

JAMES SCHRAMKO

Modern Launch Marketing Strategies with Ron Reich

Looking to launch a new product or business? Marketing strategist Ron Reich tells what to avoid, and what makes for success, in this interview.

JAMESCHRAMKO



Ron Reich

James: James Schramko here. Welcome back to my podcast. This is episode 930. And today, we're going to be breaking down a launch. And for that, I've brought along my friend, Ron Reich. Welcome back, Ron.

Ron: Thank you so much, James. Always excited to be here on the podcast, always excited to talk to you.

James: Yeah, well, thanks for tackling this topic. And today, we're joined by your little dog. What's your dog's name?

Ron: I have two, there's Trevor and Milo.

James: Well, welcome Trevor and Milo to the show. We get occasional guests. I've had kids make guest appearances before. So it's all good. The reason I brought you on for this topic, Ron, is I don't really tackle launches. I'm going to straight up say, this is not my area of expertise. I recognized that launches were an important piece of the puzzle, especially when I started online.

Guys like Jeff Walker were teaching this way back in the day, like a lot of new people to this space wouldn't even know his name. But he was pretty much responsible, if I'm going to sort of oversimplify this, from bringing some thoughts from Robert Cialdini, and Influence, and he turned it into how you would go about creating a launch.

And then a lot of people have done launches since. And I'm sure launches have happened before Jeff Walker and before the online space, right? So he's just the one that comes to mind. I was interested enough about it to learn the topic. I purchased the training, I went through it. And I never really got around to implementing it in my own business for a few reasons, some of which I cover in my book, [Work Less, Make More](#).

I dedicate a chapter to all the reasons why I don't launch; however, it can't be ignored that it is really effective for some people some of the time. And for those people, there needs to be an episode. I don't cover it because I don't do it. But you are an expert at launching, my friend, you've been involved in huge launches.

I remember, you were running the launches for our mutual friend, [Ryan Levesque](#), when I first met you. You were the big dog, you were the guy. And I've also seen, lately, you've been running your own launches as well, very successfully. Because we get to work together, I've seen what goes on with the thought process on how you do it, the way that you execute it, the results that you get.

I've even dedicated today's live theming to your hypernova launch that you've recently been doing. I'm trying to be thoughtful about it. Oh, and just as a little side note, the launch that I did run was actually when I still had a job, I was at the motor dealer. And we very successfully ran this launch over a weekend, we sold millions of dollars' worth of Mercedes-Benz motor vehicles, we topped the charts in the Australian network for sales.

We generated over a thousand visits to the showroom in just two days. Everyone wanted to know what happened. But we basically did, at the time, I followed the Product Launch Formula and generated this amazing case study on how effective it can be. Now, I'm not going to get into all the reasons why I'm not doing it as part of my model, but I want you to get into the reasons why you are. And firstly, why don't we just talk about, what is a launch or a product launch in the online space?

Getting to the meaning of "launch"

Ron: Yeah, so really a launch, and this is a great question to start off with. And it's a pretty big misconception in the online marketing space about what is a launch. Many people, you know, there was Jeff Walker, kind of the OG, I worked with a lot of women, like Marie Forleo, kind of, she started doing her big launches.

So a lot of people when they see Jeff Walker, they see Marie Forleo, and kind of the people who came after her, they think about a launch as just being, when somebody releases a \$2,000 program once or twice a year, and they get a lot of affiliates, and then they don't sell anything for the other 10 months of the year.

And I'll say that that is one type of a launch. And if that is your business model, I would say that you're committing what I call marketing malpractice. That business model specifically works well if you are specifically Marie Forleo or Jeff Walker, maybe for those two people, maybe there's a couple more that I can't think of.

James: So you'd classify that as a promotion, right? That's a promotion.

Ron: Yeah.

James: And some people think they're going to get into a business model where they just do one promotion a year.

Ron: Exactly. Exactly.

James: They quickly become sort of exhausted/desperate marketers if that's the approach.

Ron: Not a good business model. Exactly. So really, to be honest, you kind of got to the punchline, pretty immediately, really. What I would call a launch is really just a marketing event that happens in real time, with a beginning, middle, and an end. So you could call it a promotion, you could call it a campaign.

And obviously, the word that's kind of been hijacked that we use in online marketing space is the word launch. But when somebody says launch, to me, that just means a marketing campaign, a promotion that's happening in real time. And the reason why, so actually, that's the answer to what it is.

And yes, so there are these big Jeff Walker, Marie Forleo type launches. And then there are, you could have a clinical launch, a marketing campaign, that might just be two or three emails where you're doing a flash sale or something like that.

