

Membership Site
MASTERS

STU McLAREN

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MASTER #4 – THE TESTER

An Interview With AJ Brown From TradingTrainer.com

STU: Welcome, ladies and gentlemen. My name is Stu McLaren, co-founder of WishList Member. Joining me here today is Mr. AJ Brown. AJ is a successful stock options trader who's taken that knowledge and then turned it into a very successful membership site. I'm very excited to talk to him because he has not only a wealth of knowledge in the stock trading industry, but he's also got a wealth of knowledge when it comes to running a successful membership site. So with that, AJ, welcome.

AJ: Hey thanks Stu. Thanks for having me.

STU: Alright AJ, so obviously you had a background in stock options trading. I want to know, how did you take that knowledge and then it into a membership site.

AJ: Brown: As traders we have to realize that we can't be successful going at trading as the 'lone ranger'. I don't think you can actually be successful at anything if you try going at it as a lone ranger, because the power of the Mastermind far outweighs anything we can do on our own.

So the power of that mastermind is so critical. In trading, it's even more important because when you see something you really need to get an understanding of the way the rest of the world sees it, because in the case of trading, what's right is what everybody else sees.

If everybody is jumping off the mountain, you don't want to just say "no, that's not right". When it comes to trading, you don't want to be jumping off the mountain either but instead you want to be the one doing something to profit from people jumping off the mountain.

So, the only way to get that perspective is from within a group. When you get a bunch of people around you that are like minded, they might look over your shoulder and say "hey, I don't see the same thing you do, and I see this". Then, maybe five or six people say "yeah, we agree with x, y, z, and not you". That's when you need to take a step back and say, "okay well then, if all of you are seeing a certain pattern I better adhere to that instead of going my own way or going down my own path!". The mastermind concept is the easiest way to figure out the shortest path from A to B.

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Anyway, I figured this out early on, and in the late '90's, I formed a group of traders that were going to all the seminars that were being offered in my area by all the different gurus traveling around.

I essentially just cornered everybody at one of the seminars and suggested we form a mastermind group. They agreed and I got everyone organized by simply sending emails to the group. We would meet, get all of our ideas out, and I would basically be the secretary or the scribe. So during our group meetings I would write down everything that was being shared. Then at the bottom of those emails, I would include some of the stuff that I was doing in the trading world. I'd share some of the trades I was making and some of the strategies I was employing. I did that religiously for almost three or four years.

Eventually, people started taking a real interest in my little blurb at the end of these emails because my trading portfolio started to really grow. In other words by me actually writing down everything that we had been talking about, I began internalizing it faster than the rest of the group. That meant I began seeing success in the area of expertise I was trying to build. The proof was in the bottom of my e-mails to my group because they saw exactly what I was doing. That was powerful for them because they started to forward my e-mails to other people. My e-mails to my group members started to go "viral!".

Then I started to get questions in reply e-mails from people I didn't even know. That's when I said "oh my gosh, I think I have something of value here. Maybe I should start figuring out how to make this into a formal newsletter". Then I thought, "hey, I've got content that is good historically and evergreen, so let's put it into some sort of membership site".

STU: So let me get this straight. This originally started as an offline, informal mastermind that you were looking to create. Then, not only was this mastermind helping you understand what you and the group were learning, but you also began experiencing a great deal of success because you were holding yourself accountable by sharing what you were implementing and the results you were getting. Then because your portfolio was growing, people within your mastermind began sharing your emails to other people outside of the group. Because of that, you started getting questions from people outside of the group. Is that right?

AJ: Yeah, that's exactly what happened. If you take a step back, there are some key things to pick out from that experience.

1. **Form A Mastermind** - If you want to be an expert on a particular subject, the first thing you should do is form a Mastermind around that subject. You want to mastermind with like-minded people who are either at the same place as you or even slightly ahead of you.
2. **Volunteer To Be The Note Taker** - Definitely, volunteer yourself to be the secretary because there is something powerful that happens when you are the one writing things down. When you take notes for everyone, you become the one who's processing the information in your brain and then writing it down.
3. **Take On A Challenge** – Take on a challenge in that field to prove to yourself that you're able to implement what you're learning. Then, publish your results so that at least the people around you can see your results as well.

Follow those three steps and you will eventually become the expert at what you're trying to master.

The other thing to note is that people can be weird about who they want to learn from. People often want "X" but what they really need is "Y". So when you're marketing

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something, you need to first get them excited and deliver what they want. Then you deliver what they need so that they can start getting the same results.

That was a big lesson I was fortunate to learn early on. People want to see the results. That's what gets them excited. That's what makes the content go viral. That's what people will share and that's what creates interest in me.

***“People want to see the results.
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That's what makes the content go viral.”***

Once they are interested, then it's important to begin sharing the information that they need. For me, those were the tidbits that I was processing in my brain and in order for people to experience the success I was having trading, they would need to learn those as well.

STU: I think that's really powerful for anybody listening or reading this interview. Regardless of whether your new to membership sites or you're a seasoned expert, the key in your whole message is that your success began as a result of the Mastermind. For you in the beginning, it was a way to expand your knowledge and to learn from others. But then, it transformed into a situation where you were positioned as the expert. Plus, it gave you a chance to begin creating valuable content by sharing your success – which ultimately got shared by lots of other people as well.

AJ: Well just to sum that up, it really doesn't help to be an expert in something if nobody knows you're the expert!

STU: Exactly! So then let me ask you, at what point did you make a transition to formalize this into a membership site?

AJ: When I realized that I had something of value. At the time I didn't know anything about membership sites or marketing this kind of information. So I reached out to somebody who did. I reached out to a gentleman named Segovia Smith and I said, “I've heard that you're an expert at marketing information, can you help me?”

It's one of those things again, where often times you can't figure everything out yourself from a book. For faster results, it's easier to just partner with someone who has the expertise you're looking for or hire somebody who knows the answers.

