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The Crucial Starting Point for Building a Digital Commerce Business

TRANSCRIPT

Robert Bruce: We have two questions from audience members, one of which is a customer of Rainmaker. But here's the problem, Brian, I didn't get permission from these fine folks, so I'm not going to name them, but their questions are valid nonetheless. Is that alright with you?

Brian Clark: I think that's a smart move.

Robert Bruce: Alright. So John Doe says he's interested in building an audience with paid traffic, but it's quite difficult to engage in content marketing and these ideas of content strategy without an audience. What do you think about building an audience, versus selling a product with paid traffic?

"What Do You Think About Building an Audience, Versus Selling a Product with Paid Traffic?"

Brian Clark: Well, that's an easy answer. The hardest of core, grizzled pay-per-click veterans who make their money on return on investment between paid and selling stuff will tell you that you will sell more stuff if you get someone to opt-in to a content stream. This is instead of hitting them with the sales page from the click.

You can't avoid content strategy because it pretty much works better in every context. All you're really doing is talking about distribution of when you pay,

instead of some other organic method that takes longer.

We did talk about this in the context of the [New Rainmaker training course](#), which is paid media as your distribution catalyst. We have more options than ever with social advertising and getting that spark going by paying Twitter or Facebook to reach enough people, and then having it kick in organically at that point.

The key is if your content is crap, you're still going to throw your money away. It still has to be dead on with the audience. I can tell you right now, compared to how I started Copyblogger as a complete unknown, I did not allow myself any budget whatsoever. It was just content and good ol' begging. "Hi. Would you like to look at my content? I think it would be beneficial to your audience."

Luckily some very nice people like [Darren Rowse](#) and [Liz Strauss](#) and some other people who weren't so nice, but thought they were being big shots by disagreeing with me and not realizing their audience was quite interested in what I had to say. But it was still a lonely three months there at the beginning.

If I started a project now, let's say it's completely on a different topic so I would not presume that my current audience would necessarily be interested in it, I would get the word out with creating great content with a strategy aimed at the type of person I was trying to reach. Then I would just invest that cash. And not that I have the time to go begging for exposure anymore.

I think a lot of people would pay to build an audience if they knew they could get a return on it. The process of content development and strategy toward that audience is still the same. This is because ultimately, either you spend your time or you spend your money getting the word out, getting distribution, and getting that catalyst. It's still the same process. By all means, use money to make it happen, but just realize that the process is the same as far as the content you develop and the strategy behind it.

Robert Bruce: For those of you who may not be totally clear on the big idea of what we're talking about, it's the idea of creating really good/useful/ entertaining (whatever is relevant to your goals in your business) content and sending paid traffic of various forms to that content. It's like looking for the opt-in as opposed to sending paid traffic to a product page or a landing page selling something specific.

Brian Clark: There are times where that can work, but that's usually commodity battling it out on price. It's a rough game, man. Google makes it worse because they're always going to up the price per click. That's the problem of depending on Google for anything.

Robert Bruce: And it's short-term. Right?

Brian Clark: Yes.

Robert Bruce: You want to sell something.

Brian Clark: Anytime you advertise in the traditional sense (and that includes Google), you are buying access to an audience instead of building your own audience. When you build your own audience, you still get to keep them as long as you're serving their interest. When you borrow constantly, you're always going back and paying someone else. That's a horrible thing to do.

"How Do You Determine What Should Be Used as Public Attraction Content Versus What Is Used for Member Content?"

Robert Bruce: Alright. Jane Doe asks, "How do you determine what should be used as public attraction content versus what is used for member content?" And this is in the context of building a paid membership site.

Brian Clark: That's an eternal question, and there are so many methodologies. You and I have talked about this before Robert, once you put in the time and the research to understand the audience you're going after, you just get a feel for it. I know that's the squishiest answer ever.

But if you really know them, intuition I believe, is just informed subconscious knowledge. You know the answer is in there and then it bubbles up to you.

Okay, but that's totally not a satisfying answer to anyone. The very best thing you can do for really great concrete answers is to go to Chris Garrett's post

on Copyblogger about this exact topic. It's literally titled "What to give away and what to sell." I would go through that. It's very comprehensive. It was a homerun of a post for Chris because so many people do have that very question.

We could also look to Sonia Simone's favorite analogy, which actually comes from Sean D'Souza, but it's almost become attributed to Sonia because it's so hilarious that a hippie feminist from Berkley loves this analogy. I always tell people it is Sonia's favorite before someone yells at me for being sexist or something.

