much bigger and a much higher level and I want to find out, what goes on at that level and see what are the opportunities that are trying to happening in 2015 and really I think this is interesting to see a different perspective. This is one of the first times I spoke to someone like we are starting the conversations going to be a quite interesting. Mitch how are you doing?

Mitch Lepidus: Doing great and thanks so much for having me today, John.

John McIntyre: Good to have you here. So, before we get into some of the specific topics we're going to talk about today, can you give the listener a quick background about, who you are? What is your history and what you doing now?

Mitch Lepidus: Sure, so John I've been in the interactive industry for a number of years. I was one of the first folks who really helped develop it that back in my early publishing days, I developed some of the first websites and e-commerce sites out there. Before starting for Contact I was as you mentioned that chief technology officer at Gartner, where I also let the chain to recreate Gartner.com which was a very huge website of their and following that I was at Elsevier and most people don't recognize that name but they do recognize a lot of their properties, such as Nexus and hardcore Connor and some of those and I headed up as an executive VP and I was also on the board at their scientist division, where I manage their 4 divisions. Mobile application division, online journal and reference products, as well as online training education. So it was a great background. It was not only building interactive technologies after these various companies, but it was also a lot of strategic marketing and tactical marketing and those days, early days you had to know if you got work to do, but you had actually get it done, so you had to learn a lot of technology along the way which is for contact when I founded it just ten years ago.

John McIntyre: Yeah okay I mentioned it back then when the whole industry was getting going, I mean there wasn't these websites and companies out there that software these days for every little function that you need in online. Any business that runs online, whether it's

collecting emails, setting up the campaigns was back then I imagine that the technology was quite permanent. You might have to put together the things you sell.

Mitch Lepidus: Oh my gosh yes, that if we have the tools that we had today back then, it would have been amazing and we were building the first shopping carts and the first reporting tools directly of the website and trying to marry some kind of web analytics from log-files, so for trying to understand how people are getting there in and tracking through the conversions and you know the early days, you just didn't have those kind of tools like you do today and everything was built from scratch. You had no choice but to do it that way.

John McIntyre: Yeah interesting okay, so tell me a bit about "Fulltech" and how it compares to say, like I have spoken to a lot of copywriters, fairly small business owners should be interesting to find out what "Fulltech" does and what sort of clients you're working with and how it differs say, suppose a copywriter who is just working with clients to write them emails.

Mitch Lepidus: Yeah, it's a great question. So, early on when I first founded the company I had to decide whether I want this to be a full-service agency where we built websites and ultimately social media programs and emails and everything else, and as I dove deeper into email itself, I learned how many different aspects there were to email and you doing it right and it was a great marrying publishing to marketing and that really what you're doing in the email space is building relationships with content. So, when you talk about your copywriters the content is a critical piece to everything that we do. However, in order to do and develop an email program appropriately and the best that it could be, you have to really understand as we've learned early on that there are lots of factors that affect the success of an email marketing program. So, when we're talking about an email marketing agency verses a designer or a copywriter or someone who may have apart or even do some others programs themselves, we're typically bringing everything that you need in order to build out an effective email marketing program and that includes everything from the strategy, so what is the messaging, what are the KPIs, the key performance indicators? What does if we need to do to accomplish those goals? And, then we layout the entire program ultimately is a campaign map and layout all the different emails that are going to be part of a program and when I am talking about just the newsletter, if you're in e-commerce, you're talking about hov writing of emails. They could be shopping cart and replenishment email and nurturing campaigns, welcome campaigns, birthday emails, and mobile optimism. There are so many different elements that form the foundation a strong email program. So that strategic piece is a big part of what we do. Then once you figure out a strategy, then we have experts who build out that messaging into the cut-rate copy into the design and then

we have to code it and then these days everything has to be coated in a mobile response way, so now you're getting into the technology area of what we do and then a lot of companies need help getting on the right email service provider platform and we help select those and get implemented and get the right campaign set up within those tools and then once you do all of that, then you have to come back around and start to optimize everything and make it better and better and better so then we get into heavy analytics in statistics and modeling and productive analytics and all of that good stuff. So, you reach much further than just a single or even a two-person show in terms of contributors into a full set of folks where it takes a team to do email marketing right and when you get to the larger types of programs that really need to scale.