If you do hire someone, don't just hire them to do the work but actually do the work with them and learn by doing. People try to learn subjects by reading books, and it's been proven over and over that books are only so useful. I would say that books are good for getting a foundation. But the real learning comes, I feel, by immersing yourself into it.

There are two ways to learn. You can do it by trial and error, which I have found is one of the best ways to learn but also takes the most time and can be awfully painful, both financially and in the waste of your time.

The other way that I like to learn is by "guided discovery". That's where you model somebody who already knows what they're doing. So again you're not just hiring somebody to get the work done. That's being very short sighted. You're hiring somebody to get the work done, and then, by doing it with them, you learn how to do it yourself

That's what I did with Segovia. I just made a point of stepping in his footsteps until I got to the same level as him. From there, I was able to take what I had learned and go in my own direction.

STU: Awesome stuff! So, at that point you're taking your information, and you're beginning to turn it into a membership site that you've hired Segovia to help you with. What kind of information or content were you delivering to your members?

AJ: At first it was "real time" analysis of the market. So at first we started delivering content that was not evergreen. In other words we were creating content where people would need to keep checking in with us in order to get the most up to date information. And that's a mistake I see a lot of membership site owners make. If you want to get people on lifetime continuity, you always need to have something fresh. And you might say, "well I'm in a topic that doesn't have fresh". I mean trading is beautiful in that everything changes every day - especially recently". Yes that's true but you have to make an effort to create content that is fresh and up to date.

"We started delivering content that was NOT evergreen".

I've been through a number of membership sites where after three months you know everything on the site. There's been no fresh information. Taking a step back, it became obvious that if they took a slightly different

angle, they would have a way of continually adding content that would give people a reason to come back to the site.

So that was the first thing we included in our site - a daily update of what was happening in the market. Then we'd put information in there like a short 'Getting Started' course. Then we started adding Tools.

That's another thing anybody can add to their membership site – useful tools for your members. Go pay somebody on 'Rent A Coder' or a similar freelance site to develop some Tools you can give your members access to. Something that will allow people to get from Point A to Point B, doing your stuff easier!

We now have thirteen or fourteen different Tools within our site. Our Tools are original and use industry standards or, they are Tools that do things better than other tools in the marketplace. So people will pay a premium to access those Tools.

The other key part of our member area which is different than a lot of membership sites in the trading area, is we put a place for people to communicate with each other. The social aspect of it! Because of this interaction within my site, I'm getting Retention rates that are way above average. For example, our members are staying eight months or more when the industry average is generally three or four months. So I'm almost getting two hundred percent, more, and that's because I've included these little pieces!

STU: I want to kind of press “pause” and come back to some of the things that you said here because there's so many powerful lessons for everybody listening. I definitely want to follow up on the Retention and the Community aspect of your site. But before we get to those, I think what you talked about with the whole “Tools” is a really powerful concept.

When you're talking about different Tools, you said these are resources to help your members do things easier. Can you give us a couple of examples of the types of Tools that you created for your market? And then also where did you go to find people to help you create those?

AJ: First you need to get very clear on the process people will follow in order to be successful at whatever you're teaching them to do. In my case, it was trading.

Now once you're clear on that, you know exactly what people need to do to go from where they are now to being successful at what they want to do (which is what you're an expert in).

The next thing to do is take each one of those "steps" and see how you can accelerate that part of the process. Often times, the answer is creating some sort of computer or even now Mobile App in order to do make that little step of the process even easier.

Once you have a general idea of what type of tool you're looking for, first search the web to see if there's something that already exists. If so, look at how you can optimize it or make it better because people will pay for the better, more robust Tool. If the Tool doesn't exist, guess what, you've got something original to attract people to your site.

STU: That's great. You mentioned you have thirteen or fourteen different Tools. Can you just give us a real world example of perhaps a Tool that you saw would help accelerate the success of your members? And then, can you explain how you went about getting that created?

AJ: So for trading, we use the Investor's Business Daily newspaper. Every day the Investor's Business Daily creates a chart containing of all the NASDAQ and New York Stock Exchange stock lists. There's thousands of them, and Investor's Business Daily uses proprietary parameters that they put in this table. And we use those in order to create our "watch list" of tickers that we want to trade. So one of the "steps" in our process is to take an index card and spending about 25 minutes a day scrolling down all these things, looking for a combination of parameters in this table.

***"This created a perfect opportunity to
create a tool for my members."***

This created a perfect opportunity to create a tool because as soon as the Investor's Business Daily offered their newspaper online, I could 'screen scrape' the Investor's Business Daily newspaper and then using an algorithm to do this analysis in a matter of seconds. So it takes a task that would normally be 30 minutes and turns it into something that now takes a few seconds.

To get this created we simply went to RentACoder.com, eLance.com and defined very carefully what we wanted. The key with any Tool is to define very specifically what you want to have it done and how you want to have it look. To be honest, I'm not very good at that and I'll be the first to admit

that I'm not good at clearly defining for programmers what to do. But I've realized this and I actually found it easier to hire a "middle man".

There are middle men out there who will take your idea, talk it over with you, and then brainstorm ideas that they can then take to a programmer. Then, they hire the programmers who would be right to create the project and oversee it's creation.

For me, paying that middle man is actually more efficient than me just hiring the bargain bottom dollar programmer. Of course once you find a programmer or two that can really perform, then stick with them.

One thing that I've done is gone to one of these freelance sites and posted a small piece of the Tool that I want to create. Then I'll hire the top three or four winners of the auction to do this little piece. I like to think of it as a "live project interview" process.

After they've finished this small project, you will have a sense of who is right to tackle the bigger tool you want created.

STU: This is a great example because you took what was traditionally a manual, time consuming process of going through the Investor Business Daily newspaper, looking at those tables and analyzing the parameters, and created a Tool that does it for them.

AJ: Yes! But before we go any further, let me just say this; if anybody is trying to be an expert, or if you're creating a member site around a different person who's an expert, make sure the Tools you're having created are the Tools that the expert would use. Make sure the tools you create are being used by the "expert" in your site.

