

A close-up portrait of James Schramko, a man with a short buzz cut, looking directly at the camera with a slight smile. He is wearing a dark t-shirt. The background is softly blurred, showing what appears to be a window with light coming through.

JAMES SCHRAMKO

## **Closing the Deal: Mastering the Art of Setters and Closers for Explosive Sales**

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Do you need a setter or closer? James and Valher Media's Charley Valher talk sales and marketing in the context of the appointments setting model.



**Charley Valher**

**James:** James Schramko here. Welcome back to my podcast. This is episode 1024. Today, we're talking about making more sales using setters and closers. And if you don't know what that means, don't worry, we'll explain that. Welcome to the call, [Charley Valher](#) from [ValherMedia.com](#).

**Charley:** Hey, James, thanks for having me on again.

**James:** Charley, you're going to guide us into this world, because I'm going to say, I've noticed something's going on, I've seen some things happening, and I want to know more about it. And you are in a great position to share with us exactly what's going on out there in marketing world, sales world.

**Charley:** Absolutely. I'm excited for this conversation, because you actually asked me a question a few weeks back now - It might even be a few months, time really does fly - about, do you think I should get a setter? Like, you were curious for your own business on the idea of like, is a setter the right thing to do? Should I have a sales team for my membership? And I think many people out there are asking the same things or even have their own sales team and are questioning it. And I'd love to unpack it, to give people more of an understanding, but also just share some of the pitfalls and where the wins are.

**James:** Well, let's just set this up. You run a video marketing agency, and you do a lot of paid traffic across different platforms. And you're working very closely with professional setters and closers for your clients as part of that process. So you've got eyeballs on all the different providers, the different ways people work. And then there's, of course, people who may not have any of that in place. And then there's the people who have it all in-house. So you've got the three major audiences.

## **Setting and closing defined**

The first audience I think we should address is people who have no idea what we're talking about. Right? Let's just define what setting and closing actually is. I'll give you my little hint at what I've seen. And then you can tell us what's actually going on.

First thing is, if I like someone on Instagram, someone fairly famous, it's not long after they start engaging me in a direct message. And it's as if it's actually them.

Let's say, I'll just pick a random name, there's this famous person, like 83,000 Instagram followers, called Fred. And if I just go and like or comment on their post, usually I'll get a message saying, Hey, Fred here, thanks for the follow. Are you an e-commerce business as well, or you're just sharing the love? That's the kind of message I get.

I now know, this is not Fred. This is someone on Fred's team pretending to be Fred, and they're called a setter. I also know that high-ticket coaches teach this technique to engage. I've even got, inside my own training, a playbook on conversational selling. And that is where I would engage with someone myself, being me. But setter's a whole new level of it. And I'd love you to take us into that world.

**Charley:** All right, let's go back even further. James, when I first got on the internet - and astutely, which I'll bring this up again, you pointed me towards your membership and the Google AdWords training you had in your membership that [Mike Rhodes](#) actually made - originally, way back then, what you used to do is you would run ads on Google, and you could take people to like, a contact page. And it was crazy.

People used to like, go to your contact page, and like, call you. Who would have thought, right? That was literally how we used to convert traffic from the internet, was take people to a contact page, people would ring a phone number or like, fill out a little form, and that's how you got business. And you know, that might still work for like, maybe trades or contractors like plumbers today, but it was working for a lot of different types of businesses as well.

And then this next wave kind of came along where it was like, webinars. So suddenly what people were doing and people driving traffic like myself, we would run ads, get people to a webinar, and then what would happen is based on the people that have attended, we would convert the business on a webinar. And James, I think you did a lot of that back when webinars were a thing, and many of your students as well.

**James:** Very long time ago. I was actually running webinars in 2007. I had my GoToWebinar account had a thousand-seat license for \$99 a month or something, it was a grandfathered one.

**Charley:** Good deal.

**James:** And I was able to sell webinar sales to people to come to my event, and the ticket price was about \$4,000. I could sell \$2,000 to \$4,000 products via webinar when no one knew what a webinar even was. I had to call it an online training session or some non-webinar term, because only enterprise people were using webinars at that time.

**Charley:** Yeah, to the case of, I'll go even further, right, and then it became like events, or online challenges. And then there's VSLs. And what I've really come to understand is when we're talking about the idea of setters and closers, really, we're just referencing a new way to convert sales. This is the what happens after we generate a lead, and then how do we turn that into business? Right? How do we turn that into revenue? And hopefully, profits, although profits are not guaranteed. That comes down to how someone runs their business, right?

But the way I look at this right now, in the last few years, particularly, a huge shift has come around from, well, how we treat leads. And I've been in a very fortunate position, because we are running so many ads and so much media, I get to be involved, well, where are we taking that traffic? Or where are we directing it, all those leads now, to turn into business?

And setters and closers, which you've astutely kind of recognized, is a category of two people. There's someone that once the lead is generated, their job is to set the sales call, which is why they're called setters. And they do that via maybe it's direct messaging, as you've looked at here. Maybe it's calling them as a kind of inbound lead, which we'll come into a little bit later on, if we get to that in the conversation. Or maybe they do that within a Facebook group, is really common as well. Right. So there's a whole bunch of ways.

**James:** Yeah, I've seen the Facebook group thing.

**Charley:** Yeah. And like, I think for anyone that's in Facebook land, you might see people say, I've just made this guide of how to get 30 clients, would you like a copy? Comment below. And when people do that, and they say, Yeah, I want a copy, would be a setter that engages with you in that conversation to then book you into a sales call.

**James:** So they comment, and then a setter starts sending them a direct message?

## When someone else does the selling

**Charley:** Correct. And one of the things I kind of prefer about that method, just quickly here, is that rather than it being like a fake Fred, right, so on Instagram, we've got a lot of, feels a bit mischievous to me.