John McIntyre: It's like what you doing are like that full-service. Like a full-service email marketing and it's might not be everything, but when it comes to email everything from the very beginning with the strategy, all the way to the end, which never for the end which is that testing and tweaking phase.

Mitch Lepidus: Exactly!

John McIntyre: Then give me an example of like, what sort of companies are you, because you know I get the picture that this isn't happening for John Smith has just started a internet company and you know with that domain, you know really, really small businesses, sounds like it's not that guy it's more likely going to be with bigger companies are using bigger programs right.

Mitch Lepidus: Yeah absolutely and we have and we still do work with some other smaller folks. You know the best companies are the ones who really want to grow and are invested in the growth and they're kind of companies we work with our e-commerce companies, professional services companies. Education is a big market for us. Medical and healthcare given a lot of my medical publishing background, it's kind of an area where we gravitated on early on; publishing Boston Bob the client, Dunkin Donuts is a client. We have worked with automobile dealers, you tell me the before you had some I mean for some folks you work with in the automobile space, so it's really across the board you know the concept are similar across for everybody and it's just a matter of building up the right messaging featured as different audiences and building up the right program but I mean this email marketing works across all of these industries which is really cool.

John McIntyre: I like to come back to you. You know talking to people on this show is that marketing is a funny thing, you know business even but it's you know lot of marketing for example just for you with doing with email is just creating a relationship in cultivating it and along the way you're making office which is generating sales in generating growth, but ultimately comes back to that fundamental idea of you've got good relationship and you've got to communicate with people.

Mitch Lepidus: Yeah!

John McIntyre: So, let's talk about the 2015 trends in email marketing. What sort of stuff you're seeing going on right now and in the coming year and coming years and how is the industry changing or it's going to be the same as it's always been?

Mitch Lepidus: Great question, you know my colleagues and I talk about the various trends and you know one hand, we see things like increased personalization of emails and we've been talking about one to one marketing for ten years with email, but it's interesting in 2015 we see that really coming into its own, because the technologies are now catching up to the point where you can actually build out one to one, emails much more relatively with better and better tools that are out there. So, a big trend is to be able to leverage the behavioral aspects of your website in terms of time your web analytics to your email analytics and you can start to send materials and emails to people who are the visitors of certain section of your site. There are now a growing number of email service providers who are automatically building profiles of visitors to their websites from email and then you can turn around and use that information right back into your email. This say wow, this person we build a lot of articles about Google. They must be interested in Google. So who are new say that we should serve more articles about Google, when I relate come out. You can get that specific and irrelevant is one of the foundations of email and Sif Godin speaks in his permission marketing book, which is a great book, if you have to read it is a quick read and he talks about people need do expect email for it to be successful and needs to be personalized and relevant so that's really a big trend today in that content is able to be much more relevant today. Another great point is real time content. You know having content popup, just the right content if you happen to be in Geo Proximity of a store that you happen to be on your list and their tools like movable ink and a power inbox and live quicker and you know those types of tools out there that are really great. It helps in to deliver kind of that real-time content which is pretty cool stuff.

John McIntyre: I like that so it's like if in a database restored in New Jersey for example typically US place and I'm driving through the area they might figure an email that goes to me and said hey you've got the upcoming US storm, you know which sell you something.

Mitch Lepidus: Yeah, even better if you get their mobile number, you can actually do some mobile marketing then you can send them a text message and then you can have them respond to it and perhaps trigger an email, because with a coupon or something that's got on the store today, you know the pair of shoe, if it's you know clothing store or whatever, but it's all about trying to speak to people in the context that they want to be spoken and at the right time and place and that's just becoming more and more feasible today as these technologies really come into their own.