"Make sure the tools you create are being used by the "expert" in your site".

One of the most important things I have found is that if the expert in the membership site is using the Tools (and it's obvious to your members that you're using the tool), you're retention will go way up.

STU: That is a big, big lesson! The tools then become a win-win for the membership site owner because if you create Tools that you would use yourself, it will make your life easier and then it's naturally going to transfer to be a winning Tool for your members. Is that right?

AJ: That's a hundred percent right. The expert should be a user of whatever membership site you create. The other thing is if you can create a "community" where you have people discussing things, be sure to join in on some of the conversations and monitor what people are saying.

In my case, I am a trader first and foremost. I make a fortune trading. That's how I feed myself, my family, and my friends. Many people who don't know me may not realize that all of the funds that come from my membership site are put into a Foundation. So I don't make any money from my membership (which sometimes I regret because it's a lot of money!). But I make all of my money from trading. So if your expert is a user of that site will also be able to find out things by simply monitoring the conversations going on in the community.

In our membership we have a way that people can get into groups to talk about trading. We just use a Forum built into our member site. You can just get a simple plugin to do this. Then, give your members a template on how to communicate in the forum to get something accomplished.

Then you promise that at the end of their process, you (the expert) will come in and leave the final comment. So what we do is we have people discuss the trade that they're interested in.

We also give them a template on how to communicate with each other and what ticker symbols to use in order to properly share what trades they are interested in. The members then post their "possible" trades in the forum and get feedback from their peers in the group. At that point we come in and put in our two cents in (and it's very easy to give an opinion).

However, at the same time, these groups are literally doing all the work of finding good possible trades and handing us on a silver platter what ticker symbols to invest in. From there we simply have to pick from the cream of the crop.

So if you can create a process your members can follow in order to communicate with each other, and you give them a topic to discuss, you could easily come in and add a little value to the discussion your members are having. But you're also going to get extreme value back, in that if your members are properly following this process, you can use your community to save time on your own process.

It creates a synergistic link. And be open and honest to your members and tell them this is what you're doing. It creates this synergy between them

and you and you'll be amazed at the positive impact it will have on your retention rates. It's all about Retention. This is the kind of thing that will get your members to stick.

STU: Right! One of the biggest challenges for membership site owners is keeping their members. You mentioned that you have a much higher retention rate keeping your members upwards of eight and nine months versus the industry average of three to four. Do you think the "community" aspect of your site is a big reason why people are staying?

AJ: I think it's a little bit of all of it. Some people definitely stay because they get wrapped up in the community. I would say according to my statistics, that's roughly about 20-30% of our members.

A lot of people get wrapped up in using the tools. The tools are some of the industry's best, and they just want to have access to the tools, so that's why they remain a member of our site.

Other people get great value from the information that we provide on a continual basis, because again, we provide some of the most up to date information. So there are many different reasons why people stay.

STU: I really hope people soak up what you just said. A lot of times we rely on essentially one pillar of information or component of our membership site thinking that "this" component is the main reason people are staying. But in reality, it shouldn't really matter why people are staying as long as they're staying. Our job as membership site owners is to provide them as many reasons as we can. As you said, in your case, they could be staying for the "community", the tools or it could be for the information. But at the end of the day, AJ, do you really care why they're staying?

AJ: No. I just make it possible for everybody to stay!

STU: As we move forward, I want to ask you about some of the challenges you may have had growing your membership site. What would you say has been the biggest challenge and how did you overcome it?

AJ: We began operating our TradingTrainer.com membership in 2004 and it has gone through different iterations as far as what we offer, the platform we use and all of that stuff. The biggest challenge we have now is that after all these years, our membership has become so large in that we have so much content that new people are overwhelmed.

So what became very critical for us was figuring out a way to properly organize all of this information so that it could be spoon fed or dripped to our clients in a way that they don't get overwhelmed. People can only digest so much at a time. Yes, you can prepare them as much as possible that they're going to be drinking from a fire hose when they come and be a part of your community, but if it's so much of a fire hose that you blast them across the room and against the wall, they won't want to stay.

“If it's so much of a fire hose that you blast your members across the room and against the wall, they won't want to stay.”

That's why over the last two years we took all the information in the site and put it into digestible pieces.

Here's a good tip if anyone is ever experiencing something similar. Instead of doing all this yourself, look to find some “star” members in your site who might like to help. Give them a free membership and have them sort through the information.

STU: So what you're suggesting is to recruit ‘stars’ of your community to help. Essentially, people who have a presence in your site to then help you with the whole organizational process?

AJ: Yeah! In fact, we had so much stuff inside of our site that people were actually telling us by opening up support tickets in our help desk and saying “I can't figure out where to get started!”.

That's one of the reasons we created a “Getting Started” Guide. But then even better, when you start creating all of these tools, instead of giving new members access to everything all at once, slowly drip feed it to them. You can then create anticipation of “what's coming up” and guess what? You'll find by doing this, your retention rates will go up even more!

STU: The key for everyone listening or reading is that the more your members consume your content, the more likely they're going to stay. So, the easier we can make it to get started, to consume, for them to immerse themselves in the information and the community, the much higher our retention rates are going to be.

It's worth it to spend the time to think through the steps that our members should be taking as soon as they become a member. Ask yourself

“what path do I want my members to go down?”. Then start putting into practice the types of things you mentioned like a “Getting Started” guide. That’s really going to help guide a new member become more comfortable, sooner, faster, easier, and begin consuming the content. All of which is only going to help in terms of long term retention.

AJ: Well think about this too, Stu, (and I might be dating myself here), but when I was a kid there was something very popular called “Choose Your Own Adventure Books”.

The idea was, you would start on Page 1 and then it would ask you a question at the bottom of the Page 1. Based on your answer to that question, you would be taken to a new page. So if you chose “X”, then you would jump to Page 100. If you didn’t choose “X”, you would go to Page 200. Every time you read this book, yes you would start in the same place but you would always go through a different ending. It was so awesome reading these books because you could read the same book for months and months, and always get to a different conclusion.