**James:** Well, you just know it's not the person. I know it's not the person when I know the person, and they're treating me like a stranger.

**Charley:** Well, as much as I acknowledge that can work and does work with people, I also think it is an interesting way to have trust broken early on in a sales conversation. And that potentially may not be what someone's there for.

**James:** It seems like it's kind of mainstream, wouldn't you say? Also, between the webinars and where we're at now, there was the chatbot thing.

**Charley:** That was a good one as well.

**James:** See, for seven or eight years ago, when I had the SEO business, we'd put live chat. And I would actually, when I was at my computer, which was a lot more than I am now, I would actually chat with people. I mean, I used to sell for a living, if you go back to when I actually had a job, and I was good at it. I can sell, but I've built my business around me not having to be on the phone or me not having to man a computer live. So I handed that over to the team.

And then after a while, what we realized when we compared the live chat conversion rate to the help desk conversion rate, the help desk conversion rate was just as good because the person who handles the live chat has to be able to sell, and they have to know the answers, or else it's dead. That was because it was in real time.

[If you go async](#), which is where a lot of this DM stuff's happening, so asynchronous communication, just like the support tickets were, now, you can take your time to actually answer it accurately or think what the next chess move is. And I've tried many different responses to these setters to see where they take it, and it's very interesting. Some of them are really good. Then usually, they just stop at some point when they feel like they've got to a dead end, it just doesn't move forward.

**Charley:** I agree on this on many levels. I just think that there needs to be less - I don't like the idea of falsifying that it is the person if it's not.

**James:** It's chicanery, isn't it, at the end of the day?

**Charley:** Yeah.

**James:** It's chicanery. But here's the thing - this is what's bothered me, and I don't know if it's just my values or not. But there are smiling coaches out there talking about this and teaching it on a mass level as if it's totally fine. And then, sometimes when I'm troubled by this, I go and speak to someone else like [Dean Jackson](#).

And we were talking about this with automated emails, because he would send out an email that looks like it's from him. It would say, personal, but it's not sent by him right then and there. It was a machine that sent it. And I'd say, How can you send a personal email that's not actually you sending a one-to-one email in real time?

And he said, I'm okay with it as long as it's doing - if the machine is doing what I would want to do manually, but it's just making sure that it goes out, and it's more leveraged. And I guess to some extent, I use autoresponders. For example, if someone joins my membership, and then they stop showing up, my machine will send them a message that asks them if they're okay. And it will be sent from me. And the reply will come to me. But I've asked the machine to automatically do that, based on the days they don't show up.

So, for me, that's okay, because I'm actually doing something automated to help them come back. But I'm not pretending that I sent it by myself. It still has, you know, [click here to unsubscribe](#). It's obvious that it was sent by a machine. But I do still, I'm still challenged by this where the big gurus are just saying, Yeah, yeah, just do sell by chat. You got someone in there in your inbox, and they're pretending to be you. The most honest ones I've seen are like, Hey, it's Shirley here, Charley's assistant, and I'm just following up. For me, that's okay, because that's actually real. That's true.

**Charley:** I'll just unpack some details in there.

**James:** Please. Help me get over this conundrum.

**Charley:** I think taste is really here. But if someone's accessing, and just in this example, Fred's personal Facebook page, logging into a VPN and pretending to be him, I don't love that. I really don't. If a Facebook page is set up, and people understand it is a page and can much treat it like an autoresponder, I think there's more taste in that.

And I think there's a better way to do this, where it can be recognized, just like in your autoresponder thing. So I'd even go as far to say that if you are going to go into this realm, you very much need to know where you stand personally on these things, because this is opinion-based. There's no right or wrong.

My suggestion is that if you are having someone, like, pretend to be you and falsifying it, number one, that's against the terms of service on these platforms. And if you do get found out to be doing that, you could actually lose your personal profile. And then number two, is that's actually like a way to break, as I mentioned, kind of break trust early.

So I would suggest that you may actually end up being worse off from a conversion point, if you try and do that ongoingly. And with some of the organizations we've worked, they do an excellent job of, you know, it's pretty clear it's not the person.

**James:** How do they do that?

**Charley:** Well, they do, just as I said there, through using a page, or using a brand page is another way to do it, or using a Facebook group where it's like they are posting something and saying, who wants it, and then it's actually the setter who engages with them or the brand profile that will engage with them.

**James:** So the person that engages with them is a clearly different person than the person who runs a page.

**Charley:** Well let's just say, Fred's business has a setter called Dave, and Fred and Dave, they get along pretty well as well, in this example, why not? But Dave is just going to contact that person directly, or use the business page in that way, to be a bit more authentic. And I do think authenticity matters here. Like, I would struggle to do business with businesses that break trust. So I think that's a really important part.



**James:** I'm going to say, for me, it's absolutely everything. And hopefully this will continue to come across. So it's always has been, always is and always will be. And I'm prepared to not make sales, because I will not cross that line.

**Charley:** I'm with you on this one.

**James:** But I want to know what tools are available to me that I can use if you still want to do it with an authentic approach.

**Charley:** Absolutely. So let's go further into that. And maybe we'll just put that as like, red flag number one is like, if you are going to go into the world of using a setter to help enhance sales in your business, maybe I'd avoid that. Actually, I'd flat out say, just try and avoid that stuff. I don't think it ever ends well. This is where people lose profiles and get the bans and all the rest of it.

The second portion of that is like, if you are using ads to generate leads in general, like you are getting name, email and phone number, a way you may actually want to set a sales call might come through calling them, or it might come through using SMS or email in a different way. It doesn't just have to be done through a direct DM.