John McIntyre: Right, one thing that I find is this idea of one to one email marketing sounds fascinating because some people ask me like how many segments should I have in my audience, like when I'm splitting up the audience, splitting up the sales from online trading how many different sales. 21 for each audience or can I use just one for the whole thing like it's really challenge right. Often said is that in an ideal world you have one sales from one sales process every individual person but the only reason we don't do that as it's up until, now it sounds like that's been completely overwhelming in terms of the amount of resources that you have to spend to create another sales process, sales for every single individual in the potential audience. Several times like with this one to one email marketing, they are talking about it, but other people doing this with when someone finds joins the email for example. Joins a database, they're going to go through a survey. The first thing they get asked a question that put email address in and then on the next page if that a little form there is another question, another question and you could have many questions as you want and each question then get dropped into a hidden field in the email software and then when the emails go out later on they can drop in those variables throughout the email, so it starts to create much more of that one to one email marketing.

Mitch Lepidus: Yeah, well you know, you just raised is actually something that I would like to emphasize. It goes beyond, that's just a great best practice, so you talk about collecting that information right after someone signed up for an email as you probably know one of the highest open rates for emails is that welcome email, so your best chance right after someone signs up for your newsletter or your

promotional campaigns or whatever it might be, is that welcome email. So, they open it up and they are already engaged and they are already excited about the fact, that they just signed up for something that you just selling them and they're going to respond. So, the chance is that they're going to go fill out that survey are the best from that welcome campaign, so it's amazing how many people still don't send out a welcome email or even a welcome campaign, but when you throw in a survey to collect really relevant information about your business don't ask for your older stuff because if you are not using it then you are just going on annoy your subscribers of it. Then you can U turn around and start using that and people are willing to give you information in a rate equivalent to the trust that you have developed with them. So, the more trust that you build with them, the more information they're going to give you, so asking for a few really key pieces of information at the beginning which you can then use for that one to one marketing, but don't let that be the last time you ask from them. If you give them a little more information about something else or you're asking about their opinion on something, if you give them some data or some information that they value and then ask them another question about what they value then you know it starts to become a compensation and you are building out their personal profile as you are sharing and building trust and getting them value a long way and imagine what happens when you build up extreme trust with them, then they want to pay you potentially for whatever you might be selling, but you've to build the trust first.

John McIntyre: I like this too like treating in an ongoing process instead of something you just doing this welcome email and then forget about it and then even think about it again, that this the trust building process and also the data gathering process should be an ongoing organic thing that never really ends, as long as you're in business, because everything always going to be changing in you're going to be staying up to date with what's going on in your industry, in your audience.

Mitch Lepidus: Absolutely and it's a great way to stay engaged with your audience. If you see that people are falling off and not opening the emails then trying to look back maybe it what they did click on early on. You know what was about them, they got interested in your program to begin with and then maybe go back into a couple of free questions survey, just see if you can re-engage them with a little information and give them some values and response to them too. So, yeah it's really cool.

John McIntyre: Okay what about replies because I've had few people that's mention that when you can get someone to reply to this specific number afterwards, receiving get someone to reply to emails, so let's say the welcome email and then another follow-up email that did you get my email. Once you get them to reply twice you're going to get like a green pass into the inbox.

Mitch Lepidus: Yeah, so that is fantastic question. I was just at a conference last week, where I was listening to a panel, the folks who manage the inbox are in effect on the servers of LOL, Comcast, Microsoft and Google and there are multiple factors that affect someone getting in, in terms of you're getting into their inbox right. It's not just reply. I mean that definitely helps and it's very clear that physically replying to an email or getting reply to an email is a big positive check, the positive side of a larger service peak, but there are many other factors also. So, that's not the only thing that's going to drive, now you being able to get into the inbox for those to stay in the Inbox. If you get someone to reply to emails and then you ... emails for the next five weeks and they mark you spam a couple times, you're done or if they starts deleting your emails without opening another big negative mark on the negative side of the ledger. So, deliverability is something that you have to managing online. We did talk for a whole half hour just about the deliverability as well, but the reply is really an important metric that a lot of people actually do not realize, that it's not so much about clicks but it's about the replies and the opens.