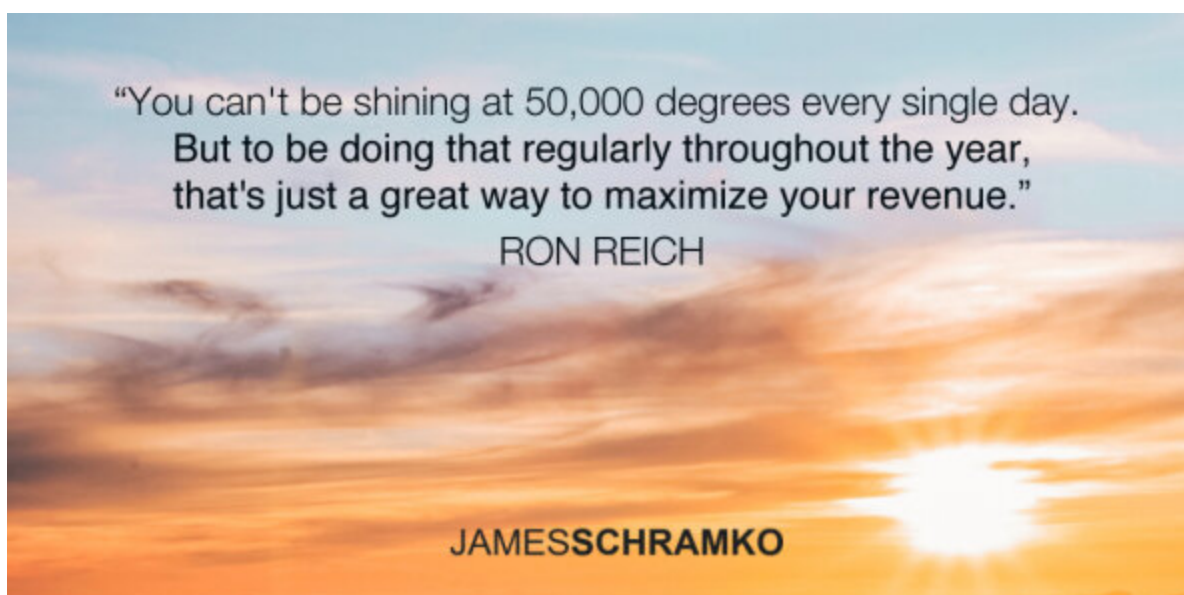
A lot of people do live webinars. So a live webinar promotion, where you're sending out some emails, you're inviting people to a special masterclass or webinar, and offering some kind of product or whatnot. That would check the box in what I would call a launch or a promotion.

What makes launches so valuable?



So the reason why I think launching is valuable is because there is something - there's quite a few reasons, of course, a few of them are, there's this idea that people don't like to be sold to, but they love participating in events. So if you're able to create an event around what you're doing, like you did with Mercedes-Benz, that itself is going to allow you to get more attention, that's going to allow you to make more revenue than you would otherwise.

Another reason why I am really a big fan of doing some kind of what I call a promotional rhythm, a launch rhythm to your business, is because you do need to be relevant, and you really need to be up to the second with your content, and with the light you're flashing to the marketplace. And it's kind of like the way I would look at it is, in our evergreen content, which you're so good at, James, in our kind of like, regular content machine, we're flashing that light, we're flashing that light.



So the way I would kind of think about it is that when you're launching, that's just like really just flashing an even bigger light to get even more attention. And so of course, when we kind of want a rhythm, as we were talking about recently, you know, what goes up must come down, you know, where there's darkness there's light, you can't be shining at 50,000 degrees every single day.

But to be doing that regularly throughout the year, that's just a great way to maximize your revenue. And then again, if I'm looking to, as I make my case for this, what I would just say is just, look at business, look at the most successful companies. Like, if you look in the online space, all of the biggest players, they're all doing some kind of launches on a regular basis. Look at, you know, I mentioned Marie Forleo, look at Russell Brunson, look at Tony Robbins.

So there's so many examples. One of my favorites is there's quite a few people who are teaching like, evergreen marketing or don't launch, but then when you get on their email list, they're doing live webinars, they're launching their programs and things like that. So the reason why they're doing that is because launching is the thing that works.

But then if you go beyond the online marketing space, if you just look at like, big media companies, like look at Disney, they're always launching the next Star Wars movie, the next Marvel movie, and that leads to the next thing. Look at the video game industry. They're like, better at launches than anyone. Look at Apple, they've got the next iPhone coming out.