It's actually Sean D'Souza's concept that Sonia adopted called the bikini concept. Very simply, it is that you can show people 95% for free but they're still going to pay for the last 5%. Yes, that's somewhat crude, but you get the idea immediately. This is covered in Chris' post much more extensively.

But you know, it's about the why and the what for free as long as it is hitting on the problem or desire that's already out there. Again, that's just good old-fashioned research and understanding who you are trying to reach. That's the stuff you give away for free. You can actually talk in general about the solution, and about the how. You can tell people quite a bit of what the solution is and they're still going to want a little bit more, and go a little more in depth, and a little bit more step by step.

This is the whole bikini concept, and as cute as it is, it really goes back to one

of our favorite guys [Eugene Schwartz](#), who was a copywriter who also was an entrepreneur. I don't know if he published his own books, I don't remember, but I think he did. They were do it yourself self-help type books on various topics. His marketing would give away the best part of the book. He would give away the meat of the solution and yet he sold boatloads because people want the whole context. They want the whole solution. They want the whole package.

That's why I think people sweat this question maybe more than they should, yet I totally understand where it comes from. Take a look at Chris' post but keep in mind that sometimes you could give away everything in text and yet you will sell boatloads of a different format such as video. Some of the savviest internet marketing people have done that effectively. They pretty much give it all away during the launch and yet everyone still buys for the format or the context that they prefer.

Robert Bruce: Alright. So we're going to keep going with these questions in upcoming episodes of this show, Rainmaker FM. If you have questions about media content strategy, what we want to ask you to do, with all respect and politeness, is to please drop them into the comments section of this episode's post.

We'll keep answering these in the weeks to come, as many as we can get to. We're going to do about two an episode. Please go to [Rainmaker.FM](#) and you'll see the stream of posts for this podcast there. At some point it won't matter

which one because we'll keep going through those, but drop your question in the comment section.

Brian Clark: Yeah, whatever one is at the top, please drop it in there.

Brought to You by the Rainmaker Platform¶

Robert Bruce: Speaking of questions, this episode of Rainmaker FM is brought to you by the Rainmaker Platform. There are a lot of questions and a lot of frustration floating around out there that really boil down to one thing. That is "How do I quit screwing around with building my website and focus on building my business?"

A lot of people are sick of worrying about software updates, database crashes, whether certain plugins are compatible with certain versions of a CMS, and that's not even to mention the massive cost and hassle of building and maintaining a custom membership site.

We're going to talk more about all of that later in coming episodes. Then there's the management of multiple services and software and trying to cobble them all together into something that looks and functions remotely like you want it to. If any of these frustrations sound familiar to you, I want you to try something right now.

Head over to RainmakerPlatform.com, and click around over there. Go ahead and sign up for the free 14 day trial of the Rainmaker Platform. Stop horsing around with your website and start building your business, RainmakerPlatform.com.

dCommerce: What It Is and Why It Matters

So let's talk about dCommerce. I've heard of eCommerce, but what is dCommerce, Brian?

Brian Clark: Well dCommerce makes sense in contrast to eCommerce. I'm not sure I'm totally sold on that. You like it a little bit better than I do.

Robert Bruce: I like that it breaks out. We all know what E-Commerce is or have an idea of what it is, but this kind of clarifies two different versions between eCommerce and dCommerce.

Brian Clark: Right. So it is short for Digital Commerce. And what we're talking about here in the broadest sense compared to eCommerce (which is the online selling and fulfillment), is the purchase and fulfillment of physical goods using the internet. That's eCommerce.

Digital Commerce, as it makes sense, would be the sale and fulfillment of digital products and services online. So to me, that would include the entire downloadable software industry, the entire WordPress theme industry,

anything that can be delivered digitally online. There's no mailing involved. It all happens at the point of sale followed with a download.

Now of course Rainmaker, one of its strengths, is that the platform is anything digital commerce. Right out of the box, you can sell anything that can be digitally delivered. Digital Commerce, as it is being used in the broader sense online seems to tend to exclude other forms of digital products and services and really just focus on content. Right?

We're talking about the question from earlier. You know, "I want to sell content, I know I have to give away some to attract people; which is which?" Digital commerce is the content that you actually sell.

This goes way back with us from both a practice and a philosophical standpoint that you're not really just selling content even when that's the business you're in. Digital commerce is really about creating access to a beneficial experience. That experience includes information that's in digital format obviously, but it really comes down to why would someone pay you for your information as opposed to maybe doing hours and hours of Googling trying to piece it together themselves?