John McIntyre: Even I like it. You know, when I think about that part of it just to get in the inbox but the other part of it is that someone who is replying the email, they're just going to be more engaged, so they're going to be like taken the time to hit reply and type some sort of response to you. To me they are one of the hottest leads on that list.

Mitch Lepidus: Totally!

John McIntyre: You mentioned before we started talking about email are rely that was something you are really passionate about. Talk to me about that and why it's so important and how you get it?

Mitch Lepidus: So you know in many agencies and a lot of people who I spoken to email about over the years, they say how much is an email campaign going to cost me and we talk about all the things that go into a campaign might be just a few minutes ago and they go wow, that sounds that a lot of money. I don't know. I have the kind of the money to do that and then we start talking about how much does one of your products costs and they say wow, you know each one cost about 25 dollars and how many does someone to get me purchase in a

typical shopping cart close for you. Let's say average is about a hundred dollars and what's your gross margin. Gross margin is your revenue minus your direct cost of the products. So, you say well it's fifty percent so for some for every order I get worth a hundred dollars I'm getting fifty bucks, so then we look at the cost. We need to know program okay. Putting together all those campaigns, the strategy, the messaging and the design, the coloring and everything else and then we divide that 50 into the cost and suddenly the program doesn't look expensive anymore or we say how big is your list? And they say well, my list is about 25000 right now and how fast is it growing? We look at that and all these factors that affect will affect automatically what you can squeeze out of that list and at the end of the day what really matters is what you make as a profit, not what it cost you okay. So, then once you get people to understand, once people realize that you have a calculation for ... then they say well, how do I really calculated that and I want to do it over a year's period and oh I've been trying to convince my boss for years to invest more in email marketing seems to be a really strong channel for us but I just don't understand how to get the numbers to work to show them that. So, early on we created spreadsheet that are really complicated and sophisticated and and so we figured out all the tricksters of extrapolating the numbers out and we actually have a tool now on our website. We convert those spreadsheets to a single tool that's for free to your audience that we just go there and find it, that forcontact.net. There is a read in the zone out, it's called gold setter right at the top and you can go in and put it on all those factors and you can show yourself what you're actually going to get in return on your investment for your email program. So, you can say, well John what if improves my copy? Therefore, I improve my click to rate by half a percentage point. So, I go from let say two percent to two and a half percent and I play with my subject lines and I get those up from and let's say get my open rate up to about from 20 percent, just a 22 percent on an average and you start putting some of those numbers in and it does not take long for you to get a 20, 30 percent improvement in your revenue base and you know that makes it really easy to see the value of email and is just phenomenal what you can generate with these just a little bit of improvement and that's why our allies are exciting.

John McIntyre: Absolutely and I think right here it is also what you have done there is also one of the best ways to speaking to a client or speaking to a potential client. That's how you really talk about it. This is even before you mention the price run them through; alright let's go through the numbers. Here is yours cost is the average purchase price is and run them through all of these different things is alright, so if we improve it by this basically just do the calculator. Do sort of like an hour like effort on paper with them on the phone or in person and it's all right, so we're looking at a potential return X,Y. You know X, so it is worth investing Y to make it happen and obviously Y is a percentage of whatever access and once you've done those numbers the client is like of course that's so cheap, let's do it.

Mitch Lepidus: Yeah exactly, and that is very exciting, it's very cool and I was just actually working for old set of model with a prospect just last weekend. I think that they were sitting at about 125 thousand dollars from their email program at the time and they wanted to know what could we do to get it to 250 thousand dollars and we show them and just really, really modest improvements in terms of if he grew the list a little bit and you improve that open rate and click to rate, and that's about it, that we are there and it is not that hard. You just have to know what your goals are and then you can figure out well okay, so how am I going to get there now.