People just want the latest, greatest thing, and the way to get that attention really is with a launch. And the final thing I'll mention here is that, you know, we know that momentum is such a powerful force in business. And there really isn't any better way to really get momentum in your business than actually creating a big marketing event, doing a launch where you're getting a lot of attention. So those are all the reasons why I believe that launching should be a part of everybody's business to some extent.

James: Okay, well, just quick recap there. So, a launch is basically an event where you're going to bring in a lot of attention all at once. It should be part of your marketing mix, maybe not your whole business model. It's done in the online space, but also in the offline space and all other media. The big gaming companies, the big movie productions, food and beverage, hardware, software, they all do launches as part of their mix.

And the main thing that you're cautioning against is if you're going to do it, make sure you're relevant. That was really an interesting one. For me in the motor dealership, the challenge was the industry had been around for a long time. It was in excess of a hundred-year industry. Most people are not that interested in going to a car dealership, they'd rather go to a dentist and have a tooth pulled, than visit the scary car dealership staff.

So I had to come up with an idea or a theme or that big hook that was relevant to someone to come in. So something that I did was I went to the manufacturer and I said, Can I please get one of each AMG model that you have? I want everything, from a C-Class through to an S65. I want one of everything. Can I borrow one of everything for a weekend? And they said, Okay, we can organize that. And of course, you've got to pay for the shipping. I said, that's fine.

And then we created an AMG event. And now all of a sudden, that was actually pretty exciting, because that's their Halo models, like the most interesting aspirational model in the range. I'm like, Hey, come and test drive any of the AMGs this weekend. And it's like, whoa, they all came out of the woodwork.

So yeah, I love this. It's a part of the business model that should be considered that most companies do that if it's relevant, it's going to be something to consider. I imagine most people learn this from either buying a course on it or observing other marketers. And I imagine there's certainly dangers in just observing someone else, because you only ever see the surface. And you don't really get to see behind the scenes.

But since it's fresh in your mind, you've just done your hypernova campaign, what's Ron's little checklist look like? How do we actually put together a launch? What would be some of the steps that you would go through as a creator and as a business owner, when you think, okay, I'm going to do a launch?

Ron: Got it. Got it. Got it. Great question. And yeah, thanks for pointing out our hypernova campaign. Great, exciting happenings.

James: I mean, you've sucked me into the hypernova campaign. Just the content rollout, just, you know, it should be noted. I love your content anyway, especially your Facebook stuff, I think it's a real gift of yours. But you do things that are great. You've featured other marketers who you've coached who have gone on to be very successful, and who publicly acknowledge you.

You do a case study with a halo around them. And that's really, you know, they can't help but share that. You pick a weakness in the market that is, you know, a prolific problem, and you hit the nerve on it. And certainly when I shared that content, most of the people in my network had some sort of commentary around it, or were nodding their head. Like, you can basically penetrate layers of social reach, by being hyper-relevant. Could have been the hyper-relevant campaign. But let's see, what is Ron's checklist? How do you lay out a launch?

Why do launches typically fail?

Ron: So yeah, let's start with kind of the big picture, I'll give you kind of greatest hits. Or actually, I used to do a \$10,000 three-day event just on launching. So this is a big topic, but it makes kind of a great sense. So let's start with like the three reasons why. I'll give you the three reasons why launches fail. And then of course, the next thing will be, like, let's start with doing the opposite of those types of things.

James: Yeah, well you know I was going to ask you at some point, you know, what are the traps to avoid? Or what do people get wrong? Or what misconceptions are there? So I'm glad you're going to cover that. You've anticipated this.

Ron: There we go. We're in the pocket. Good stuff. So the main reason, they're all of equal importance, I would say. So one reason why a launch fails is because there just isn't desire. The desire is not there. As we know, as marketers, as business people, we don't really create desire, we essentially just tap into the desire that's already there.

So oftentimes, people, they're just selling something that the market doesn't want, right? So this is kind of like step one, is we have to know what exactly does the market want. And this is, you know, if you're selling something, like if we're selling business growth to athletes, for example, even if they have the greatest business growth offer in the world, right?

So we have to have that, you know, what's called in marketing terms, the message-to-market match, but it kind of goes beyond that. Because the more deeper we can get into that desire, the better off we're going to be. The second thing, the second reason why a launch fails, is because what we're selling, what we're launching isn't coming across as new and different and exciting, so definitely what they've seen before.

This is why so many people, they might have one really big launch. It's a kind of common thing, I know you've seen this, they'll launch for the first time, it does really, really well. They launch for the second time, and they're like, not quite as good, but it'll still do good. Maybe they'll do an 80 percent as well. And then the third time, it's like 20 percent of what it was, this is a quite common thing.