It really has to be something that is a well-defined beneficial experience and it has got to be being part of something and belonging to something. That's really the crux of a membership site. It's "I belong," and other people don't. It sounds kind of primitive, but psychologically it is very strong.

Robert Bruce: I get that the definition of dCommerce as selling digital content. I like that. Like we said, it clarifies it. But what is an example? What is the beneficial experience of say, the [Authority membership site](#)?

Brian Clark: That one is easy because a big aspect of that is the community and the forums and the interaction, not just with us.

Robert Bruce: It's not just the downloads.

Brian Clark: Well, certainly not. There are tons and tons of information in there and I think that's why people buy Authority. But once they're in there, it has been quite clear to us that they stay for the community. They stay for the interaction with their peers and with us. And it's funny how their peers become even more important than us over time.

Robert Bruce: Yeah. One more thing actually, you've brought this up before many times. In the context of our product, StudioPress and the WordPress themes and the Genesis framework they build over there and sell over there, the beneficial experience there that you've talked about many times, but the thing itself has to be good. In that case though, it is more about the support that you're buying.

Brian Clark: Right. In the world of WordPress with GPL software, you are selling support. If you just want the thing, you can go find it or you could just use a free theme. Right?

Robert Bruce: Right, that's what I'm getting at.

Brian Clark: That's not really what people are buying. So even if they don't use the support because we've done a good enough job with our instructions and with our product design so that it's that easy, they still want to know it is there. Right? A lot of people don't understand and there are some very sophisticated analytics people online who don't understand how normal people think. Most people don't use these Tor networks or whatever to download stuff. But you know, I'm like "Nah, I'd rather just pay for it. I don't know what's going on over there."

Robert Bruce: Exactly.

Brian Clark: That's in addition to wanting to support the creator which is huge.

The Amazing Difference Between Now and 2007

Robert Bruce: Alright, so you launched from Copyblogger, in 2007, a product where the whole thing is about what's now known as digital commerce. What has changed in that since 2007?

Brian Clark: It is amazing. I'm not surprised by what's changed, but it's still amazing to reflect back. So when we launched our first premium content training program, the mentality at the time was that no one will ever pay for

content again. It just shows you that you get these crazy thought leaders with these opinions.

They have authority, and people do follow them. It doesn't matter that they're completely wrong until someone else says, "Hey, maybe this person or these people don't have perspective that predates them starting a Twitter account." That's dangerous, right?

So in 2007 with the original Teaching Sells report, I spent a great deal of time making the case that in fact people will pay for content and people do pay for content. It's becoming more of a thing, not less. And Google and the internet are actually contributing to the fact that people will always pay for content.

Fast forward to 2009 and 2010, and it became quite apparent that the initial idea that people wouldn't pay for content again was completely wrong. Now we've got the rise of ebooks, we've got the rise of the app stores, we've got training programs and membership sites across the spectrum, and the biggest of all was elearning. It's a ridiculous billion dollar industry.

One would say that people are paying for more content than ever and as lifelong learning becomes the norm, I think you'll see people won't go to college at some point in the nearer future than a lot of people would like to think. That's because you're effectively spending four years learning outdated information and the world is passing you by. I know that sounds crazy, but there are a lot of people who see it that way.

I've got a daughter who is twelve and a boy who is nine, I think they'll probably go to college if they want to, but only because I can afford it and that's great. I want them to do what they want to do. But if it were otherwise, I don't think I'd advise them to go to college.

Robert Bruce: Unless you're going to be a brain surgeon or you want to build bridges or buildings …¶

Brian Clark: Right. There are certain professions where you have to do it, right?

Robert Bruce: Yeah, the vast majority.

Brian Clark: But I'm going to try to make them into entrepreneurs.

Robert Bruce: Well the joke too has been, "The liberal arts education, what did it get me?" for decades and decades.

Brian Clark: My liberal arts education was the greatest thing ever. That includes my legal education, which technically I don't use, but it changed the way I think. And the way you think is the thing. You could have taught me how to think critically and otherwise with a great e-learning program. In fact with gamification, it probably would have been more effective.

Why You Have to Own Your Own Platform

Robert Bruce: You mentioned the rise of e-learning platforms and programs. You look around at things like Udemy and Skillshare.

Brian Clark: Can you imagine? I had to make the case in 2007 that you could actually sell content and then now we've got things like Skillshare. It's everywhere, Treehouse, Lynda.com, and all of these.

