

**Membership Site**  
**MASTERS**

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## MASTER #2 – THE FREEBIE GENIE

### An Interview With Andrew Warner From Mixergy.com

**STU:** Welcome ladies and gentleman. My name is Stu McLaren, co-founder of WishList Member and I want to welcome you to today's interview where we will be speaking to Andrew Warner, the founder of Mixergy.com.

Now Andrew's had a ton of success in business and one of things that he wanted to do was distil that knowledge by not only sharing his thoughts on business, but also the thoughts of many other successful business owners as well. Today, he does that through his site Mixergy.com.

So with that, welcome Andrew.

**ANDREW:** Thanks for having me on. I've gotten so much out of listening to your interviews with other people and I'm glad that I am going to get the chance to contribute back by sharing what I've learned.

**STU:** Well I'm just very excited because you're like the Larry King of the digital world and this is just going to be a great interview. I can't wait to dig in.

So what I want to do is I really drill down into the success of your site. I want to talk to you about what you're doing because Mixergy.com is a great example of a membership site that combines both free and paid content. I want to talk to you about how you manage that as well as how you made the transition to finally offering paid content. I also want to talk to you about some of the other little tips and tricks that you are utilizing within your site.

So before we get started can you give everybody a thirty second overview of what is Mixergy.com?

**ANDREW:** Mixergy is a website where I interview entrepreneurs about how they built their business. And when you say I'm the interview king I'm not sure that I've gotten to Larry King's number of interviews, but I have 614 interviews on the website with people like the founders of Wikipedia, Kiva, Groupon, LivingSocial and many more. All these great people have come on and let me interview them about how they built their businesses.

I offer those interviews for free for a week or two and then we move it to our "members only" content so that people have to sign up and pay the monthly membership fee in order to access all the archived interviews and content.

We also recently added courses where I bring back many of these entrepreneurs and I say: "Show me your computer screen and teach me one thing that you do well".

So if you're really good at SEO, teach me how to do search engine optimization. If you're really good at building membership sites, which, Stu, you are, and I invited you to come on and teach me and my audience how you do it. That was a course that is only available to our members and we get people to sign up to take those courses and listen to old interviews.

**STU:** Now I want to dig deep here because Mixergy in the beginning didn't always have paid content. When I first saw it, everything was free. What was your strategy with the old site? How did you make money when you were giving away all of your content like that?

**ANDREW:** I wasn't really. And then when I started charging I got a bigger audience and I started bringing in more revenue. And I'll tell your audience how I did it, as much as I can. And I'm willing to be open but I think if they go to the site and spy on me, they're going to discover many more tactics than I could even reveal in this interview.

**"When I started charging, I got a bigger audience and I started bringing in more revenue"**

I also think if you sign up to the mailing list of anyone who comes on here to do an interview, and you spy on their websites and you guys are going to learn even more.

But in the beginning of Mixergy.com, I wasn't making money. I was selling advertising. Then, I discovered WishList Member and I installed the plug-in myself and started using it. From that point forward, like I said, the audience grew, the revenue grew, and we had a whole new revenue stream.

**STU:** So in the beginning you were supplementing your site and your time by selling advertising. I know you do that during your interviews with the sponsors you mention during your introductions.

Then, when you made the transition to paid content, you immediately added another revenue source. Can you talk to me about the difference that made for you in terms of having more income to be able to do more things?

**ANDREW:** I decided when I launched the site that I wouldn't put any of my own money into it at all. Obviously for something like this there's no venture capital. My thought was, I will just let the site survive or die on its own.

And the money from advertising was doing okay but when I started charging I brought in even more money. This enabled me to hire an editor to edit my interviews, a course producer to talk to people and help them work through their courses to make them as useful as possible. I now have someone to be a pre-interviewer and a researcher.

So because of the people I've hired, the work has gotten better and better. That is directly attributed to the revenue that's come in from charging for the monthly membership.

**STU:** You mentioned that by transitioning to a paid content site your revenue grew (which we just talked about), but your audience also grew as well? Is that right?

**ANDREW:** Yeah absolutely. So here's how the audience grew.

***"I create a sense of urgency that gets people to take action and go watch my interviews quickly"***

By telling people that the content is free today but a week from now you're going to have to pay, I create a sense of urgency that gets them to take action and go and watch those interviews quickly.

And I've tested this in the emails that I send. I will send out an A/B test. In one email I say "this is going to be free for a week". In the next email I say "hey go and watch this interview", without mentioning that it won't be free after any period of time. When I say it's free for a short period of time, more people click, more people go and watch, more people go and download.