Now think about how you could use the “Choose Your Own Adventure” concept and apply it to your membership site. Most of the people coming to your site have different end games.

“Think about how you could use the “Choose Your Own Adventure” concept and apply it to your membership site.”.

You definitely want to make the “basics” available and everybody in our membership starts in the same place learning the foundations of trading. But then we actually have our content, not only drip fed on a time basis, meaning ‘hey you’re now part of this thing, and every week you’re going to get something new’, but we also give our members the ability to respond to certain questions and depending on how they answer the question, a new part of the membership site opens up for them.

What’s interesting as the owner of the site is that we can see what ending they get to. This gives us insight into what content they find attractive and we can see what parts of the membership they’ve opened up.

I encourage people to get creative with your content and think about how you can use it to also learn about your members. You might want to think, “hey, I’ve got so much stuff and it’s so broad but most of my people want to get to one end point”. The question is, do they really? Or will they be overwhelmed by having access to all the information at once?

It's about segmenting your content and then making it available through all these tools and plugins that are now available for us.

“It’s all about segmenting your content.”

STU: I love that! I’m taking all kinds of notes here because I love the concept of not only segmenting the content and organizing it, but I love the concept of giving your members the ability to choose what path they want to take. I just think the experience of participating in that process and selecting what path they want to go down, is naturally going to make them feel like the site is more customized and tailored to their point of view or end game. All of this is only going to help retention even further.

AJ: It’s a win-win. Let me pull back the curtain here. When you have these great Tools that allow your people to have a beautiful experience, of course you’re going to have an admin panel where you can start to see where people are going with their path.

This provides me a lot of valuable information about our members. If everybody is going down a certain path, then don’t you think that’s where I’m going to focus the majority of my content?

Or, you might also want to look at where the dollars are going because sometimes you may have less people going down a particular path but what you might find is that the people going down this path are spending more money with you. So then you might want to highlight that part of your site because even though you have fewer people, you’re making more money.

It’s just like Facebook. While you’re having a beautiful time using all the beautiful tools that Facebook is giving you to share your photos, share your videos, share your likes, share who you etc., Facebook is actually using that information for a different purpose. As a membership owner, you should be doing that too. I mean it’s going to enrich the customer experience, and it’s going to enrich you as membership owner in being able to offer what the customers want most. This inevitably will also fatten your pocketbook (which is nice too!).

STU: Well and the thing is, is the more you know about your members the more you can cater to their needs. And I think that’s the core message that you’re really giving everybody here. The more you know, the more you can help them in the areas that they

“The more you know about your members, the more you can cater to their needs.”

want to be helped, and obviously that's only going to lead to a much better retention.

AJ: I realize that there are some people listening or reading this that are like "money monks". Don't be afraid to admit that you earn money by doing this. If you're one of those people, make sure you are also doing what is profitable for you. Because in order to make your membership better, you will need to invest more dollars. And if you're not making more money to invest back into the membership to make it as best as it can be, you're going to be screwed.

STU: That's obviously one of those lessons spoken from somebody who's been at this for a while. There are always things that we can do to improve our membership sites and without the membership site being profitable, it's just an uphill battle. But when you've got money to spend you can go out, get more Tools created, hire people to help manage the site, spend more on marketing, improving the site and so all kinds of things to make that site better. That's just a great piece of advice. Thanks AJ.

As we begin to wind down I want to talk about what you're doing to improve your site even further. You talked about adding new tools all the time. You talked about your site going through different changes as you made the big change organizing your content and so forth. What are you looking to do now at this point to improve your site even further?

AJ: Well, it's funny because as you know, when I first started there were no platforms like WishList Member for creating this kind of site. There were no standards for this stuff so everything had to be custom programmed which was a nightmare. You have no idea Stu, how much money I have invested in member portals over the years. I'm almost embarrassed! I mean, we're talking in the hundreds of thousands, almost millions of dollars. And the truth is, now there are standard platforms, one of my favorite being WordPress. So one of the things that we're doing right now to help us prepare for future growth, is standardizing everything we use by looking at off the shelf platforms.

Everyone who works for me knows, I desperately want to avoid "custom" solutions. If we do have to create something custom, it's going to be modularized as either a plugin or a tool (like we talked about earlier). It's really, really important that people stay away from customizing things. This is just my experience, but you can keep your costs dramatically down by just using standard off the shelf solutions and following the boundaries that they've created for you.

By the way, most of these platforms today have so much flexibility in them so you can still be very creative by staying within the native constraints of the platform like WordPress and WishList Member.

We have so many members after all these years, and we have crashed so many websites, that's it's all about robustness. That and simplicity. Using things off the shelf, creates robustness. So that's one of the main key lessons, and one of the things that we're doing right now is figuring out how can we remove so much of our custom solutions and keep it as simple as possible.

By using these standard off the shelf tools, you'll be able to create an experience that your members are likely familiar with online. Remember, your members want to learn the content. They don't want to learn how to use your membership. Your site should be intuitive. I really wish this was a lesson we learned earlier.

“Your members want to learn the content. They don't want to have to learn how to use your site.”

STU: I'm writing that down. People want to learn the content; they don't want to learn the platform! If your members have to struggle to find information or figure out your membership site, it's going to create frustration and they're going to bail. So as you said, want to make it easy, user friendly, simple. And it's familiar to other websites they're already used to, they will have a much better experience.

AJ: It's win-win-win!

By doing that, your members now won't have to go through a learning curve just to consume your content. At the same time, you're making a more robust website so that when you have thousands upon thousands of members, your stuff won't crash.

The last thing a member wants to do is to visit your website only to find that it isn't working or it's crashed. That will obviously lead to cancelations.

The other important part of this is that it becomes a lot cheaper for you to manage and grow the website if you're using off the box stuff. It's crazy when I think about it because now you can create an awesome membership site using WishList Member for just a few hundred dollars instead of tens of thousands or hundreds of thousands of dollars like it did when I began. Plus, the sites look better! So why... why not just do it?