I look back at it as ridiculous, but you really have to understand that's how people thought at the time. Now look at today. What are these things that certain pundits are telling you? What was it a few years ago, Robert? "You don't need a website, use Facebook." Right? How bad does that look right now? We were there saying, "Don't do that, don't do that. Digital sharecropping is bad, bad, bad."

Now Cory Doctorow has a new book out called *Information Doesn't Want to Be Free*. He is effectively arguing that the big platforms (Apple, Google, Amazon, whatever), they've effectively perverted copyright law to extend to the point where the platform is controlling your sense of choice in a way that we would never accept from someone else. I'm like, "yes."

Again, this goes back to what we've been saying. Why is it called the Rainmaker Platform? It's because you have to have your own platform, and these are the tools that allow you to build it. Robert, I know you almost lost

your mind so much against people whose marketing strategy was "just put it in the app store."

Robert Bruce: Right.

Brian Clark: You used to rant and rave about that. I'm like, "Robert, you can't fix the whole world."

Robert Bruce: Listen, when people are praying to the wrong gods, like the gods of Apple, it gets me.

Brian Clark: Apple is great for buying stuff from, but I don't want them to sell stuff for me.

Robert Bruce: In the same light, back to content, I think yesterday Gregory Ciotti tweeted that Fast Company's Facebook page has 500,000 followers. They've got half a million followers.

Go look at that [Facebook page](). Go look at many of these Facebook pages and see the number of comments and the number of shares, versus the number of followers.

Brian Clark: Facebook just throttled the whole thing.

Robert Bruce: Right.

Brian Clark: They do that so you'll pay them to reach the audience you built.

Robert Bruce: But here's the problem, Brian. People, like Facebook, the Apple store (the app store) and these kinds of opportunities, I don't think people would say a shortcut, but they seem to be saying, "Okay not only is this is where everybody is" is a common refrain, but "it's so much easier than building a website out and building my own audience and building an email list."

Brian Clark: It's easier to be completely invisible is what it is.

Robert Bruce: That's right.

How the Game Has Shifted in Your Favor

Brian Clark: We always look at the outliers, everything from the startup game. You look at Twitter and Instagram and don't realize that not only were those one in a million flukes, but the people who started them were well connected and they were rich already. They had the mobile phone numbers of venture capitalists when they wanted.

They said, "Hey this seems to be working, I can't believe it. Can you give us some money?"

"Yes."

You think that's a normal experience? And here's the other thing that I'm seeing very different from 2007, there were a lot of people who wanted to build a digital commerce business as we now call it. I don't think a lot of them were qualified to do it in any sense of entrepreneurial ambition though. A lot of people just won't do it.

Sometimes it's life that intervenes, sometimes it's a confidence issue, or sometimes it's a skillset issue. It goes on and on and on. But remember in 2007 content marketing was not even an accepted term much less a billion dollar industry. Right?

What I'm seeing in contrast now is there are lots of highly qualified people. They've been trained, they've been doing content marketing, and they've been doing content creation. A lot of these people have backgrounds in traditional advertising, copywriting, journalism, and there's all of this talent pool.

I've been speaking the last couple of weeks more than I usually do and I'm meeting people. And they're like, "I'm a content creator, I'm a content strategist, or I'm a copywriter." And I'm thinking, "Oh, well we're coming out with this reseller program for Rainmaker where you're able to deliver this sophisticated solution without development. Of course, you're making your money providing content services, etcetera." They're replying that, "Yes, I am definitely interested in that, but I also want to start my own online training and my own membership site."

They have the same dreams that people like you and I had, and they're qualified to do it. The interesting thing I think you're seeing is these hybrid business models where someone is like, "Yeah I'm going to take clients because there is a ton of people who know they need content and they're not qualified to do it themselves. They're going to have to pay someone like me, so yes, sign me up."

At the same time, they are building something that is either a way to attract better quality clients, which is one of our Teaching Sells business models effectively, and/or they want the membership training etcetera to stand on its own and become the business over time.

I think it's amazing compared to 2007. It took us forever to get Rainmaker out, which is what people were asking for. "Please give us the tools that are easy to use." It took a long time to get out and yet I keep seeing that the timing both from the content marketing industry and the digital commerce industry is perfect. There are finally enough people who can really do this. It's not a pipedream for them. They have the skills, all they need is guidance, and of course, we are more than happy to provide that.

The Truth Behind the Famous Quote, "Information Wants to Be Free"

Robert Bruce: You have quoted, "The right information in the right place just changes your life." Why does that quote matter so much?