**"When I say it's free for a short period of time, more people click, more people go and watch, more people go and download."**

The problem with blogs and interviews and any content online is that there's no sense of urgency. Why would anyone go to your website right now and download, watch it or read it? There just isn't a reason for it. And so if you create the sense of urgency they have to.

**STU:** I think this is a really powerful lesson for anybody who is publishing content, whether it be free or paid, because you hit the nail right on the head - especially with free content that you're giving away. When there's no urgency, people will put it on the 'I'll read that later' list. In fact, I've got one of those lists, where I see articles that I know I'll be interested in but I just don't have time at that particular moment. And inevitably I say to myself, "I'll read that later".

Unfortunately that list grows and grows every day and I very rarely get back to actually reading some of those articles. So this is a great strategy to encourage people to consume your content, and when they consume it, that's when they get value and they appreciate the site more. Would you agree?

**ANDREW:** Absolutely. And also if you put a price on it, it doesn't seem like another free piece of content that's available online. When you value it enough to charge for it, the audience values it enough to want it and to ask for it.

***"When you value your content enough to charge for it, your audience values it enough to want it"***

I used to have older interviews on the website, and because they were older, people just wouldn't watch them. I saw the traffic numbers. They were junk. I would even promote it by putting a big picture of the person who I interviewed two months ago on the home page and still people wouldn't click because it's an old interview. No one wants old.

But once I started charging, people started begging me for old interviews. If they couldn't afford them they would email me and say "Andrew, I can't pay \$25 a month" – which really, how can you not have \$25 to just go and watch this? But fine. They'd say "I can't afford to watch it. What do I do to get it?" And I'd give it to them. But that fact is they value it enough to ask for it. I shows that we have been able to turn "older stuff" that people didn't value into valuable property.

**STU:** Well, I love what you've done with it and I'm so glad that you are charging for it because to me, it's just a huge well of information that people can go to time and time again. There are some kick-ass interviews on that site. Personally, I've made a habit of listening to them every day when I'm walking the dog. That's pretty much my daily routine.

Moving on, I want to talk about how you structured your paid content. When you made the transition to paid content you said you were using WishList Member. I want talk to you about how you're setting this up because now you are also offering courses. So first, let's talk about the courses and let's dig a little deeper there. Then I want to talk to you about the behind the scenes set up so people can get an idea of what you're doing.

So on your site you have over 600 high quality interviews which are available for free during the first week that you post them. Then you archive them and they go into the paid area. You also have courses that you offer on the site. Can you talk to us about what those are and where the inspiration for those came?

**ANDREW:** Sure. The interviews happen via video Skype and we just show the two videos (my video and my guest's video) as we talk to each other.

The courses we add another element. We show the guest's computer screen and if he or she is going to talk about SEO, we say don't just talk about how to do it, show us.

For example, we'll ask them to bring up a WordPress site, then go into the backend and show us which plug-ins we need to install. We ask them to show us how you install those plug-ins, explain why you chose those plug-ins specifically for increasing search engine optimization, show us maybe traffic numbers of how each one of those plug-ins helped you get more people to your website. Basically we ask our guests to walk me through and teach me how I can do the same thing. I want the specific details right down to

installing a plug-in, setting it up exactly right, and then teaching me the ideas behind using it.

And that's essentially what makes up one of our courses. We do that using GoToMeeting. With GoToMeeting we can show my face as I talk and my guest's face as he or she talks, plus we can also show their computer screen.

**STU:** So did the idea for this come from feedback from your audience who were asking for follow-up on some interviews? Where did the idea come from?

**ANDREW:** It came from people saying make it even more practical and more useful. I try to make my interviews not just conversations but I try to pack as many tactics as possible into them. And I want to know specifically how each guest used those tactics.

So, for example, the founder of Groupon, I don't want him to just say "Start off simply". I want him to explain how he set up a WordPress site to launch Groupon and how he got his first users and his first customers and so on.

Well, I tried that and people said "We want even more. We like it and we want even more". And I wasn't sure what they had in mind so I tested via email an idea for a course. I said, "I'm thinking of doing a course on the site. I'm not sure which topic it'll be. If you want sign up, I'm only going to accept twenty people. Click here and just tell me a little bit about why you want to sign up. Plus, tell me which of these topics do you want sign up for".

Inevitably I got a lot more people signing up for it than I expected and the topic that they mostly wanted to learn was how to launch their product or business. So I thought alright, let's put on a class on how to launch. I'll have a friend come in and he'll teach it.

And that did pretty well, even though the technology was crap. We had all these issues with the audio and the video and everything went bad and yet, it still did pretty well. So I thought, you know, let's try again. And let's try again. And again and again and again. And I fell in love with doing them because I'm a curious person. I want to learn this stuff myself.