James: So like a diminishing return of launches.

Ron: Exactly.

James: They pulled their market forward and just milked it and there's nothing left.

Ron: Yeah, exactly. And the reason is, is because they haven't typically, these people are just launching the same thing over and over again, without it coming across as again, it's new and different. It's also got to be like we mentioned, relevant, timely about what's going on in the marketing, what's going on right now.

So really, the challenge is, and the good news is, is that oftentimes, your core product could be the same. And it really is what our friend, one of our inspirations Dan Kennedy talks about, the same piece of candy with a different wrapping paper. So oftentimes, the marketing challenge is coming up with that better wrapping paper.

So there's lots of different versions of that. But the big thing, that kind of the thing I would focus on is, or here's kind of a launch hack, is what is going on - when it comes to the relevant, there's this idea of what I call emerging, converging trends - what's going on in the world right now that you can kind of tap into as a reason why now is the time to buy your program?

James: So would you say that's newsjacking?

Ron: So it's not exactly newsjacking in like, the way I would think about it, it's more thinking about kind of like, let me give you an example.

James: Please. You did it with your launch, you tapped into the scourge of things going on in the market that your product actually fixes, which is great. You actually leaned into your biggest strength by calling out the biggest weakness in the market. I thought that was brilliant.

Ron: Right, yeah. Well, thank you so much. Coming from you, that means a lot. So the example I would give you, so yeah, talking about your industry can be really good. But also talking about broader things going on in the world is good. So a really good example, this will be one of my super clients, Luisa Zhou, she's a very successful multi-seven-figure business.

She has a program called, Employee to Entrepreneur. So she shows corporate employees how to quit their jobs, and really to start consulting businesses or coaching businesses and things like that. And the two kinds of trends that she tapped into in her marketing material is, typically, we want to find a positive trend and a negative trend.

So the negative trend that she was talking about, if you're a high-level corporate employee, is this idea of like, you know, your job is getting outsourced, that if you're a corporate employee, you're going to be out of a job in five years. So it's like a negative thing that's coming, kind of tapping into that fear.

But the positive thing that's going on in the world, is with the rise of the freelancer economy, the rise of the coaching industry. So therefore, if you combine those two things, right now is the perfect time to quit your corporate job and become a coach or consultant. That's kind of what we're talking about, you know, kind of trends going on in the world.

Probably the best example that I could think of, like, one of the really, I would say legendary launches, which I think you actually, I think you did promote way back in the day. Remember [Stu McLaren](#), his initial launch for his Tribe program? That's what he was talking about, the recurring revolution, he was talking about how, like, the whole economy is changing to, like, a recurring revenue model.



He's talking about Netflix taking Blockbuster out of business, he's talking about, what is it, the Dollar Shave Club getting sold for \$2 billion, or whatever it was. And so therefore, right now is the time to start a membership site. So that's kind of what I'm talking about, is that there's always going to be something going on in the world that you can tap into, to kind of make your launch relevant.

Now, this is just one strategy. I would encourage anyone to do this, like, this specific idea of trends. But there's other ways of course of making your launch come across as new and different. So for example, we've been talking about my campaign about this idea, the hypernova effect. If you haven't seen that campaign, this is really...

James: We'll put a link to something. I mean, you've got the RonReich.com. We'll put a link to your site and I'm sure people can get in touch with you or find out more about how you can help them if they're thinking about a launch, or they're not sure if a launch is right for them, or they want some tips. I imagine you've probably got some information around there, some mere morsels from your workshop would be handy.

Ron: For sure. Absolutely. Cool. Yes, more coming, more coming. But what I was getting at is that, you know, this idea of the hypernova effect, really is this idea that happens maybe once in an entrepreneur's lifetime, where they'll make more revenue in a one-year period than they have in the last 10.

And the point I'm getting at is not to get down that rabbit hole too much. The idea is like, just that phraseology, like, it's new and different. No one's heard, obviously, I made it up, right, like? No one's, like, talked about this before. So this is something that people are going to be, they're going to pay attention to.

Have you actually got the people to hit your goal?

So again, that's one of the things we need, is we need to have something. So the two things that I mentioned, so far, we have to have that desire, we have to have something new and different. And the third mistake or opposite of the mistake that we need to have is, or the mistake is that we just don't have enough people, we don't have enough eyeballs to hit our revenue numbers.