Brian Clark: That is part of this infamous saying by a guy named [Stewart Brand](#) who said it in 1984, pre-internet. He was one of the founders of The WELL and other electronic communities before the web. He's the guy who said, "Information wants to be free," and that is what has been quoted out of context over and over and over again.

What he really said first was "Information wants to be expensive because the right information in the right place changes your life." Then he said, "On the other hand, information wants to be free." He's talking about electronic distribution.

So how is it that Copyblogger Media was able to build everything that it has without venture capital and without advertising? It is content with social distribution. Right? In that context, free information makes a whole lot of sense because it brings people back to us and we're able to sell what we actually sell. So that's where the saying comes from.

But people are missing two-thirds of the quote when they say, "Information wants to be free." Again, I referenced Cory Doctorow's new book which says, "Information does not want to be free." I think that shows you what was me making a niche in 2007, which is not only mainstream now but it is dire.

Creators need to make money from what they create. And this particular model, whether you want to call it online education, e-learning, training or more less intense membership sites, all of this is more viable than ever. If free

information with social distribution is the greatest marketing thing ever if you focus on the audience, information wants to be expensive. I think you are the type, and I'm the type and a lot of people are the type, that do enjoy acquiring knowledge for its own sake. And there's certainly nothing wrong with that. But when it comes to paying for it, we usually want some benefit out of it, right? Whether it just be more cohesive, more convenient, and more efficient.

Robert Bruce: Or from a particular source.

Brian Clark: Right. The particular source is the big one, authority, which is to say "Who do we trust?"

Robert Bruce: Yep.

Brian Clark: It's the benefits of knowledge as opposed to information, and that's why people pay and will always pay.

Understanding the Intersection Between Direct Marketing and Instructional Design

Robert Bruce: I want you to elaborate on something you've said several times in that the Teaching Sells program represents the intersection of direct marketing and instruction design. What did you mean by that?

Brian Clark: So instructional design is basically when teaching adult learners (although it should apply to every learner and I think that's the trend), you're designing for engagement, retention, comprehension, and all of that stuff. The way you do that is by focusing on the benefits of knowledge.

This was once cutting edge instructional design thought. Learning psychology back in 2001 and 2002 when I really was just fascinated with this stuff with my background in general psychology and sociology. It was a natural topic to me. At that same time of course, I was teaching myself copywriting and direct marketing, direct response, and all of this stuff.

It's like when you're geeking out on two unrelated things and you realize they are completely congruent. I remember reading an e-learning textbook and it was basically advocating copywriting techniques for instructional design for e-learning. That's because why does copywriting work in a commerce context? It's engaging and it focuses on benefits.

It turns out if you want someone to learn something, you've got to do the same thing. So features versus benefits, Copywriting 101. People don't want a drill, they want a hole. Right? Really, they want to hang a piece of art in their home. Or beyond that, they want their neighbors to perceive them in a certain way based on the art hanging on the wall that required a drill.

We can do this exercise to ultimate benefits all day long. But the simplest expression is "I don't really want a drill. What I need is a hole in the wall." It's the same thing. It's knowledge for its own sake, versus the benefits of knowledge.

Going back to what we were talking about, with a college university degree, we can say that I would send my kids to college for the experience. A lot of the college experience is not all that healthy if they follow in their old man's footsteps, which we may not want.

The liberal arts education and the learning experience, is such that I was exposed to things that I might not have been exposed to otherwise. But is that really historically why we send our kids to college or why kids want to go to college? No.

They want that degree so that they can get a job or get into a certain profession, which is that the end benefit? No. They want money. They want prestige. They want a good life. They want a family. Those are the real benefits. It's the same exact thing.

Starting point number one: realize that you aren't selling information; you're selling access to benefits and an outcome that matters. That's a big part of what we tried to teach in Teaching Sells, which was those two things, marketing and the creation of content are not mutually exclusive. One is not a necessary evil. They are completely intertwined when you realize that they're all about the expression and delivery of benefits.

Robert Bruce: Alright everybody, thank you for listening to another episode of Rainmaker FM. You can find more of these episodes at Rainmaker.FM and please do two things.¶

Number one, please leave a question from the Q&A section of this podcast in the comments section of any one of those posts.

Number two, if you like what's going on here, leave a comment or rating in iTunes. We appreciate it very much.

This episode, like all of the episodes of Rainmaker FM, are brought to you by the Rainmaker Platform. Check that out at RainmakerPlatform.com. Mr. Clark, I'm going to see you next week. Right?

Brian Clark: Absolutely.

Robert Bruce: Thank you everybody.