For example, when I had you on to teach how to do membership sites, it wasn't just because it was going to sell to my audience. In fact, the primary reason I did it was I'm curious. How do I build a better membership site?

And I know if I'm curious about it, there will be other people who are curious and want to learn too. And if I'm curious and I want specific information that I can use, then I know I'll be able to get specific information that my audience can use. And it was as simple as that.

**STU:** One of the things I hope people get from that response, Andrew, is your willingness to try different things. I love hearing about how you went through that process because, you know, a lot of people are afraid to try new things with their membership site or with their email list. They just aren't willing to experiment with making things better. But for you, this was a chance to test a hunch, an idea, that you thought might work with your audience. You sent out an email but you were just testing the waters. And based on that response you made progress from there.

**“One of the things I hope people get from that response is your willingness to try different things”**

The other thing I hope they get is the fact that the first course you did wasn't perfect the first time you did it. In fact, you said a lot of things went wrong. But that didn't discourage you from doing it again. Can you talk to us a little bit about how things continuously improve with not only your interviews but your courses?

**ANDREW:** Yeah. The way that we improve – the way I personally improve – is by not worrying excessively about quality but by being obsessed with quantity. And I know that this isn't a popular point of view but I'll explain it.

***“The way we improve is not by worrying excessively about quality but by being obsessed with quantity”***

If I sit down and think about like how do I ask the right question? I'll take two months between interviews or even one month between an interview. By doing that, I'm just not going to improve. I'm going to obsess and I'm going to hold myself back.

But if I say to myself “I'm going to do an interview every day. I'll just publish it every single day and if it's bad I'll publish it and if it's great I'll publish it, but I'll force myself to produce”. With that production schedule if I screw up on Monday I can't escape the screw-up on Tuesday. I can't procrastinate. I

can't keep from learning from the mistake because I've got an interview on Tuesday. So whatever mistake I made on Monday, I know I've got to get it a little bit better on Tuesday or else I'm going to suffer again from the insecurity of publishing something bad. And so I just keep publishing and publishing and publishing. And with that, I get better and better and better. And I just look for small changes that I can make to improve.

***“I just look for small changes  
that I can make to improve.”***

So, for example, if I see in one interview that a guest is rambling and I didn't pull him back, I'll publish that anyway. Often I think it's rambling and the audience says hey, this is still a great interview. So that's one reason why I publish it regardless of the mistake I see. But the other reason I publish it is because the next day when I see someone's going a little bit too far (or rambling), I'll say “forgive me, I want hear more about this story but I've got to ask you about this other thing here too or else I'll really be in trouble with my audience if I don't push you on that”.

And so I practice that. And if that doesn't work then I come in with another approach the next day. Each time I conduct an interview I'm just looking to improve one small thing.

**STU:** So you get better by doing rather than obsessing over planning or making a mistake beforehand?

**ANDREW:** Yeah, exactly. And the internet is so good for allowing you to just keep putting stuff out there. By doing so, people just find you. The more stuff you put out there, even if it's not your best stuff works to help you attract an audience. Google doesn't know that it's not your best stuff. So everything you publish is another Google hit. Let me give you an example of that.

I did an interview with the founder of Sex.com. I'm not sure it was my best interview but it was pretty good. I still get hits from people who type in the word 'sex.com'. I don't know why but they type it into Google but inevitably they discover my site as one of the search engine results and a lot of them click over to my site.

I get people finding old interviews that I don't think are especially good.

Here's another example. When people type into Google 'I hate you', the same thing happens. I did an interview with someone who got inspired when he got a note on his car randomly that wasn't meant for him. It said 'I hate you' and he talked about that in the interview.

I guess that was in the transcript because I still get traffic from the phrase 'I hate you'. Even though it wasn't one of my best interviews, it's still out there generating traffic for my site. People come because they type in 'I hate you' randomly into Google and they land on that page. They either the interview or they click over to another post on the site. That's when I've got them.

Regardless of whether it's "bad content", it's still content that could potentially get you new customers and new visitors.

**STU:** I love it. As we move forward, I want to talk to you about how you first created a lot of content before you transitioned to a paid membership site. Initially you really used your content to build your audience and to create a following.

Can you talk to us about making the transition from free to paid content and what that was like for you?

**ANDREW:** To be honest with you, it was pretty rough. I got beaten up a lot online for doing that. And because of that I thought about the way that I transitioned and I realized I should have just charged for something right from the start.

"I realized I should have just charged for something right from the start"

I should have let people know that this is a site that cares about making money. I should have done that, because of the kind of people who I'm going after are real cutting edge, start-up-oriented tech guys. But they're not used to paying for anything. They just want free, free, free, free, free.