Like if somebody wants to do a \$3 million launch, and they only have 200 people on their email list, it's like, well, typically, we look for a three to five percent conversion rate for a launch list. So unless you have a million-dollar product, that, it's going to be hard for you to hit your three million dollars.

James: That would be a super common one, wouldn't it? It's people starting out with virtually no list. And if I recall correctly, that was even part of the marketing from the Product Launch Formula, was you can do this with a tiny, tiny list. And so, it would have brought in people with small lists, who then try a launch and probably to varying degrees of success. There's no doubt there are some people very successful starting with no list.

And it also depends on what you're selling, and how many you need to sell to consider it a success.

Ron: Absolutely, for sure.

James: So what you're saying is, if you have a bigger database, or you bring more to the table, and you haven't been constantly launching the same dull thing over and over again, and you can come up with an interesting angle, and you can build desire, and you can actually get in front of these people, you might be sitting on a little goldmine.

Ron: Absolutely, 100 percent, 100 percent. I have this process where I show people how to make 50k in 50 days. And in that product, really what we're looking for is you want to sell 10 \$5,000 programs, and that's your 50K in 50 days. So when we think about it, our list doesn't need to be that big to sell 10 of something, right? Like, it's not uncommon at all. If you have 500 to 1000 active people on your email list or what's it, following you on Facebook, to find your 10, like, super fans, this is something that really anyone can do.

So you'd have to have a little bit of traction. But again, you don't need to have tens of thousands of people on your list in order to hit some good launch numbers.

James: Nice. Well, that's a really good indicator. And I suspect most people listening to this have got a database of 1000 people, certainly hundreds, some thousands. I mean, there's huge big dogs listening to this podcast who have 500,000, or a million emails, which always blows me away when I see who comments on these posts when we put them up. They'll say, Oh, that was a great post with Ron or whatever. They're sitting out there.

And if you haven't done a launch for a while, maybe this is a little prompt to come up with a new angle. It seems like your formula very closely follows the sort of AIDA principle that we might have learned as marketers back in the day, you know, to get attention, to build interest, to have desire. And then of course, there's the call to action.

So it's good to see that the marketing fundamentals underpinning this launch concept are certainly supported in other modalities.

So you've come up with your big idea, and I think that probably can't be underestimated. That is just so huge. You've got your idea. You've got the means to get in front of people.

What if you have a pretty moderate list? What I have seen you do is you've combined social media, no doubt using your email audience. What other things are you doing? Can you do paid campaigns? Can you have affiliates? In fact, I'm interested to know if you can even do a launch without the affiliates, if that's still something to consider, because that seems a huge component of the online market, at least.

Ron: Well, again, I would not agree with that completely, because again, a launch is just a real time marketing campaign. So for example, I mean, many other examples, but like, for example, if you, James Schramko, wanted to do a launch, you could totally, obviously, you have a very good-sized, a very captive audience.

So obviously, you wouldn't need affiliates to do a big size marketing campaign to your own audience, and it would do quite well. So what I'm getting at, as long as your audience, and again, not everybody has the reach that you have, but anyone who has a big enough audience, which again, could just be 500 to 1000 active people, more, of course, is better. You know, most of the people who I really prefer to work with who really accelerate their launches, they have like, multiple six-figure, seven-figure launches.

James: Yeah, who do you want to work with, just while we're here? Because I imagine it's part of why you'd be sharing this with us. Who's your dream client that you can get an amazing result with in some capacity?

Ron: To be honest, anyone who has, like, an email list and like, 5000, 10,000, or more people, creating multi six figures and extra revenue for them is really not that difficult. And of course, if you have a really large audience, most likely with like, you know, tens of thousands of people, then we're getting into the kind of seven, multi-seven-figure launch territory. Absolutely.

James: That's where I think your skill set, you just plug in. You're a strategist, you're a well-studied copywriter. You're an excellent communicator, you're amazing with your social media, your emails, of course. I've actually purchased books from you, Ron. I remember you were selling little books and I purchased them and they arrived to my door. Like, you're a master of the disciplines in the marketing, which is why I love chatting with you. It's rare. You have rare skills.

So what are some of the tips that you would suggest? So we've come up with the angle, we've got a bit of a database, or we're going to create one through some buzz. Obviously, it's a real-time campaign. So there's layers to this. It unrolls, certain things happen at certain times. What are some of the key elements?

The three main sequences of a campaign

Ron: Yeah, so the main kind of three stages, there's three kinds of main sequences. And then again, these were initially inspired by our friend Jeff Walker, who you mentioned. We have what I like to call, I enjoy our brainwashing sequence. This is kind of before our official event constitute, this is kind of our indoctrination period, where we're getting people kind of sold on our idea, sold on us, things like that.