Now, that is certainly one of the methods, but I think a lot of people leave money on the table when in the cases I've seen is that if you're getting these details, there's other ways to do it, which isn't centric on one platform. And again, I know you would resonate with this, James, and [OwnTheRacecourse](#), I'm pretty sure it's like, burned into my way of being.

But I would feel pretty nervous right now if, let's say, you had a business, you've got a heap of setters working for you, you're generating a heap of leads, and the only way you've got to connect with them is based on a chat platform where you're kind of dancing the gray line on what is ethical in how you connect with people. If that goes, like, so does your business.

**James:** For sure.

## Does it really take a phone call?

**Charley:** Yeah, so nurturing via email, nurturing via outbound call or calling people that have, you know, wanting to be called inbound when I say that.

**James:** Well, if we go back a step, just on that thing, when you said that, people say, Hey, I've just put together this report, if you want it, sort of type this word below the post. You said before, sometimes the setter will directly contact. I've seen other people have the setter paste a link to a page that has an opt-in, and now they're collecting the next level of details, email address, or whatever.

So they still have to opt in, it's like they have to opt in twice, they put the word, then they get sent to a page that's got an opt-in. Or maybe the page has the thing, and then a book-a-call thing underneath it. I know there's various ways people teach this. But it sounds like most of these paths are leading to a sales phone call. But are there some cases where it can be sold with just the messaging?

**Charley:** So, price point becomes the interesting one here. So I really do think this is quite fascinating. I'll just share a little bit more here.

**James:** Please. I'll just let you talk.

**Charley:** The industries I see that are predominantly using setting in sales teams are going to be like what you would call high-ticket. So I'm going to set the barrier on high ticket and say that if you sell a program that's maybe \$5,000 or more, you're in the coaching space, predominantly. Not always, but predominantly, that's where you're going to be using setters and closers.

If you're selling a product, let's say under \$1,000, that potentially can be just done via chat. Now there's a big nuance with that in like, brand power. So for example, I'm pretty sure Elon Musk could sell a \$10,000 course via a tweet, if he really wanted to.

**James:** Well, he could sell flamethrowers and stuff, like, they sell out straightaway.

**Charley:** Yeah. So if you're Tony Robbins, right, you can probably sell more by chat. But if you don't have the brand power at that level, well, then you may need to accept that for where I'm at, I've got to use this setting and sales team component. And I also look at it and go like, quality matters here as well. So you mentioned, like, double opt-ins before.

Double opt-ins are a great way of making sure someone's serious. So if you're going to have a setting team engage with people, noting that you're like, paying people to spend time communicating with them, maybe you don't want them dealing with anyone that hasn't double-opted in. So that you know they're spending more time with quality people and having a quality conversation.

And something I've seen numerous in this space as well is we've often generated a ton of leads for businesses, but like, there's one setter, and he just can't get through it. There's too many leads and he's trying to message people. So what does he do? A terrible job, is the answer.

**James:** He burns. He prejudges. He makes his own choices, and he wings it compared to going through a reliable system. At the very minimum, you want two setters so you can split tests, right? Because one will always be better than the other. I think [John Warrillow](#) teaches this in Built to Sell. But I certainly noticed that when I had a sales team of 21 salespeople, there were some very good ones, some very bad ones, and then some in the middle.

## **The role of your lead magnet**

**Charley:** This follows on from some of the conversation we had in [our last podcast](#), is like, I think there's even more to test, which is like, the lead magnet you use to generate the lead.

**James:** Of course. The intent. The iPad lead magnet is going to get you people who want an iPad.

**Charley:** Great example there. So let's say we've got two lead magnets. One is, win a free iPad. I love that example. The other one is that, we'll double your business in 90 days, right, which is a very generic offer, I'm not going to suggest that's the right offer.

**James:** Well, that still presupposes that someone has a business.

**Charley:** Exactly. And they want to grow, is the other side of it. And they want to do it in the next 90 days, is a really big part of that. So if you've got two lead magnets coming into a business and you look at that different level of intent, and you've got the setter, well, different lead magnets produce different conversations with the setter. They're going to be more or less motivated to show up to a call or engage with someone. And then you've also got to look at volume that comes with that.

Another example I'll just use quickly here is like, I think a lot of people in the coaching space like to market, like, offer improvement rather than problem. So one I come up against is like, you know, become your best self in 90 days, where they're like, trying to say like, it's a health program, or it's like, if they market towards the guy who's got problems, like he's just realized, hey, I'm 10 kilos overweight, well, like, the problem will tend to create a lead that is more motivated to take action than not.

So even the intent and positioning of a lead magnet can hugely dictate what type of conversations a setter has, the likelihood of them communicating, and if they'll show up to a sales call or not. So there's all these layers to it that can make it more or less work for someone, which is why I think for many that go this path, it can be very difficult for them to find success with it.

**James:** It's such a good point about the offer. I mean, I was that person who needs to lose 10 kilograms. And Zac said to me when we went for a surf, because we walk into the surf, you know like, we do a long walk, several kilometers and the wetsuit's rolled down to your waists, because otherwise you get too hot. He said, Man, you could have, like, a six pack by the Maldives. So that was a positive prompt.

**Charley:** Well, I don't know, did it presuppose you might go to the Maldives without a six pack? Maybe there's a bit of negativity in there. [laughs]

**James:** Well definitely. I imagine - well, there was enough time, and I'm thinking, that's something I would like. But as I got further into the process of doing my DEXA scan, and them telling me that I've got 27 kilograms of fat on me, and then it's got an age measurement, like your biological age versus your chronological age, for me, that was the most compelling thing.