STU: Right! The other thing that I want to touch on real quickly, because I hope that this didn't get overlooked, and that is the tools you provide within your site, can not be downloaded. These are Tools that people can only use within the Members' area. Is that right?

AJ: Oh, yeah. Yeah. I'm glad that focused on that. You do give people downloadable tools as well, but the problem with giving people downloadable tools is that you can't easily update them and get it to everyone who has downloaded it.

Put the tools in your membership and first of all, you're going to get continuity because you're going to have a hook. You're going to have a reason for people to stay in your member site. But second of all, when you want to make the tool better, you just make it better in one place and everybody gets the better tool.

STU: Thank you for clarifying that.

So I want to ask you about the marketing side of things, because I know you are very, very good at the marketing side, and we haven't even really talked about that at all. How do you get people to your site so that you sell them into the membership?

AJ: Now that's very much like the whole retention conversation, where the answer that we came to the conclusion was, it doesn't really matter how you retain them. You try a whole bunch of different things and you measure it, and by doing so, you realize that it's a little of everything and that each person has stayed for a different reason.

The same goes for the marketing. We do so many different things when it comes to marketing our membership. We use direct mail, radio campaigns, online marketing, banner ads, CPA campaigns [Cost per Action] and many more. We still have an affiliate manager and we do joint venture promotions. We do it all!

One of the things that I learnt early on was that you want to approach your marketing like a tripod. You want to be bringing in people into your member website with at least three different primary methods and you just focus on these three methods (especially in the beginning). That means if one of them fails,

“You want to approach your marketing like a tripod”.

you still have two legs to stand on.

That way you only need to focus on getting three stable sources of incoming members established. From there you can start playing around with other sources that could replace one of your primary ones if they were to get shut down.

That's really the strategy we use.

As far as specifics, right now we're getting a ton of people from our radio ads. Radio is an amazing source for us because it's scalable. A lot of online sources, like Facebook ads, are not scalable.

“Facebook ads are not scalable.”

For example, let's say on your Facebook ads you find that perfect demographic that buys and gives you the conversions that you're looking for. And let's say that during your “experimentation phase” you spent maybe five hundred dollars a week on ads. So once you found your winning combination, you're like “great, we nailed it! We've figured it out! Now let's spend two thousand dollars a week in ad spend”.

Then your ad buyer comes back and says “well, we put two thousand out there but really there's only seven hundred dollars worth of traffic”. So that's the kind of source that is not “scalable”.

However, Facebook ads are easy and are perfect to do some research. We use Facebook whenever we want to research a new demographic or new product.

But with the radio ads, you can spend ten thousand dollars a week, or half a million dollars a week, and you will never get an end to the number of leads you can generate. The drawback with radio campaigns is, it was very expensive to get started and to get optimized. So there's a couple of different trade-offs between your lead sources.

So overall, we're doing a lot of radio ads and direct mail, bringing people offline to online. This has been very powerful combination for us.

STU: Another thing that you are very, very good is testing. You talked about trying a whole bunch of different things, seeing what works, and then analyzing what is bringing members in and what's not. But you're also very good at testing things right on your site as well. I know you've done

extensive testing with pricing. Can you talk to us about the different price points that you have tested and what the results were?

AJ: Yes I'll answer that question but first let me just make a statement. That is, you are constantly testing things in your membership site and all the different things that get people into your site. If you bought some story that you could create a membership site, fill it with content one time and put it on an automatic drip system, and then walk away a rich man (or woman), then you're wrong.

A membership is constantly a work in progress. You're always testing or figuring things out. Earlier you heard me talk about how we are always looking at the path our members take and where people are winding up. We do that so I can continually add in the areas that are going to be most profitable and most useful to our members.

You are in this as a business owner which means you have to constantly test. There's no setting up and then walking away! I just want to make that clear for people who are listening or reading this interview. All the successful information marketers I know out there are fanatical testers. They test what people are consuming, and they test how they're getting people in.

So to answer your question Stu, we're constantly testing the messages people are receiving in order join our site, as well as things like pricing. In fact, one of our biggest tests we did was on our pricing strategy.

One of the first things we tested was the \$1 trial. We heard other people talking about getting great results giving a trial to their membership site for \$1 and then raising the price after 7, 14 or 30 days. That's definitely a model and I know people have had success with that. My results after fanatical testing for years on this, is... the dollar trial does bring in a lot of members but it also creates a customer service nightmare!

“The \$1 trial does bring in a lot of members but it also creates a customer service nightmare!”

Our customer service becomes inundated with these people who are coming in on a dollar, and the truth is, not many of them stayed for us. I think somewhere between forty to sixty percent of them stayed for the first month and then they don't stay much longer. They're in it for the wrong reasons. They want to get rich quick! And maybe that's what you're trying to

offer but we like retention, because we make more money in continuity than we do from one off customers.

So we then tried a \$50 initial purchase. By the way, we have all kinds of different levels, but our most popular one is \$99 dollars a month. So we tried a \$47 trial, and that worked much better for us. The truth is, the \$47 dollar wound up getting us the same number of leads as the \$1 trial. We realized that people who were looking at the \$1 offer thought that it was too good to be true and stayed away. So by raising the price to \$47, people immediately assigned value to it and said “okay, this isn’t a scam! This is the real deal. I’ll pay the \$47 bucks!”. So we didn’t get any reductions in the number of people interested when we raised the price to \$47, and we got rid of the “tire kickers” and instead got more serious people.

“We didn’t get any reduction in the number of people interested when we raised the price to \$47 and we got rid of the tire kickers”.

Then tried an upfront price of \$147. So in this situation they would have to pay a \$147 to get into our program, and then \$99/month. Now, we did see a drop off when we raised the initial price to a \$147 dollars. However, it was not a drop off of one third... or two thirds. In other words the number of members we were getting at the initial cost of \$147 multiplied by the number of new members, compared to the number of people we were getting at \$47 multiplied by the number of new members at that price, and we were making a ton more money offering it at \$147. Plus, the retention rate went up.