Because of that, I got screwed. The message boards which sent me the most of my traffic are the ones on Hacker News and the people there started ripping into me when I went to a paid membership model. Thankfully, there were a few people who also understood that more revenue meant I could turn this into a real business. That mean I could actually hire people and improve the quality of my work. Also if I'm talking about entrepreneurship and I don't charge, it means I don't understand the first thing about business. And so, I have to charge. So other people began saying this on my behalf in the

message boards and that helped out a lot. If I could do it again though, I would charge as soon as possible.

**STU:** And that's interesting to hear, because I think that's a huge challenge for some people. People are always scared to begin charging for content. They wonder whether people will pay. And in this situation it was an even bigger challenge for you because you had essentially trained your audience to expect everything for free.

**ANDREW:** Yeah.

**STU:** And now that they are trained to expect everything for free, making the transition to paid content becomes an even bigger hurdle.

**ANDREW:** If I could do it again, I would ideally start charging for the older interviews or start charging for something from the beginning and let people know that I'm going to adjust.

Having said that, if I didn't do that and it was time for me to charge, I would probably not charge for the stuff that was already free. I would probably add something else and charge for that. And then maybe slowly go back and charge for the stuff that was free. But to just right away start charging for stuff that's already free is a shock for people and it also keeps them from understanding the business model because some people had a hard time making the distinction between the limited availability of the free stuff and when it got moved into the paid archives.

So if I were doing this again, I would charge right from the beginning if I could. If I didn't do that and I already had free stuff on the site, I would charge for some new thing and then I would slowly expand what I was charging for and the quality of it.

***“Initially I would not obsess about making it good. Just put it out there.”***

With that said, the one thing I think is important for your audience to hear is that initially, I would not obsess about making it good. I would just put out there...even if it's a piece of garbage. It's okay, you can charge for it and then when you improve you can give the new free thing to your audience later on when you get it better. Or, you can charge for it, get money and then give a refund right away. But you've got to learn, charging for stuff is a skill. It takes time. I didn't learn how to write the right sales page right away. I didn't

want to. I didn't want to "hide" while I built up the perfect product and the perfect site so that I could start charging. I wanted to learn slowly how to do it and okay to learn it in public. And it's okay, I think, to tell people that I'm not going to get it right the first time. You should expect that I'm going to learn in public and make mistakes in public.

**STU:** That's a big, big lesson for everybody. People want to make it perfect and inevitably, they never get it going. As you stated, you learn the most by "doing" and that's really where you're going to make the most progress.

So let's talk about that. As we've seen on your site, you do experiment with a number of different ideas. And one of the things that I find very clever about Mixergy.com is how you draw people in with your free content, as we talked about, by creating urgency (ie. it's only going to be free for a certain period of time). But inevitably when people are on your site they're going to be clicking around and looking at other interviews. And when they do, they can see the content but they just can't access it. Is that using some of the protection features of WishList Member?

**ANDREW:** Yeah, absolutely. WishList enables me to hide content from people who don't have the membership level that entitles them to view that content. And then it allows me to put up an image in place of that content.

Here's what I do. I make old videos and MP3s only available to two membership levels: "Premium" and "Vault". If you don't belong to one of those levels, I hide the content and instead I put a picture that looks like a video player with what looks like a big "PLAY" button on it. This encourages you to click on it because it looks like you've got this video that you're about to watch. However, when you click on it, instead of the video playing you're taken to a page that says "you have to pay or log in if you want to view the video".

I want people to at least say to themselves (and to me) that "I want to watch this". And if they say to themselves "I want to watch this" and then they see a page that sells what they want, they then at this point just have to decide do I want to pay for it or not?

"If I said right away that 'this video is only for members', people wouldn't even consider it"

If I said right away "This video is only for members", people just wouldn't even consider it. They wouldn't think about whether they should hit PLAY or not.

**STU:** I think it goes back to when we were kids. We always want what we can't have or what we're told we can't have! And in this situation you've created desire and people are clicking through to listen to those old interviews. However, you're intelligently using the non-member redirect to send them to a page that says "This is archive content. It's part of the premium membership. Here's how you can sign up".

It's just a beautiful and elegant example of how to utilize some of the features built into WishList Member to create interest in the content, still protect it, and yet also drive them to the place where they can then purchase it and begin accessing.

I highly encourage people to go to Mixergy.com and just go back a couple of pages and try to access one of the old interviews. You'll see this strategy in action. It's just a great example of how to use the features built into WishList Member and drive non-members to a place where they can actually pay.

Now based on that, how has this process impacted your sales? You mentioned you tried a number of different things and now I see that you've settled on the "video player" image. Was that the clear-cut winner for you in terms of conversion?