Since I've pulled about eight and a half kilograms down so far, it's reduced my biological age by about three years. Now, what that means to me is more significant now. If Zac had said, if you'd work on yourself for just a couple of months, you could actually live an extra three years, that's a thousand surfs. You could surf an extra 1000 times in your lifetime, if you just changed what you're doing a little bit. That could have also been an angle, so they're completely opposite ends of the spectrum.



But it is fascinating how many different approaches you might take with the same prospect. So it is definitely worth trying. I think we both agree on that. You should try different offers, and ideally not have a single point sensitivity with your setter. You'd like to have a bit of bandwidth.

## Choosing who to work with and how

Now, you work with multiple people, right, different agencies who do this type of service?

**Charley:** Yeah, so we work alongside many what I would call, like, sales agencies these days.

**James:** Conversion sales agencies, yeah?

**Charley:** Yeah, absolutely. So just like I provide marketing services, they provide setting and closing services, or provide recruitment to those types of things, which I think is, again, just a different conversion mechanism than what we used to have versus like, webinars, as we discussed before.

**James:** And some would say you don't really need the old conversion message, like you wouldn't actually need a full-blown sales page anymore. You really just need a front piece of content like video, on social, and then an engagement that moves people to a private chat. And by the way, like whole, young generations, they don't use email, right?

They all use messaging. I've noticed, because I got kids, and I have team, and they're all younger than me. They all use messaging. And then you can get onto a call, then it's like, it's either a wire, or here's the page with the cart. You don't actually need the sales page. You could skip all of that these days with this new way of selling. Right?

**Charley:** I see this as no difference to once upon a time, you would only do things at the bank teller versus today, you do them via the app. It's just the tactics have changed, but the ideas behind it haven't. And I look at that and go, this is what's exciting about this opportunity. And then what it comes back to is like, essentially ROI. So you might be running webinars today. But if there's a more cost-effective way to make sales that isn't reliant on time-based events, because you've got a sales team that can work, you know, essentially every day or in every timezone, it's a potentially better opportunity for some businesses.

**James:** And these things combo and stack, right? I've got a client who does tens of millions of dollars a year, and he runs webinars. But if people book the webinar, they put their phone number. And then they send a confirmation email that people have to reply to, to confirm they're coming to the webinar. And if they don't come to the webinar, their salespeople call them before the webinar. But if they don't reply, they call them on the phone. That is like a conversion booster that is responsible for a significant uptake in sales and attendance.

**Charley:** Well, now you're seeing like, where the art in this is, James. So you might be someone that's already got a business that's generating leads, and maybe you're doing a webinar once a month. So like, what could potentially happen if you plugged in a setting and sales team on the back of that for all the leads you've generated from the webinar that didn't attend? And you've got the opportunity to do that. Or the ones that did attend and didn't convert? Or maybe you want to move them across into different things.

And I just think this is a huge opportunity. And like, strategically, some of our clients are actually kind of like, layering up these right now. Like, I've got a client right now that is doing like a big, big challenge, like time-based event. But I know firsthand that after it, when they've got this database, they're going to put their setters and closers into taking them to another event, or they'll send them to a VSL to watch to be able to do it. Like, you can utilize the setters and closers in very interesting ways, combo it up with your marketing agency, and then suddenly, you've got a lot of strategic plays you can actually do here, which is exciting.

**James:** Well, here's a couple of things. My point before is pointing out that you get exposed to all the different suppliers is, as a business person, I'm getting approached every day from setters and closer-type companies. They're offering to get me X thousands of extra sales in the next 30 days, or I pay nothing, all this sort of stuff. They seem young, I'm thinking they're like 17- to 19-year-olds. Clearly, there's someone teaching this and giving them a script, because it's pretty much all the same sh\*t. The same approach, offering to follow up my leads for me, etc.

And then I've got my own team, who I can actually train them to at least start a conversation and not pretend to be me, because I'm okay with that. Because that's like, if Instagram had a feature that I could tick, that automatically responds to people, like I followed a lady the other day - every time I comment on her post, I get an automatic message in my inbox. Like, clearly, she's running some kind of software for that, because I know the lady, I've spoken to her many times. But it's automated, it's happening.

So you're in a position where you would actually know if they're any good or not, because you've seen them perform or not with the client. So it might be more sensible for someone just to come to a traffic and conversion agency like yourself and say, Charley, I've got this offer, I've got a webinar, I've got a VSL, I've got a podcast or a YouTube channel, I've got a Facebook page. What do we plug into that? Who do we plug in? How does it all work?

**Charley:** That's a great question, James. It is. Because I've seen these fail hard as well, numerous times. So we work with some of these, what I would call, like, conversion agencies. I like that, we're going to name it that. And why they come to us is because business doesn't necessarily have the lead flow or volume to actually make that conversion mechanism work.





So they end up employing setters and salespeople that there's just no one for them to call, or there's no one for them to engage with via DM, they're not getting enough sales calls on the calendar. I would think if someone wants to do particularly well with using a setters and sales team, and even an agency, the power play is getting everyone to work together. And where I've seen exceptional results, particularly in the last 12 months, is where you can get both sides of the conversation working really well.

### **The things you'll want addressed**

So you go, alright, my marketing agency, what do I want from them? The right intent. I want them generating leads with the right intent. And even if I have to pay more per lead for the right intent, and the right quality, it's worth it. Because if I'm going to employ setters and salespeople, I want them engaging with quality ad leads that have a likelihood of converting into business, not just getting a free iPad. So I think that's huge.

But then the other side of it is there's this whole notion of to address in ways of volume. And volume is a really important part of the conversation as well. And I want you to imagine that your marketing agency is like a dam at the top, and then there's levels below it. The next level down is the setters and the next level below it is the closers.