Isn’t that interesting? The retention rate went up for somebody who paid a lot more money to get in, than it did for the people who only paid \$47. So currently we don’t let people even into our membership unless they pay a \$147 dollar acceptance fee. That way we get the real serious people.

The other thing it allows us to do, is create bundles. In this situation we offer my home study course and twelve months of our membership for the price of ten. Plus we’ll wave that upfront fee. So this just allows you the ability to do some creative bundling.

STU: I want to quickly provide clarity there for everybody, because you’re talking about all kinds of different pricing strategies and incentivized offers to get people into the membership.

When you are referring to the bundle offer, you're basically bundling different things of value that new people are going to get as an incentive for joining your membership.

You're also doing that with different pricing strategies, where they get twelve months for the price of ten, as well as different trial offers.

There are lots of great strategies people can try within their membership, but at the end of the day, as you said, it's all about testing. You've got to continuously test. This is not something you just flip on, forget about it and walk away. It's something that if you really want to get serious and really maximize the money that could be made within your membership, you've really got to test constantly and try different things. And what works for AJ may not necessarily work for you. But at least it gives you some ideas of things to try.

At this point I'd like to go through and recap what we talked about, because I've got a lot of great insights! Then I'm going to hand it back to you for some final thoughts.

----- AJ BROWN INTERVIEW RECAP -----

During this interview we've been talking to AJ Brown from TradingTrainer.com and obviously as you heard, he has a ton of experience when it comes to membership sites.

Mastermind Your Way To Success

AJ's experience actually started as a result of wanting to learn more himself. With his particular niche (stock trading), he said he knew right away that "you couldn't be successful by going at it by yourself". So he knew the importance of creating a mastermind and really getting a number of different opinions on what was happening in the marketplace. Since he didn't belong to a mastermind, he started one by meeting people at offline events and then staying connected with them by e-mail.

One of the important lessons from that experience was that he took on the role of the secretary. He would collect everybody's thoughts from each meeting, write up the meeting minutes and would then send that out to everyone in the group. However, one of the things that he added at the

bottom of these emails was his own recap of the trades he was making and the success he was having. Not only did it provide more clarity for him just going through the process of collecting the ideas, distilling them down, writing them and then sending them out, but it also helped him become more successful. As he began sharing his results in the e-mails to the people in his mastermind, they began to share the emails with people outside of the mastermind group. It wasn't long before that e-mail list grew and AJ began to get all kinds of questions from people outside of the mastermind in terms of the trades he was making and the success he was experiencing. That was the first 'aha!' for him in that he knew he had something of value. The question then became, how could I translate this into a membership site?

An important takeaway from AJ was, "if you want to be an expert, mastermind with others". And more importantly, volunteer yourself to be the secretary within whatever group you belong to and write stuff down. He said "you'll learn it faster, and it will help elevate your persona. It will help elevate your expertise". He said "send the info to the group because it helps you practice getting the ideas down into a clear format".

Another important insight from his masterminding experience once his emails started to get passed around was learning the difference between "needs" and "wants". In his case, people wanted to see the results that he was sharing, and that became the catalyst for the membership.

Hire & Learn

Once he realized that he wanted to formalize the membership site, instead of trying to learn the membership side of the business all by himself, he reached out to somebody who already had experience with that type of thing.

A powerful lesson from AJ here was that when you hire someone, do the work with them so you can learn by doing. He said, there are two ways to learn. The first way is through trial and error. That's very expensive and can be back breaking in many respects. But he said the other way, and the one that he prefers and recommends is what he calls "guided discovery".

"Model someone who knows what they're doing and do it with them. Hire them but learn it and do it with them".

Model someone who knows what they're doing, and do it with them. The key is to hire them but learn it and do it with them. Very, very powerful!

By following this strategy, AJ learned the membership side of the business much quicker. As a result, he obviously got his site off the ground and it's been very successful ever since.

In the beginning, the content of AJ's membership site started with real time analysis of the markets because in the stock options trading market, that's what people were looking for. So to satisfy their "wants", he was providing daily updates.

Evergreen vs. Fresh Content

Contrary to what a lot of "experts" recommend, his content was NOT evergreen. AJ explained that one of the "hooks" his site has is the fact that the content on his site is fresh and up-to-the-minute. This was one of the main reasons people kept coming back and staying as members. He said, fresh content is very important for a membership site owner and we should never lose sight of that. At the end of the day, that's one of the things that people come to you for - the most up to date information. If your content is always evergreen, there's a certain period of time where new members will join, consume your content and then leave. Without fresh content, there is no reason for them to come back. So include fresh content within your membership.

"Contrary to what a lot of people recommend, his content was NOT evergreen".

Another tactic AJ implemented was creating and delivering a "Getting Started" course. This one piece had a profound impact on his retention.

Create Useful Tools

He then added tools and continues adding more tools to his site even today (he now has 13 or 14 different tools inside his membership). The focus of the tools is to help your members complete a "task" from your overall process easier, faster or more efficiently.

AJ suggested looking at all the different "steps" that somebody new to your niche will need to take in order to master what it is you are teaching

them. Then think about how you can accelerate each part of that process so that somebody can become more successful, faster. By thinking through the different steps, and then taking each step and asking ‘how can I accelerate this process?’, you’ll begin to have all kinds of ideas for different tools that you could create.

AJ initially just searched the web for different tools he might be able to use within his membership. He was looking to see if there was anything already available that would help his members at each step of his process. After finding some, he asked himself “how could I make it better, and how could I include that within my membership?”. If there weren’t any for what he wanted, he went and created them for his members.

A good example of a tool he created for his members was the one involving the Investor Business Daily newspaper. As part of his “success process”, AJ recommended his members look at that specific newspaper because it had a table of the NASDAQ and New York Stock Exchange stocks. In addition, there were different parameters and symbols that he advised his members to look at and reference – that they would later use in their analysis. So one of the things that he did was take that manual process of scanning, searching and analyzing, and he then automated it by creating an online tool that would automatically scan the Investor Business Daily newspaper tables and go through them to perform the analysis needed in just a few seconds versus it taking several minutes the old fashioned way.