James: So it's the pre-selling phase.

Ron: The pre-selling phase, exactly. We have a pre-selling phase. And then we have our pre-launch, our pre-launch phase, which is typically some kind of an educational event. And there's three stages of that. We want to show them opportunity, possibility and certainty. And you have a lot of leeway on what the event can be, sometimes like the classic Jeff Walker, a three-part video series is kind of a classic example of that.

We might also do our like, challenges are really common. Many of my clients are having success with five-day challenges, three-day challenges, things like that. Sometimes just doing one webinar, like getting everyone to a webinar, that could be your educational event. Sometimes you might do a webinar series. And there's other examples.

Sometimes just a really awesome report that leads people to a phone call, that report could be your educational piece of material. That's our pre-launch period. Then once our cart opens, then we essentially have our open cart period. That's where we're open for business. The good thing about that is that that process is actually quite formulaic.

During that period, like towards the beginning of the open cart, we want to show urgency, like doors are open, you've got to buy now. We want to show social proof, show them case studies, things along those lines, we want to win them over with logic, overcoming objections as part of the open cart period is important, doing those, you know, an FAQ type email or like a Q&A where you can overcome objections.

And then towards the end, of course, that's when we lean on things like, you know, basically that scarcity, that urgency, doors are closing, and that's why oftentimes people will see most of their sales happen on the last day. But the good thing again there, that's a pretty templated process. Your real work, it's really in that pre-launch process and coming up with your idea.

James: That's what all the copywriters say too about a good sales letter. It's all the research and the finding the big idea, putting the last part where the person's putting those words on the page is the technical fait accompli.

Ron: Yeah, absolutely. Absolutely. So those are the kind of key elements. And the last thing I'll say on this is that, you listening to this might be wondering, so what should I do? Should I do a three-part video? What should I do? Should I do a webinar or a webinar series?

You want to be thinking about two things. You want to think about, what is good for you? Like, what modalities are you really, really good in? Like, if you're a great writer, then you might have a launch that's based on that really awesome special report, for example. Or you want to be doing more posts on Facebook, like I've been doing. But if you're good at video, do video.

At the same time, another consideration is you want to be looking at, what is your audience used to? So one of our friends, John, for example, from smartwater.com, his audience is bloggers, so bloggers like to read. So it would make sense for him to have more written content as what they're consuming in his launch versus video.

At the same time, you only think about their modality, but you also want to be thinking about what kind of launch processes, what kind of like, modalities are working in the marketplace. So like, for example, and this is where you've got to kind of, there's an art and a science to it, where, like, if everybody's doing online, like right now, online challenges are popular, so like, in kind of like the coaching online marketing space.

So like, if everybody's doing online challenges, that's going to tell you two things. One thing it's going to tell you, well, if everybody's doing them, that means that they're working at least a little bit, so maybe I should just do it on my challenge.

On the other hand, you might be thinking, well, if everybody's doing a challenge, well, maybe, wherever they're zigging, it's my turn to zag. Maybe I should do something different than an online challenge. And that I guess, is where like, the art kind of deciding what your launch overall strategy should be is.

How long should you be open?

James: Nice. So when you do the open cart, you have it for a certain timeframe, and then you close the cart. Do you have a rule of thumb as how long you like to leave the cart open?

Ron: So a typical rule of thumb is, if you're selling a digital product, like, if you're selling a digital product that doesn't require to get on sales calls, like if it's not something high-end, we found that kind of five to eight days is kind of the sweet spot, I think five to seven days, like a solid weeklong open cart is pretty good.

In contrast to that, if you're selling a higher end program that would make sense to do sales calls, I would actually recommend doing a longer open cart period. Typically, I recommend my clients to do about 10 to 14 days, because you want to spend two things, with the high end program, often, people just need more time thinking about, they need more education. That's one reason.

And the other reason is because you're going to need to like, actually execute the sales call. So if you only have a five-day window to schedule sales calls and do the sales calls, you're going to be leaving some money on the table. So that would be my answer there.

It's the last day - how many emails do you send?

James: And, probably one of my favorite questions is going to be, like I can't not ask this, how many emails do you send on the last day?

Ron: Well, you know, if I was advising James Schramko, on this make believe launch that's not going to happen, I would say James should send one email to everyone and one more email to just the people that have like, clicked email.

James: So a bit of segmentation going on.

Ron: Yeah, that's what I would do.