If you don't control the flow of that water astutely, then you can end up in some real challenge. So if you let go too much water at the top, your setters are going to be loaded, but then you've got no leads coming in. So the setters, like, they want a consistent flow of water so that they can appropriately get to people and have in-depth conversations.

On the other side of things, if you've got one setter, but you've got 10 salespeople, your ratio might be out of whack where it's just impossible for them to generate enough sets to turn into sales conversations. So where I see a really interesting dynamic and the most success come from is if you can get everyone communicating regularly, like navigating the flows of water in this like, dam analogy I'm using here, do we need more leads this week? Like, are the setters got enough to work with where it can be viable? Is there too much? Do we need to pull back this week? Are they the right intent, or the right countries? I think it can make such a huge difference.

One of the clients - and I will give these guys a shout out, because they've done an excellent job on some of the accounts I've worked on - Sales Sniper is their name, an Australian group. They are excellent in feeding me data on like, Hey, we made the most sales from - and I'll just use an Australian example here - people who live in Sydney, right? That's where we're making the most sales. Is there any chance you can not only tweet the intent, but can we get more leads that are actually from Sydney, because they're more likely to convert?

They feed that to me, I can put that in the top of the machine. And then now we've got our like, whole way working through where it's like the most effective cost per sale, rather than just like, cost per lead. And the organizations that do that well and the campaigns I've been involved in that operate like that tend to have a higher rate of success, which isn't surprising, whereas the ones that don't do so well, is where it's like marketing and sales, like it's a versus series.

## Getting people to work together

So we go into a meeting, and I have to share this, like I still can't believe this happens. But it's like, you go into the meeting, sales guys will get up and just say, Look, the leads are terrible. They're really low quality. And then the marketing guys, which is me in this scenario, will go, Oh, the sales guys are terrible, they just can't convert it.

That's like the most unproductive conversation ever, where it's not a collaboration. And if marketing and sales just end up in a head-to-head, it's like, I feel like that is just wasted bureaucracy, where the idea of being able to work through that, and use that dam analogy once again and get the intent right and feedback on what's actually converting, that's where real growth lies.

**James:** It also helps if you've got a couple of sales people. Say, well, Freddie can sell the leads. But Peter can't, right? So Freddie is clearly doing something differently. Maybe we could have a look at what he's doing and put that best practice across the team.

So just to clarify, if you just had a low-ticket product, maybe you only need a closer, and they might be able to do it by chat?

**Charley:** Potentially, yes.

**James:** Okay, so that's the short chain, low-ticket, a chat closer. And I've seen this with a client of mine, he had a product that was a couple of thousand dollars. And he paid a guy to send emails to everyone he'd had a go at, everyone he'd emailed, they set up a new email sent from. He was a brilliant copywriter and an email writer, and he could milk sales out of that list, drive them to the cart to buy. He would be what you call a closer, I suppose. But he was doing it via email, which was really interesting.

So I reckon there's a couple of levels here. The setter is setting someone else up to close, the closer is the one who makes the sale, and the sale could be via chat or could be over the phone, are the main mediums we're talking about here.

## The mediums that convert

**Charley:** Absolutely. So just to go over the mediums, like phone, definitely very viable, text message, very viable, email very viable. And then DM, I'll call it, which is like direct on whether it's Instagram or Facebook or whatever it is. Like, there's actually like, four avenues a setting and sales team can work. And in a lot of cases, if you're generating leads, you might have the access to do it on multiple.

So again, you're getting name, email, and phone number. It's like, well, you've got email and phone number as just the first two there. And you might already have them in a Facebook group or something like that. So a lot of opportunity and a lot of different pathways.

And you recognized this before, James, it's like, the split testing. If you've got two setters, two salespeople, and then you've also got text versus DM, you can really work through what might be most effective.

And I just want to throw a little something on what you said before, like brand power and recognizing that as well. So in your case, and I'll just use you as the example here, like, you've got a very strong podcast and a very strong brand. So I would make the idea that if you were talking to leads that are on your email list and listening to your podcast, well, you could probably just have a closer, because your brand is doing a lot of the heavy lifting here.

**James:** It's proven. It's proven. I have often people ask me a question, I've got an Ask James click button on my product page, and on my sales page, my offer page, for people who aren't quite sure. If they send me an email, I'll ask them more about where they're at, what they're up to. And then I'll usually give them an example or point to some similar scenario that, like them, a case study, and then they'll purchase. And I usually wouldn't have to be on the phone.

And sometimes, they'll ask if they could just speak to me for a few minutes, because they just want to check. And I say fine, I send them my mobile number, I talk to them. And 10 or 15 minutes later, they're like, Yep, I'm on board. So I've experienced how good the conversions can be with the phone, and with the email.

Now I'm looking at the bit between the marketing I'm putting out and setting up that conversation. I feel like for me, that's probably, someone in my team initiating conversations with people, or me actually, in my marketing, putting some kind of a prompt or a call to action, which I've never really done effectively, not for at least 10 years.

I did it on my blog post when people, you know, when blog comments were a thing, and I'd, "Comment below for a chance to win a hoodie," or something, and I'd get a couple of 100 comments. Those comment days on blogs are gone, right? It's all in the social media. But I take your point. I feel like there's enough brand equity that a little bit of a change would bring a big result, and I want to do it ethically with values consideration.

**Charley:** Perfect example. So for someone like you, that's the way they can play it. Now, there are a lot of people out there in the, let's just say, the education industry, don't have a podcast as strong as yours.