John McIntyre: Yeah and especially with the company that is already getting a certain amount of leads and got software setup and they are looking to optimize it. That's among the best position to be in, because already got the momentum behind.

Mitch Lepidus: Yeah exactly, I mean if someone already has a listeners performing and they haven't done a lot of testing and improvement and getting a stronger allies as long as you got the right programs in place typically very feasible.

John McIntyre: Okay, so we're almost at the time, so last thing is that, let's talk about testing. You mention another thing that you're really passionate, so when it comes to testing, you know tell me about that?

Mitch Lepidus: Love it, so with testing we is always mention you before early on before we got on the call, you know a lot of marketers, you'll see folks who are very comfortable with the creators and the graphics and they're not as comfortable with the numbers and they want to rely on others to where they feel like they can't do the numbers, but I want to encourage everyone who figure in email marketing that you can do the numbers. There are tools out there that make it really, really easy for you. So, for example let's say you have a list of about 50,000 people or 10,000 or whatever the size is and you want to try and improve your open rates and if you're trying to improve your open rates typically declining with your subject line and your funding, your preview pane, those types of things and you're going to do try to identify what is statistically significant change between let's say an A,B split tester, that's when you take one group of 5000 and put it up against another group of 5000, each with a different subject line and let's say you get a result of a 20 percent open rate from one and a 23 percent open rate from the

other and you know the question is lot of people say obviously the 23 percent one. Well, they may not have one in some cases depending upon the size your sample on and so forth and you just run it through a quick calculator and ledger. There's a million of amount on the web if you just type in statistical significance calculator and then you can see whether that difference in your specific sample is statistically significant and if it's not, you should run a new test again and if it is then you know potentially leverage it and use it for maybe rolling up to rest of your list tomorrow. You know these types of things. So doing these kinds of tests is just tremendous. We took one client for a holiday campaign they did in the previous year versus the next year. We did it as we went in and we'd looked at their subject lines, we looked at the lists that they were using, so they had a bunch of different lists. We looked at the time of day that those emails when out. We looked at the call to action, the words in terms of the call to action that we use and we just tested and tested and tested again. We did several rounds of testing and by the end, just the holiday season we drove a 87 percent improvement in sales over the previous year and 62 percent improvement in open rates and that's just setting up some really solid well-thought-out test and you know everybody can do that with good strategic thinking and you know obviously reasonably sized list. It's all about testing you know there is so much this summer sign into an email marketing in addition to some of the art. The testing is this really where the rubber hits the road.

John McIntyre: Absolutely, I mean one thing I tell people is that you know like I could do working through you know who's their prospect is, what they're trying to sell, how to connect that, what sort of messaging that need to have. At the end of the day and this is what a lot of people don't understand about I think about messaging and the copywriting style is that, you can research it and write it and get it tied and it's amazing this is possible, but at the end of the day you still need tested to find that you know tested with the audience to find out what works until you have done that you don't really know what's working or not.

Mitch Lepidus: It's so true and how many times have you thought that "A" is going to win over "B" and then the other one what, I mean it's like you just don't know every audience is different and the markets are different and you know the sons pass go one way one day. You know there are so many factors that you just can't expect and can anticipate and like you say, you do little testing and the answer becomes very evident.

John McIntyre: Absolutely, so right on time, but before we go if someone more interested in what you're doing in furculmtech and maybe even working with you. What is the best place for them to go in to that?

Mitch Lepidus: Well, I would point them to our website which is furclumtech.net. We have a contact form right on our website. You can also find us at info@furclumtech.net. We'd love to chat with anyone who's excited about email. If you want about something of me or anyone else we we love to do that so why we're here to help the world of email marketing grow and if you've got a project, we you know be happy talking about that too.

John McIntyre: Fantastic well Mitch, thanks for coming on the show, it's been great.

Mitch Lepidus: Thanks for having us John and best yet.