One VERY important lesson from this whole “tool strategy” is that from a retention standpoint, one of the secrets behind successful tools is restricting access to these tools to members only. Meaning, these tools are NOT downloadable. By doing this, your members become accustomed to coming back into your site to use the tools and they then view the site as a valuable resource to their overall success. This will help skyrocket your retention.

I then asked AJ about how he gets these tools created. He said you can find people at places like RentACoder.com, eLance.com, and a variety of other similar freelance sites. But, he explained that sometimes it’s just easier to hire somebody to work as a “middle man”. This person would help work with the coders for you and explain what you are looking to achieve. The reason for this is simple, sometimes coming up with an idea and explaining it to someone are two different things. AJ said “listen, I am good at coming up with ideas but I’m not necessarily the strongest at communicating that to a coder”. So, now he hires somebody to help him work with the coders and take the ideas he has and put them into practice.

AJ then went on to say that when you find a good coder that you like, hire them outside of the actual freelancing site and work with them on a continuous basis. By doing this you'll save a lot of time (and money) creating additional tools.

Creating Community

Another important thing for AJ with the success of his site, was the creating of a "community". He said the community serves as another reason people stay in his membership. The key is to get people talking on the forums and then monitor the conversations. By monitoring the conversations, you'll gain so much insight as far as what topics are important to your members and what areas you should be spending more time on when you're creating content.

Another "trick" within your community is to implement mini mastermind groups. One of the things that he did was create a way his members could get into their own groups. He then gave them a template on how to communicate with one another inside of these groups. That was a very important lesson, because it's one thing to provide people an area to go, but it's another thing to give them a guide, template or instruction on how to make that whole experience the best that it could be. So by giving them a template the members can now come in, begin communicating, sharing and helping one another getting value.

One way to "plus" the mini mastermind idea is to jump yourself (if you're the expert) and provide an expert opinion. What's magical about this is not only does it give the members tremendous value but in AJ's case, his members are doing a lot of the upfront stock analysis for him (for his own trading) and he's able to come in afterwards and then give an overall perspective on what steps should be taken thereafter. So he said it's a synergistic win. The owner gets value, the members get value and it works tremendously well as far as retention.

Retention Strategies

When we shifted the interview to focus on other retention strategies that AJ uses, he said there are really three things that keep members within his site.

The number one reason people remain a member of AJ's site is for the "community". He said once his members get wrapped up in the community,

they're hooked. Once they're connecting, sharing and engaging in a lot of conversation, the retention goes way up.

Top 3 Retention Strategies

- 1) Community
- 2) Tools
- 3) Up-To-Date Information

The second main reason people stay is because of the tools he provides within his site. AJ freely admitted that some of his members only stay because of all the great tools that he's added within the membership. They use these tools on a regular basis but the only way to access them is within the membership – which is why people remain a paying member. That's a VERY valuable lesson.

The third reason they stay is for the up-to-date information that's provided within the site. Because the information is so current, they come to AJ because he distills all of the stuff that's happening in the market and gives them a summary of what they need to know (up to the minute) in order to make the right trades. In this case, if the information was “evergreen”, it wouldn't be nearly as valuable – a very important lesson for all of us.

At the end of the day, whether people are staying for the “community”, the “tools”, or the “information”, AJ doesn't care. As long as they're remaining a paying member. The big lesson there is give your members multiple reasons to stay within your membership.

“Give your members multiple reasons to stay within your membership”.

Preventing Overwhelm

Now with all of that success, AJ said listen there are still a lot of challenges that he experiences within his membership. One of the biggest ones right now is preventing overwhelm.

Given that his membership is so mature, has been around for so long and has so many members and so much content, when somebody new comes in to the membership they can get overwhelmed. This prompted AJ to look

closely at how he was delivering content to his members and what he realized was that it's important to sometimes slow down the delivery of the content to your members. Drip it out to your members and release it in digestible pieces so that they don't get overwhelmed.

If you have an existing membership experiencing a similar predicament, AJ said one of the easiest ways to begin organizing your site is to recruit stars within your community to help you go through all the content and get it better organized. He also recommended creating a "Getting Started" guide to help new members get comfortable as well.

One of the more creative content strategies that AJ uses goes back to his childhood with the 'Choose your own Adventure' books. From those books AJ has modeled the concept of allowing your audience to choose their own "path" through your site. So AJ has taken all of his content and created different paths that people can go down. He'll ask his members questions, and based on the answers that they provide, the site will send them down a different path. AJ explained that everyone has a different endgame and it's important to segment your content to allow your members to go down the path they want. The other thing it does is provide you insight into what people want. When you start looking at the different paths people are going down, you can begin noticing different trends (ex. People who go down Path #1 stay longer than people who go down Path #2).

Focus On The Money

As a membership site owner, AJ said we all need to focus on the money, and you should never be shy about focusing on the money. He explained that otherwise, you won't have money to spend on improving your site. You won't be able to create a better user experience, you won't be able to create more tools and you won't have the money to update the site. So with that in mind, you definitely want to be doing everything that you can do to enhance and improve your membership, increase conversions and retention and maximize the revenue that's pulled in from your site.

Standardize Your Membership Platform

Standardize the platform you are using to manage your membership site. AJ explained that standardizing everything is really important because in the past he's spent hundreds of thousands, close to a million dollars, on different

platforms and custom solutions. But he said it's very difficult to maintain a custom solution as you grow and it can quickly become very, very expensive.

So now it's much easier to keep your costs down when you use off the shelf platforms like WordPress and WishList Member. Back when AJ started, that just wasn't possible. But now technology has evolved so much that it's so easy to be able to do so much using standard platforms like WordPress and WishList Member.