## What pay arrangement are you looking at?

**James:** Yeah. I want to pick a different example. I want to say, let's say I have a \$10,000 product, and I'm happy to pay for ads. How does it all work? I know the old sort of set up, you used to pay a retainer and a bit of ad spend or something, maybe, for the ads, and maybe pay per lead, they're the two main models I've seen. But how do you pay a closer or a setter? Is it going to be a fixed fee? Do you put them on retainer and manage them? Like, there must be different arrangements.

**Charley:** Let's go there. So again, this is the non-branded approach.

**James:** Yup, \$10,000, product started last week, wants to get going.

**Charley:** So now we turn into it. Because the podcast in your example was doing the heavy lifting, that's now taken out and you're going to do that via probably video content, whether it's a short VSL, or social videos that you run ads to. And that's going to be your way of engagement. Then you're going to have a bigger setting team. So because there's not as much trust in the brand, your nurturing has to be better by email, via DM, via phone. And then you're going to have closers that work on the other side of it.

Now in a lot of cases, setters and closers will actually work on commission. Not in all cases. Like, some of them may want a base and you may even elect to employ some. But from the setting and closing side, a good portion of them are very commission-based. And I think sales in general is a very commission-based industry.

There is this, like, hybrid model that comes out. And I've seen that for salespeople that maybe want a bit more security, they might have some sort of base that's low, and then they're incentivized by the amount of sales they make, or maybe they get a set amount per sale from there. Marketing agencies, in general, I've seen two things unfold, which is like, retainer-based and pay-per-lead-based.

Now, both models can certainly work, I will say there's examples of that. And we both know people that's there. It will come down to what's right for your business in that case there. So personally, I look at the pay-per-lead model and think the fantastic thing about it is the incentives. The downside about it is that it can become very unbalanced and actually have those agencies be a little bit flaky at times, because they'll just run to wherever the best opportunity is, where it's not necessarily aligned in the same way, which I think is a risk in that model in itself.

Then you've also got the retainer-based model, which I think at least you know your set cost there, which is great. And you can scale your ad spend, which I think gives you a different view. I think that's going to come down largely on like, what would be right for the business and fits their pricing model as well.

The one thing I would just go a little bit more deeply into with, like, marketing agencies, which I think is particularly interesting here, is that if you get a marketing agency, what you're really wanting to find is someone that has the experience getting wins for you in a similar model. I think that's the holy grail. I think less about whether they charge a retainer or per lead, you want to find someone that's already winning with similar businesses to yours. So they're not doing a lot of the guessing and working out on your account, they're applying models that actually they know work for similar businesses. That's a huge thing.

**James:** What about when they say, Oh, you know, we have privacy, we can't let you talk to our other clients. I've heard this one before. Run?

**Charley:** I've got to say, that's, Oh, we haven't done this before. We don't want you to know that. [laughs]



## How do you control the quality of performance?

**James:** So just on the commission thing. I mean, this is how I operated for many years, I was on a base salary, and then got paid on my performance. Most people who are good at what they do will be okay with performance-based deals. I still do performance-based deals as part of my income, with my revenue share, royalty-type deals, because I know I can back it with my own performance. So that's good.

And of course, when you have reward systems, people will work the reward system. One thing that I encountered occasionally is a salesperson might bend the truth a little or stretch things or take a deal even if it was going to end up being a refund or a bad fit client, because they would get paid, and they didn't really care at the end of the day. Have you seen a way they can control the quality of this? Do they get audited? Or are the calls or messages reviewed?

**Charley:** Yeah, so there's clawbacks, is something I commonly see is the way of handling that. And rightly so.

**James:** Reverse revenue.



**Charley:** Well, selling the wrong person can be actually negative for a business, because if they end up being a refund, they've already paid for the cost of acquisition. It's not just the refund. It's the marketing costs, the sales commission, like everything that goes into it could have them end up in a worse position. It really, really can.

**James:** Always. It's always bad. It's always bad to take a wrong fit client knowingly, or to be hiding away from it and not taking responsibility for it. It's like my mentor used to say, an empty unit is better than a bad tenant. And I always love that, just because you get a bad tenant, they trash it, you've got to fix it, it's just a lot of hassle. And a bad client will try and take you down in their irresponsibility as well. But don't let them in.

So there are audit trails as well? Do people review messages on the setters and say, Hang on. Why are they saying this to the client?

**Charley:** So this is the other side of it. A lot of people love the idea of hiring people on commission because of like, incentives. But I think you have to acknowledge that if you're going to do that, you need to be an organization that even in this example, you have to audit stuff and hold people accountable, because this can get out of whack in a really big way.

And then the other side of this is the amount of times I've had someone come to me and say, Why won't you run a marketing agency just on performance? I'm like, because I'm concerned you won't be able to do your part as well. Like, as a marketing agency, like, I don't have the margins that a salesperson does.

So a salesperson has very little to no expenses. So for them, they're not carrying any hard costs, or very little hard costs. In a marketing agency, like, my margin is nowhere near that. Nowhere near. So the idea being is that if someone's business becomes at capacity, and they can't take any more leads, I can't make any more money. So how am I meant to pay my team? Or if a business has something where they're refunding or they can't get the sales guys in place, like, I take on the risk of you being able to do your job in the other areas as well.

So that is something you really want to look at and consider when you're trying to create incentives, is they have to be aligned, and you have to be the type of business that can create the type of opportunities where people can do well. If you bring a salesperson on, and they need to be able to make 10 sales a week to pay their bills, you know, to make a reasonable income - and I'm not suggesting exuberant incomes - but you as a business only have the ability to service five clients in that same time, there's a mismatch. It's never going to go well, right?