**ANDREW:** Well to be honest I'm not doing a lot of A/B testing on that anymore. I just settled on that. It works okay and I'm happy with it. Because in addition to also getting more members that way I am also able to see what videos that people aren't interested in.

I want to know what's sending more people into the membership paid page so I get a sense of which kinds of interviews people value enough to want to "play". This helps me get a sense of which interviews get people to pay to join the membership.

So I get a little bit of data from that and I've played a little bit with improving those click-through rates, but then I stopped and moved on to other areas of the site.

As I looked at the questions that you sent me in preparation for this, I realize, you know, there's a lot that we could be doing better. And I started to beat myself up and say "Why aren't we testing that image? Why aren't we doing this?". I realize, no, weren't not doing it because I can't do everything. I have to focus

"I can't do everything. I have to focus on a handful of things and do them well"

on a handful of things and do them well. And what's great about the model that we have (that you guys enable us to have), is it's a membership model. I just need to get my members to stick with me from month to month to month. And in time I'll improve more and get other things right and they'll be there to experience it.

***“Every single month we made more money than the month before... that’s one of the reasons why I really like having a membership program.”***

And what's great about the membership model is that even at my worst (and we've screwed up in the past with the way that we launched the membership and the way that we sold it and so on), even with our bad days and bad months, every single month we made more money than the month before. Every single month the revenue has grown with membership. And that's one of the reasons why I really like having a membership program.

**STU:** So talk to me about this, Andrew, because you mentioned you have two different membership levels. So let's talk about the “technical” aspect of that. You said you had a “Premium” level and you had a “Vault” level. Can you explain to us the difference between the two and is there a difference in price point of those two levels?

**ANDREW:** Yeah, I'm actually not selling the Vault level. The Vault is only the old interviews. It's the 600-plus interviews that are available only to members. Premium contains those interviews plus all the courses. And that's what I sell: access to Premium.

I have another strategy with the Vault level. I realized once I put a price on my content, I immediately gave it value. And so now I've got this valuable asset that I've created, because there's a price on it. And if there's someone who I want to work with, I can give them this valuable thing that I've created that has a price on it. So we send out volunteer requests for certain things on the site. And what we do instead of paying people is say “You'll get access to the Vault”.

I also get emails from people who say “I want access to those old interviews but I can't afford them”. And I say “alright, great, I'll give you the Vault. Can you help out one of my guys who's trying to help out our audience?”.

Now that we've created this asset, I'm constantly thinking of other ways to use that asset (the Vault). Now that we have the Vault, I'm always trying to think of creative ways to use it.

**STU:** I love it! I'm taking notes on that one Andrew because I think that's a brilliant strategy to combat the people who do want to have access to your site but for whatever reason can't find the money to be able to afford it. This is a great way to also allow them to earn it. Based on that, do you think people appreciate the site more when they've earned their access rather than when it's just given to them.

**ANDREW:** Absolutely.

**STU:** So let's also quickly transition to talk about your pricing, because you have many different pricing options. You offer a monthly price, a quarterly price, and an annual price, but you emphasize the monthly. Can you talk to us about how you've set that up and why you chose to do that way?

**ANDREW:** You know, now that you mention it, I'm thinking maybe I should emphasize the annual. I'll have to play around with it. It's kind of fun actually to play around with the design and to play around with the flow. When you do, you realize that the same quality content, the same information, the same everything, can be more valuable and generate more revenue and more excitement if you adjust some little thing.

***“...You realize that the same quality content, the same information, the same everything, can be more valuable and generate more revenue and more excitement if you adjust some little thing.”***

For example, we made the “Call to Action” button on the home page more prominent and suddenly orders went up. It's not because I improved the courses, it's not because I improved the quality of my recording or the quality of my guests, it's just I improved the placement of the Call to Action button and boom! – more people are now enrolled in the membership program.

So now that you mention it, we should probably try out emphasizing the annual option. The reason we put the annual there is I've always thought I want to charge monthly. That way I can keep the price low and I can see if people stick around. And if they stick around, it's telling me we're on the right

track. If they don't stick around then it means that I have to go and figure out what to improve in the membership site.

We then added the annual price option (which is \$199), we wanted to anchor the price. We wanted to make the monthly fee of \$25 seem even smaller. And that's why we did it. And we also wanted to see if there was a portion of the audience that felt like the \$200 annual fee was an insignificant expense. So we should probably start increasing our monthly and increasing all of our prices, you know?

That was my thinking on it. Most people still take the monthly but, as you've made me realize, maybe it's because we're emphasizing the monthly. Maybe if we de-emphasized the monthly option, more people would take the annual and maybe that's better for us in terms of overall revenue. I'll have to think about it.