He said you can get your biggest bang for the buck when you use these off the shelf products because it helps keep things simple by removing any of the expensive "custom coding". Unless it's for little things like modular plugins or stuff that you can take in or out, stay away from custom solutions.

Another key lesson when you're looking at the different platforms is to realize that people want to learn the content; they do not want to learn a new platform. AJ said that is a big lesson as far as creating an experience for your members that feels familiar and easy. You want your members feeling comfortable safe in the sense that they can learn without having to learn a different platform. Therefore design your site by modeling websites they are already familiar with – and WordPress makes that very easy to do.

Marketing Your Membership

When it came to marketing, AJ said "listen, we try a whole bunch of stuff to see what works. We do joint ventures, we do affiliate marketing, CPA, radio, direct mail, Facebook ads. We do a whole bunch of stuff. But at the end of the day, not all of it is going to produce profits". He said but you've got to try different things to see what works.

AJ has focused his marketing efforts on finding three primary methods to generate traffic and leads to his membership site. His rationale is, if one of those methods shuts down, they'll always have two others to keep the business moving forward until they find a third. He calls this approach the "tripod method".

AJ went on to say that too often people rely on one source of traffic. But that can be very dangerous because if that source, for whatever reason comes to a crashing halt, you're in very big trouble. He said right now for him, radio is working really well because it's scalable. It's very expensive to get started and optimized, but once you do it's very easy to scale because there really are an endless number of radio ads that you can run to generate leads.

Another reason AJ likes running the radio ads is that they are finding a much higher quality lead when they take people from offline traffic and then bring them online. He said this is very, very powerful and has proven to be very profitable for them.

Test To Maximize Conversions

As you heard in the interview, AJ is a fanatic tester. He said they're constantly testing different things. They look at what sources of traffic bring people in, what keeps them, where they have the best conversions and so much more!

AJ passionately warned all membership site owners that there should never be a situation where you have a membership site set up to walk away and forget it. You should be constantly testing to find new ways to get people in, to find out what works, what conversion strategies are working best, what strategies are keeping people inside your membership, why are people buying etc, etc. He said there are an endless number of things to test, and you can always optimize your membership process in terms of getting new customers as well as your membership process for keeping new customers.

Price Testing

AJ has done a lot of testing, especially when it comes to pricing.

They tried the "\$1 trial", and as AJ explained, yes it gets a lot of people in the door. However it creates a customer service nightmare. From his experience, he found the majority of those people to be freebie seekers and they didn't really stay for longer than a month but while they were a member, they created a customer service nightmare.

At the end of the day, the \$1 trial wasn't worth it for him because he wasn't getting the high quality buyers that he was really after. What he did instead was raise the trial price to \$47 dollars (with his regular monthly price being \$97/month). He said this was much better and it worked just as well as the \$1 dollar trial. The difference however was that he had a much higher quality member. They were staying around longer, primarily because people assigned a higher value to the membership. This upfront fee also helped him get rid of all of the "tire kickers" which reduced the strain on his support.

Another similar price test they conducted was raising the trial price to a \$147 dollars. Now remember the monthly price for his membership is \$97/month so they were actually requiring more upfront than the monthly ongoing fee.

AJ said this test actually produced much greater profits. Although they did see a drop in the number of people that were registering, it wasn't a third of what they would have got if they kept the price at \$47 dollars. In addition, these members were a much higher quality buyer and therefore they valued the information more, they consumed it more, and they were a much higher quality buyer. So at the end of the day, they made a lot more money and those people were staying a lot longer.

There are all kinds of other things to test and AJ said they are constantly trying new pricing strategies to find the sweet spot of maximum conversions with maximum profitability. They are experimenting with things like "12 months for the price of 10", bundle offers (where AJ was offering a home study course in addition to the membership when somebody signs up) and much more. So, there are a number of different things that you can do but the most important lesson for all of us is that you've always got to test.

Big Takeaway Lesson

There are a couple of things that I've really taken away from this whole interview especially AJ's approach to creating different Tools within the membership. That was a big one for me. The key thing that AJ emphasized, is it's most important to create tools that you, the expert, would use. If you're using it, then your members are much more likely going to use it too. Plus, if you can also give commentary, and back and forth banter within your membership about using the tools, it will increase the likelihood that your members will have an interest in the tools and use them on a regular basis.

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

STU: Alright buddy, well as we wind down I want to ask you, from your experience, what do you think would be valuable to know for somebody who is starting a membership site, or somebody who has already got a membership site?

AJ: Well I got to tell you, you summarized everything but honestly, we only scratched the surface. There's so much more to talk about.

Let me just say this. At my company (Trading Trainer), all of the people on my staff consider ourselves "Buckminster Fuller followers". Buckminster Fuller has a list of general principles that really apply to everything, and one of them is the principle of procession. That is, when you do something, when you intend and you focus on one thing, there are going to be things that happen at ninety degrees perpendicular to what you expected would happen.

For example, the focus of the honey bee is to go and satisfy his sweet tooth by sucking the nectar out of flowers. But by doing so, it just so happens that the bee gets his abdomen and legs covered in pollen and winds up pollinating all of our flowers - even though his primary purpose is to satisfy his sweet tooth!

So how do you apply that to your membership site? Just make sure that number one, you're clear on what you're trying to produce, and what you're trying to accomplish. Then analyze what's going to happen at ninety degrees.

You want to be focused on your intentions and be clear about your endgame. Sometimes, you may have to get into a mastermind to have other people help you see what your endgame could be. All of this applies to your continuity program. If you are clear on what you want to accomplish in your membership site and then you realize all these other things that are going to happen, you will then be that much more driven to get it done.

STU: Well said my friend. I just hope that people take the time to go back through this content because there were so many golden nuggets from this interview. Personally there are a number of big ideas that I can't wait to begin implementing in our membership sites!

I really do appreciate you taking the time to share with our audience.

AJ: My pleasure Stu. I love talking about this stuff.

Profile Information

Name: AJ Brown

Website: www.TradingTrainer.com