Or if you are someone that can't generate the leads, and you've put this person on, like, how do you expect that to all come to be? So I think the business owner, while aligning incentives, awesome. I'm for it. But at the same time, you also have to take responsibility in making sure that there is opportunity for people to capitalize on that, so they can get these rewards and incentives. Otherwise, if you limit them, they will just move on.

**James:** Yeah. You know, my other mentor said, anything out of alignment for too long, it'll break. It won't survive. And it's really interesting hearing about the responsibility. Gosh, boy, did I learn that lesson in a huge way. When [I quit my job](#) in 2008, and before I had the consistent income of my membership from 2009, I was doing a lot of super affiliate work. I was driving thousands of dollars' worth of traffic every day, to a handful of offers.

And one day, I turned on the content network for my Google campaign. And it just blew the ad up across the whole network. And it drove so many sales. It was about \$8,000 worth of sales overnight. I woke up in the morning, I'm like, I had a message from the CPA company, Mike Hill, saying, Dude, you just melted down our whole network, you just beat out every other affiliate. Like, it was just insane. I saw my ad spend. And I'm like, Oh, my God, it was like \$4,000 in ads. And then I saw the sales card, it was like 7,800 in sales. I'm like, wow, I just made four grand while I was asleep.

But the company couldn't deliver. They couldn't package and send out the stuff, and they all canceled, and then they went broke. And I never actually got reimbursed for my traffic at all. So I was carrying the can on that cost on my Amex. That was one of the incidents that caused me to say, You know what, I'm only going to promote things that are recurring from now on. That was a valuable lesson to get early on.

And it was that Christmas, the first five months after I'd quit my job, I had a cash flow crisis because I had money coming in, but I never got paid back for the money that I'd spent, and it just bottomed down to the bottom and then went back up. And I always had good money coming in, but the cost, you know, when you're spending two or three, four grand a day in ads, it really adds up, you know? [laughs]

That was a very small business. So it was a good lesson, but you do have to make sure that the capacity is balanced. I call this the marketing capacity seesaw, that you've got enough leads coming in to satisfy a salesperson, but not so many that you blow them up and they start dropping the ball and you cause actually a really negative experience for people trying to buy from you. You've seen those stories - I'm trying to buy from these people, they don't even call me back.

When it's not a squeeze on interest rates and when the market's all good, good luck trying to get a real estate agent or a car salesperson to call you back. It would never happen in a million years. As soon as there's an interest rate crunch, the market grinds to a halt, and they're ringing you up every day.

Hey, just checking in, you got any plans to put that property of yours in the market or whatever? Like, no. Hey, your service is due for your Subaru. I'm like, Hey, look, I sold that last year. Like, they're really desperate. They're calling up now for services, Charley, I've never seen that in my lifetime.

**Charley:** What an interesting shift in that market it's been.

**James:** Fascinating to watch. But the good news is that, if you're not using setters and closers, but you have medium or high-ticket product, and even if you're not well-known, you could find a good agency like Charley's to start driving traffic and start making sales.

## **The first step Charley takes with clients**

Do you draw on different agencies to match up according to what the client has or who's had the most success with that in the past?

**Charley:** Absolutely. So quite often, what happens is when people reach out to me, I do an audit. I call it an audit. I know you don't love that word.

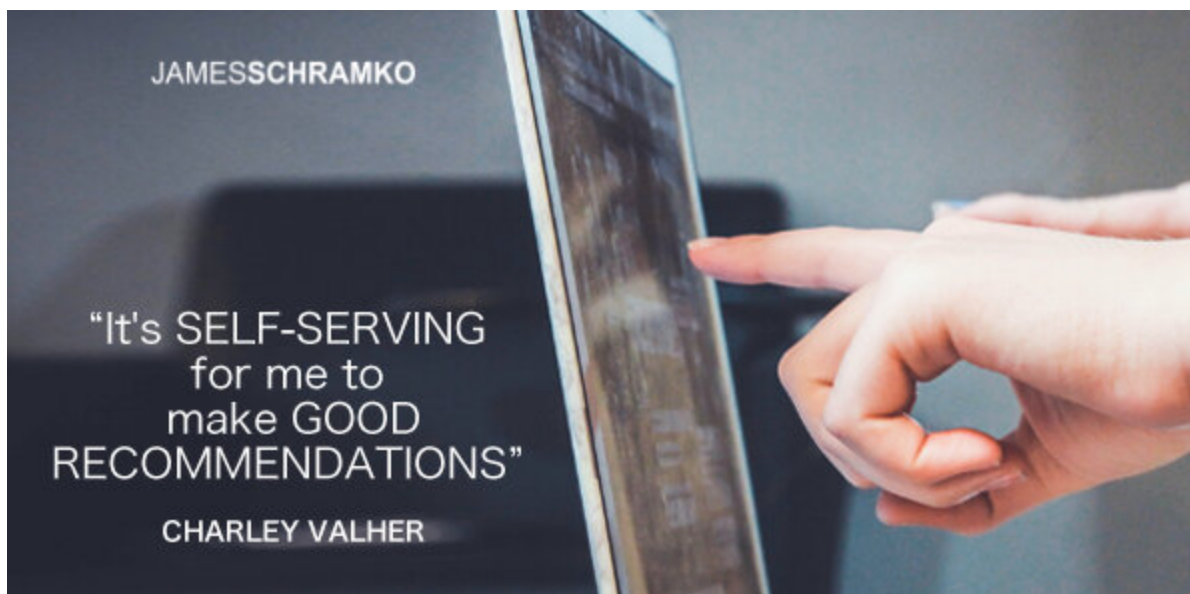
**James:** I love the word audit. It's fine. Yeah, I mean, it's way better than gap analysis.