**STU:** Well I think it depends. I think it's a good point, in that when you have a monthly membership, as you mentioned, it holds you accountable. It holds you accountable to fight every single month to win over your members again and again and again. And I like that sense of accountability as a membership site owner, because it keeps me on my toes.

A lot of people who sell annual memberships don't have that same sense of accountability to fight every single month. In essence, they get lazy with their content. They get lazy in terms of winning over their members every month. As a result, the overall membership begins to decline. Then they wake up one day and wonder where all their members went.

So I don't think it's necessarily a bad thing that you're focusing on the monthly because, as you said, it just keeps you accountable. At the end of the day, when you have a membership site, retention is the number one thing that all membership site owners should focus on. But unfortunately it's not. And so I like the way you're approaching that, Andrew. I think it's a smart move.

**ANDREW:** Well that's encouraging to hear.

**STU:** As we move forward, I want to give our audience a sense of how your site has grown. Obviously your site has grown tremendously with each new interview you add along with the number of courses that you've added. To help with that growth, you mentioned that you recruited some other people to get help with different areas of the business. You talked earlier about an editor, a course producer, and a researcher. How did you know who you would need to help you and how did you go about finding them?

**ANDREW:** I tried to keep the interview production really, really simple. I said I'm going spend an hour researching the person, I'll hit record and when we start doing the interview, I won't try doing any funky shots. I'm not going to do any impressive video and I won't do it live in person. I'm going to do it all on Skype, and then I'll publish it raw, and that'll keep things simple.

But I found that there were little things that I could pass on to other people which would free up my time to think about the rest of the business – not to mention keep me from burning out. I was really worried about burning out especially considering my production schedule of not just publishing a blog post every week but publishing a whole video interview every single day.

So I thought, the first thing I could do is get an editor. I can teach him how to edit my simple system and pass that on. So I did that. Then I thought later on I could use a little bit of help booking guests. So I found someone who could help me book guests. Then I thought, you know, the text that we use to promote the interview is pretty basic. It's the stuff that I say in the introduction to the interview. So I could hire someone to basically transcribe that, add a little bit to it, and then make that into a full blog post so I don't have to do that either.

Every little thing that I thought was going to burn me out, I would ask "Who can I find to do it for me?"

I found people by mostly by asking my friends. The video editor I found through a friend who talked about an outsourcing company in Guatemala. I said "Hey, are they good? Should I be using them?" He said, "Sure, go for it." He made the introduction and I went with them.

The virtual assistant, who helps me with booking guests and doing all these other things that go into the site, was introduced to me by a friend who said, "I'm using a virtual assistant who has more time. Do you want someone? It'll help me to be able to get her more money and it'll help you if you can use her." So I signed up.

I found those type of referrals go a long way. When I signed up for other online virtual assistant companies, they didn't really care about me. They didn't care about the quality. It just didn't work out. Now I go almost exclusively to my friends or to my audience when I'm looking to hire people.

**STU:** The other thing that I think is very important for people to realize, is that in the beginning, you were doing everything. You were doing all of your interviews, the editing, writing the copy, and getting the emails out to everybody. Now that you have more revenue coming into the business, you are investing it into the business by really building a team of people to handle specific tasks. In fact, you even have somebody – David – who helps you with some of the courses.

**ANDREW:** Yeah.

**STU:** In some cases, he's actually the one interviewing the guests. And that's important for people to realize, because sometimes we get hung up on our own egos to the point where, as you said, you burn yourself out. But by letting certain things go and realizing that as long as the people that you're hiring are trained and trustworthy, then the product itself will maintain its integrity throughout. Ultimately, that brings about more time for you to focus on the things that you want to do and it gives you the breathing room to do them even better. Would you agree there?

**ANDREW:** Absolutely. And charging for access to your site goes a long way to enabling you to do that. It means that you have a real business that other people can count on when they're trying to get paid. It means that you have money that you could afford to pay for things. It means that you can afford to pay for help and to pay for experiments. The membership becomes a dependable source of revenue. You know exactly how much you're bringing in every month and you can then count on it to grow your business.

“Charging for access to your site means... you can afford to pay for help and experiments.”

**STU:** As we begin closing down here I want to ask about the things you are currently experimenting with. Can you share some ideas about things that you're going to try, add or subtract? Or just new things in general that you're going to do to enhance your membership?

**ANDREW:** The current thing I'm doing is just systemizing the membership so that it works flawlessly and predictability. That means getting the membership to the point where everyone knows exactly how many courses they could expect in the membership and I know exactly how much effort it's going take to do produce it. That's really important to me.