James: I'm definitely a pretty reserved, like I'm a low-hype marketer, and I do releases in my business. And that's just because I'm a long-game player, and eventually, people get there most of the time, and the hyped-up buyers are the ones I don't really want. I don't want refund requests, I don't want drama.

And I don't want to build a team. And actually, you know, if I'm really thinking about it, I don't want to put in the effort that's required to do a launch, because I have a pretty low-friction business model. But I'm different to most people here because I'm very established, I have got a great database, I've got channels to reach people, like the podcast.

The kind of team you'd need for a launch

So it's why it's really important for me to bring on guests who can add a different flavor to what I can teach. While we're on that, what kind of team do we need to assemble and what sort of energy requirements are there for a launch?

Ron: So the big thing is, I always tell you flat out, the thing that is going to create the always, and this is true if you're going to do a mega multi-seven-figure launch or if you're a solopreneur doing your own launch for the first time, the thing that takes the most time and energy is really creating the marketing material. It's creating the copy, creating the content and things like that.

So really, that's kind of the answer in that, ideally, you would have, if you're just in earlier stages, you can do everything yourself. And it would make sense to learn the skill of talking to your audience. And you're going to have to spend some time, like, writing those emails and creating your webinar outline and things along those lines.

And ideally, you'd be doing that, and you'd have a VA to help you with that. And then if you're like, let's say you're more established, you're doing multiple seven figures and even if you're doing multiple six figures in revenue, the thing I would be looking at bringing on would be to get, like, a project manager type person, because you're going to be doing that in earlier stages. And then someone to help you with the copy could be an add-on bonus, if writing copy is not really your jam.

James: Which is almost everyone listening to this. I mean, that's obviously where I think the weakness for most people is, they're prepared to do the lives and they're prepared to run the webinar and they're prepared to field support. But generally, their message isn't strong enough or the copy isn't compelling enough or the desire isn't there, they just become part of the noise in the market.

These are huge insights. And I thank you for sharing this. I love that we're able to lift the lid on this model, and see where it's at in 2022, because it's been around for a long time in the online space. Almost everyone in my catchment would have been exposed to many, many launches. And some of them probably wondered, you know, what are the mechanics behind the scene?

What are the real monetary numbers from a launch?

The last question for me is just a bit of launch math. Often, we've seen huge numbers bandied around about what a launch generated, but I don't think they're taking into account some of the real numbers. So I'd love it if you could get real with us, what does it look like in terms of when you see a launch revenue number?

What is it made up of from, you know, how much of that's cash collected versus potential installments? Is it before or after refunds? And what sort of refund rate might we expect? And what kind of percentages or overrides are we paying to launch managers or copywriters, or additional support or server bandwidth and stuff? Like, what could we potentially be left with from a total revenue as a rough ballpark?

Ron: Okay, I hear the question you're asking. So many factors, and I will answer your specific question in a second. But again, one of the big questions or the big things we have to establish is, is this an affiliate launch? Or are we launching to our own existing audience? For example, if James Schramko does a launch to his own existing audience, that's going to be...

James: They won't be affiliates, yeah, I don't do affiliates.

Ron: Yeah, I know, that's not going to be affiliates. Therefore, that's going to be like...

James: Far more profitable.

Ron: Really, really profitable. They'll probably be basically...

James: As a percentage. You could argue I won't get the same reach or volume. And that's probably true. And that's okay.

Ron: Yeah, right. Exactly. But you would be quite profitable.

James: So we'd call that a house launch, right?

Ron: Yeah, a house launch.

James: A lot of the big marketers, they will do an internal house launch first and try and pull the value out of the market, and then they go and get the scraps with the other players. You know, that's a strategy.

Ron: That is a winning strategy. And again, when you're creating house launches, there's no reason not to do some kind of a house promotion.

James: Yeah, I think everyone should do it. And look, occasionally I do a mild promotion or a release of something. It's going to happen with the upcoming changes to my own membership. I will start the new one, and then migrate the old one. And so there'll be a campaign around that. Absolutely. And that's why this is perfect timing for me. I've got to ride your coattails, Ron.

Ron: We'll chat offline about this a little bit later. So again, do house campaigns on a regular basis to your people. And that's going to be very profitable for you. But to answer your other question, your real question is, okay, if we're looking at affiliates, these big launches, so from what I've seen, when people are giving you these big launches, like they're a \$5 million launch, a \$10 million launch, a \$3 million launch, typically what they're actually doing is they're actually doing it as a projection, is the actual answer, which is kind of like, I would not do this.