**Charley:** We'll call it a review, we'll go with that one, maybe that's a bit more gentle. But I love to go in there and review people's stuff and have a good look. And then mentally, what I'm doing is I'm looking at their situation against what I know works, and I'm going, Well, these are the pieces that are going to fit for you. And then you want to make that plan so that they can be successful. Now, not in all cases is setters and closers right for them.

**James:** And you would tell them that, right?

**Charley:** Absolutely.

**James:** I know you're that kind of guy. Yeah, you'd say, Listen, not for you.



**Charley:** Well it's within my interest, right? It's like, if I make a bad recommendation, and someone takes it up on me, what's the chances of them becoming a long-term client? Incredibly low. In fact, it's zero, like the churn would be incredible on that. So it's self-serving for me to make good recommendations. But it's also in their interest, and they can win in a big way.

So I think doing a review or audit is a really great first step for people, and then having someone that's walked the path before go, Well, this is where you can get out and where we're seeing results. Now, if that's a fit, fantastic. But I would encourage people take that approach, rather than, like, haphazardly going like, trial and error. Like, ads can be a very expensive place to go wrong. And there's a lot of variables. We've even mentioned this in the conversation about just how many different tests you could do in a mechanism like this. You want to be able to shortcut it as much as possible.

### **Is there any amount of bias?**

**James:** What about, I mean, I'll touch on this, it's sort of the ugly side of things. But clearly, you've got suppliers. I know even the platforms, they send you gifts, right? Is there any element of bias? Or do you get compromised by having deep relationships with established setter and closer companies that would cause you not to move someone to that instead of something else that they've brought along? Or do you just base it on what's going to get the client the result?

**Charley:** Like, it's back to that point before, it's got to be client. I'll give an example. One of the clients I had, it's actually within their interest to build their own internal team. And the reason for it is they're in a niche where such specialized knowledge is required that they would struggle to get that if they were outsourcing their sales and setting to another organization. So it's not within their interest. But if they knew that, they can start training people, and this is a health-related niche where the specialty knowledge is required.

So the setters and closers they need are like, people that have been dietitians. You're just not going to get that from other places. So that's a really good example of like, where internal team versus hiring an outsourced team can be very, very difficult. In the case of marketers, I had a moment of realization a few years back where I was probably too heavily invested in Facebook ads. And I realized how quickly you can lose that if you are even doing your best to obey the guidelines. Facebook can just change their mind at any point.

Now, fortunately, even to the point of our conversations, I've been well-trained in Google many years ago, and I'm a big fan of YouTube as it is. But I'm actually of the belief that good marketing principles apply to these platforms. You don't become platform-dependent, you want to have a strategy that actually can span the platforms.

So if you can make a great video ad convert on Facebook, the chances are you can make a great video ad that will convert on YouTube or on TikTok. The demographics and platforms will be the ones that will kind of cater, what is a better place to run that or not. But I'm of the view you don't want to be locked into one of them as a, just a core thing, because of the risk that comes from it.

Maybe okay, when you're small and getting off the ground, to be a little bit platform-centric, but over time is you want to have options. Because I don't think I know anyone that runs Facebook ads that goes, Oh, it's really smooth and consistent. I never have volatile weeks. Oh, Facebook never changes stuff. [laughs]

## Wrapping up the episode

**James:** So that's one of the great things with [Valher Media](#), right? You're multi-platform, multi-setter, closer, supplier-friendly. I do want to ask you about the video ad. Having a video ad that converts sounds very appealing. Can we talk about that on another episode?

**Charley:** Yes, I think we should do a whole episode on it right now.

**James:** Whole episode, high-performing video ads. I'm really getting into video at the moment, Charley, and also, I've got to thank you again, during the week I had a coaching call. We meet every single week with my members, the James Schramko community, in the Mentor level. And my other participant, the lady, she said, Wow, what is that camera you're using? And why is your sound so good? I had just two words, [Charley Valher](#). He set me up with the good gear. He just knows this stuff.

I think you have too much talent for one person, Charley, but I appreciate you always sharing here generously. Is there anything we need to wrap up on the setter-closer topic? I'm just going to say, from where we start at the beginning, I'm now much clearer on what they're actually doing, how they get rewarded for it, what kind of offer is most likely to work with it, what are some of the dangers to look out for.

Clearly, if I thought that it's something that I might be able to incorporate or not, I'd go to you and I'd ask you, that's the simplest possible thing. You're now offering an audit/review/diagnostic/chat, etc. Get in touch, Charley@ValherMedia.com. We'll put a link in Episode 1024 to Charley's resources.

And from my perspective, I think my take-home is I'm just going to ask my team to initiate some conversations. And I might think about strategic lead magnets based on what we talked about last time as well. It's already started, and I'm seeing results already. People do want to engage, believe it or not, when they follow you or whatever. If you're not heavily just driving ads, and they're organic, they actually love a conversation. And I am noticing video is just taking over the whole world. So let's talk video. Have you got any final thoughts on the setters-closers topic, Charley?

**Charley:** I would. And the thing I would leave the audience with is, please don't let a bad experience of someone doing setting and closing poorly put you off the idea that it might be a really good opportunity for you. It's the same thing of going, well, if you had a bad meal, I'm just never going to eat again. Right? There's people in every industry doing a terrible job at something, I can assure you. And this is one of those things where there's a lot of nuance to it.

And if you're unsure, as you've just referenced, like, you can hit me up on socials or come and do a review with me. I'll make sure I give you [a link to that](#) as well, James, it'll be in your show notes, no doubt, if anyone wants to come and learn more about this topic or what could be working for them in ads immediate right now.

**James:** Thank you, Charley. I appreciate it.

A blurred background of a desk with a computer monitor, a pair of headphones, and a coffee grinder.

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**Let James help  
optimize your  
business strategy**