Going forward, I've been just looking at the emails that I'm getting from members and trying to figure out what they really want. People are saying they like the courses but it would help if they could get checklists to use with the courses. So I'm thinking now maybe we should hire someone to do a checklist for our audience for each course. What I'm finding is that when you take a course, you don't remember what you need to do. But if you have the checklist afterwards, you can go through what you've learned and use it.

I've also been thinking of doing a chat room or message board. I'm reluctant, and at the same time I see that it could be really powerful. So I'm not exactly sure if that's something that we should do but I've been thinking about it for a long time.

And then overall, we're always asking ourselves "what else can we do to get more members signing up?".

**STU:** Thanks for sharing Andrew. At this point I'm going to quickly review what we've talked about and then I'm going hand it back to you Andrew for some final thoughts.

#### ----- ANDREW WARNER INTERVIEW RECAP -----

Andrew really is a awesome person who has a lot of practical, real-world experience when it comes to membership sites with his site Mixergy.com.

Now this wasn't always a membership site. Initially he had hundreds and hundreds of interviews that he conducted every single week and he gave them away absolutely free. This was a huge site full of nothing but free content. Now however, although the site still has tons of free content, he's transitioned to now charging for it. The way he's done that is to allow the content to be free for a week and then he archives it and, the only way to access the archives is to become a Premium member.

He also provides courses that teach one specific strategy in granular detail, and members have access to those courses as well.

The interesting thing for Andrew when he made the transition to charging for content was not only did his revenue increase, but so did his audience size. And the reason was, it created an urgency in his audience to go to the site at that point in time to watch and consume the content while it was free.

Because those interviews are only free for a certain period of time, it created urgency.

So there is a very, very important lesson there for anybody who is giving content away willy-nilly for free. By creating urgency you actually get people to consume that content quicker, faster and it therefore creates more value.

***“By creating urgency you actually get people to consume the content faster and it therefore creates more value .”***

Initially, Andrew’s approach to his site was a matter of survival. Meaning, if Mixergy.com could survive on its own, great; if it dies, well then it wasn’t meant to be. So in the beginning to keep afloat, he was just charging for advertising. He had sponsors at the beginning of his interviews and that’s how he was earning revenue. But when he transitioned to the paid membership model and began offering the courses as well, his revenue skyrocketed.

Now, there are two real things that Andrew is selling from within his membership. The first are the interviews with all of these well-known business experts and start-up founders and so forth. People get access to the archives of those. In addition, Andrew has begun to create specific courses that focus on a certain subject matter. They’re more detailed. There’s more step-by-step instruction. He uses GoToMeeting and really dives into the computer of the person that he’s interviewing by showing them step-by-step what they are teaching their particular audience.

The reason he did this was his audience requested it. He was listening to his audience. That’s one thing Andrew does very, very, well is listen to the needs of the audience. And they were saying “We love your interviews. They’re jam-packed full of practical tips. But can you show us a more-step-by-step? More granular?”. And that’s what Andrew began providing his audience.

However, before rolling these courses out, he tested the waters first. He tested an idea for a course by first sending an email to his list. In that email explained “I’m thinking about doing a course. It’s going to be limited to twenty people. If you’re interested let me know”. Well the response immediately told him that they were onto something.

Although the first course was admittedly not the highest of quality (poor audio and video), Andrew advises “don’t focus on quality. Don’t obsess over it at first. Focus on quantity. Because when you are producing a lot of stuff, you’re going to learn how to get better and better by doing. Focus on small changes that you can make and you’re naturally going to get better and better instead of obsessing over it in the beginning”.

Plus he also went on to explain that the more stuff you put out there, the more people will find you. And that was certainly a big key...has been a big key to Andrew’s success. It’s just the sheer volume of content that he’s creating. He said “Google doesn’t distinguish between good quality and bad”. So when you have all this stuff out there, naturally it brings in a whole bunch of different ways that people can find you. And he gave us some great examples including the one from Sex.com and the words ‘I hate you’ and how that played a role in his site.

Making the transition from “free” to “paid” wasn’t exactly easy. Andrew admitted the transition was actually pretty rough. He had trained his audience right from the get-go to expect everything for free. And when he began charging, he got quite a lot of backlash from people who just always wanted access to that content for free. But a few people spoke up and they began supporting Andrew stating that if he charges for his site, he can create a higher quality product and he can spend more time it. It could therefore become a real business. At the end of the day, his site was about “building a business” so it made sense. Slowly but surely, his audience came around and now obviously it’s a huge success.

So Andrew’s advice on that is to “charge from the beginning if you can”. Charging people for something is a skill and you can always make it better. Even if your first production is crap, he said: “You can improve it and give the people that invested in the beginning the revised version. Give them a better version for free”. But always charge from the beginning.