But some people will actually, like, if there's suddenly a \$2,000 program, and they might have a payment structure, what would be simple, okay, so a million dollars, right? So \$2000, we would need to sell 500 of those at \$2,000. So what somebody would do is, let's say it's a \$2,000 program, or \$1997 program, if they pay in full, and then if they do payments, it'll be a 20 percent premium on that.

So what some people do, honestly, a little behind the scenes, is they'll actually, and let's say they make 200 sales by paying full sales and 300 on the payments, they would actually probably project. They would say that they did, like, a \$1.2 million launch. Some people actually do do that. I think what's a little bit more honest, which other people do, is they will say that, they'll assume that they're only going to get like a...

James: So they'll account for bad debts. And maybe, there will be some refunds. The more hype, there'll be some refunds, right?

Ron: Exactly. Because typically, like, there's that 20 percent bad debt. So the kind of quick math would be kind of like, well, if you make 500 sales at \$2000, you could sell maybe the million-dollar launch, because it kind of would add up to that over the long term.

James: The premium might cancel out with bad debts.

Ron: Yeah, exactly. And then as far as affiliate commissions go, so this is where there's like, the good news and bad news part, depending on which way you look at it, so typically, for these real, bigger launches, obviously, these numbers are going to be much, or one part of it is going to be a lot smaller.

Typically, you're going to be paying about a 40 percent commission. And for the really bigger launches, typically it's about 10 percent of your projection is going to be devoted to prizes and things like that.

James: So you're going to end up with about half.

Ron: And then you would have team expenses, etc., etc., etc., again, for these bigger launches. So the good news and bad news is that if you're doing a million-dollar launch, like a million-dollar affiliate launch, you might only be collecting, quote unquote, only, you know, let's say, \$400,000 or \$500,000. So some people might think that, well, dude, that's not that cool, I wish I had a million dollars.

James: If you've got affiliates, and you have access to other people's databases...

Ron: That's what I was going to say.

James: It's a marketing cost, you're buying access to people you wouldn't get access to, you're selling more than you would sell in total. It's kind of like a retail store. You know, like, if you go into a retail store, and you buy an electric drill for \$100, it probably only costs like \$12 to make. There's a margin to get it to your local stores right in front of you, that has gone through several markups and marketing, it's a marketing cost.

Ron: Yeah, absolutely. Like, the way to look at it would be like, eventually what the mechanism is going to be is like, Hey, in three months, you're going to get \$400,000 in extra revenue, you're going to grow your email, and you're going to get 500 \$2,000 customers.

James: I think that grow the email part is a huge factor, because that gives you lots of future house opportunities, things you could sell that might not be included in that first time reward. And I know all sorts of things that go on there. But the big guys are big for a reason. They've coordinated efforts to help each other to grow awareness.

Basically, I think they're out getting together to get attention and to harness the energy in the market. So there's certainly a place for it. I'm sure you've probably enthused some people to really give this a go. But I will say this, I think it's worth getting someone who has done this before to help you and avoid all the big pitfalls.

That's why I'd say get in touch with Ron. Ron, what's the best way that we could get in touch with you, if we're thinking about a launch, or we want to ask you if a launch would be suitable for us, or if we want to see if we can access some of your strategy or be part of your own coaching, etc?

Ron: Yeah, I think actually the easiest thing would be just to send me an email, ron@ronreich.com. And then we can go from there. Keep it simple.

James: Well, hopefully, it's safe over there. I could hear little hints of thunder.

Ron: Yeah, no we're safe. Yeah, it's all good. And the dog, he's chilled out since the beginning.

James: Oh, he's been great. You're a dog whisperer as well. I know you actually had a product around that at some point.

Ron: That's right. Yes. My dog training business. Absolutely. For sure.

James: There you go, Ron Reich. There's nothing this man can't do.

Ron: That's right, I'll take it, coming from you.

James: This is episode 930. We're going to put up some show notes at JamesSchramko.com. We pretty much sort of had a discussion around what is a launch, why would we use it, who is it good for, what are some of the things to be aware of, what kind of results you might be able to expect and how you can get help with it.

So Ron Reich, legendary as always, I'll catch you in a future episode.

Ron: Right back at you. Thanks so much.

James: Also, well done on your hypernova launch, you know, leading by example. You can't beat that. It's legit.

Ron: Awesome. Thank you so much.

A close-up, warm-toned photograph of a person's hands. One hand holds a white smartphone, while the other is positioned over a laptop keyboard. In the background, a white coffee cup with a brown sleeve and a pair of glasses are visible on a desk. The entire scene is overlaid with a semi-transparent white rectangle containing text and a button.

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