“Charge from the beginning.”

The way he protects his content is that he has two membership levels. He has the “Premium” level and the “Vault” level. He only sells the Premium level and that gives people access to all the archived interviews as well as the specific courses. But what I found interesting was that he uses the Vault level as a way to work with different people who may not be able to afford the particular Premium membership. Typically they contact him and say “Listen, I really love your stuff and would love to have access to those interviews. However I can’t afford it.” He says, “No problem. Perhaps you can help me

out with this and in exchange I'll give you access to the Vault." So it's a very powerful way to get help and use the Vault level.

Another tip from Andrew was regarding your overall progress. He said when you are producing a membership site, realize that there are so many things that you can change and so many things that you can modify, but you can't get overwhelmed by that. You can't do everything. You've got to focus on a few things that you can tweak, and move forward from there.

He said at the end of the day, even with bad days and bad months, he makes more money every single month because of his paid membership. He said "value your content and start charging for it" because when you value it, other people give value to it as well.

As far as pricing goes, Andrew has three options: monthly, quarterly and the annual option. On the salesletter, he focuses on emphasizing the monthly option. However, what I found interesting is the reason why. Andrew said he does this because it holds him accountable to produce great content every month. It forces him to stay focused on producing value for his members every month so that they'll stay. So for him, it's more of an accountability measure that prevents him from getting "lazy" with his content (which can sometimes happen for anyone offering an "annual" option).

We also talked about the growth of Andrew's site. And with that growth, he's expanded his team so that he's not the one doing everything himself now. Since he has more money coming into the business, he's invested some of that money into hiring people to help him create even higher quality courses and content. He has somebody who helps him with editing. He has somebody who helps him produce the courses. He has a researcher. He has somebody who helps him book all of the interviews. All of this is possible because he now has revenue coming in from his paid membership.

He said the thing is, in the beginning he just focused on keeping the production value simple so that he could train somebody to easily take over those tasks. Now he focuses on the little things that he can hand off to somebody else that will free up more of his time to focus on what he does best. And he said when you begin charging, you can pay people for help. You can pay to experiment with different ideas because membership equals dependable income.

Now moving forward, what is Andrew focusing on? Systematizing his entire membership business. He's also looking to get feedback from his audience as far as what other things they want - and obviously one of the

things they mentioned was a checklist. So Andrew's natural thought was "could I hire somebody to help create those checklists?".

He has also given thought to possibly adding a chat room or a forum. That's something he might experiment with. And finally, focusing on different marketing strategies to get more people into the Premium membership.

There are so many golden nuggets contained within this interview and I highly recommend everybody go to Mixergy.com to see what we've talked about in action. Not only to access the free interviews that are available, but also to see how Andrew uses the free content to then move people into becoming a paying member.

----- END OF THE INTERVIEW RECAP -----

**STU:** Andrew, I want thank you very much for your time and I want to wrap up with a final question. What advice would you have for other membership site owners or for people who are thinking about starting a membership?

**ANDREW:** Two things. First, it's really easy to create good content that people will pay for. All I do is interviews. You can see that it's just me using video Skype to record and interview my guests and then I publish it on a WordPress site. Very easy. And the courses are just a GoToWebinar subscription that I use to record them.

I don't know everything about business. I of course don't pretend that I'm the guru of gurus. So I bring on other people and I ask them to teach what they're really good at. It's not that hard to create good quality content that you can put out there and charge for.

The second thing is, as I said in the beginning, don't be afraid to spy. Sign up for my newsletter just to see how I handle things. Click on the videos, just to see how I show my interviews and to see what you can copy.

Stu, I signed up to your email list for WishList Insider and I remember seeing how you'd say that you had this new Bonus Plugin that was only available for members this month. You went on to say that "next month it won't be available" and that people should go and grab it. After seeing that, I

said “I’m going to try that”. If it’s working for Stu let’s see how it’ll work for me, and sure enough it worked on my site too.

So we learn from watching other people and we learn from being a part of other people’s communities. Thanks for letting me learn so much from you and for being so generous and letting me, frankly, copy a lot of your ideas, Stu.

**STU:** Well I am grateful to you, Andrew. You’re a great example of somebody who just puts into action what they are learning. And I love Mixergy.com. It’s a wonderful membership site that I strongly encourage people to go visit it. Once again, it’s Mixergy.com. You’ll be able to access great interviews, but also, as Andrew said, sign up and get on his email list to see how he uses his content to drive his paid membership. It’s a great example of everything that we teach..

So, Andrew, thank you very much for your time and appreciate you joining us here today.

Andrew Warner: Thanks for having me on.

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