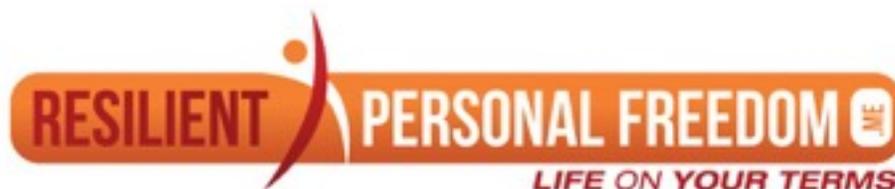


Mass Marketing vs Micro-Marketing

The Next 'Big Thing' Will be Very Small



Pete Sisco



My name is Pete Sisco. I've lived for nearly twenty years entirely from online income that has allowed my wife, our family, and me to live anywhere in the world we wanted and to enjoy living life on our own terms.

Most recently, we've been doing this using a business model I call micro-marketing. This is not a term I coined, though I use it in a slightly different way than it is sometimes used.

Let me make two things clear from the start:

- 1) Mass marketing will always be alive and well. It has great utility for companies that need to appeal to millions of customers simultaneously.
- 2) Micro-marketing will not be the perfect fit for every business, nor for every person who operates a small enterprise.

That said, for those who can use it, micro-marketing is emerging as a fantastically powerful, personally rewarding, and future-proofed business model. To understand it, we need to look at where we are today as a society, both socially and economically.

(Let me also say, **if you want to skip the negative things I mention** and get the bigger picture of why these difficult times are driving demand for micro-marketing, just skip down to ***The Good News.***)

Social

We live in the age of a new phenomenon of social media. Personally, I welcome it. It allows us to keep in touch with our kids, who are sometimes spread across four continents, no matter where we are and in what timezone. It's also wonderful for reconnecting with old friends from our youth and for staying in touch with new friends we make all over the world.



However, social media and other technologies are also increasingly replacing the other forms of contact we used to enjoy. I'm old enough to remember my grandmother and some of my aunts mentioning to my mother that on their birthday so-and-so didn't stop by the house but only telephoned to say 'happy birthday.' It was a slight. A loved one who lived close enough to drive over to the house was expected to care enough to take the time to do so. So just 'calling it in' by phone was seen as making a minimum effort.

Today, we see family members simply texting 'HBD' to a loved one or close friend as shorthand for 'Happy Birthday.' Literally with a phone in their hand, they opt for sending three letters in place of something more personal and endearing like an actual voice call, never mind a personal visit.

Similarly, on Facebook we see people receive well wishes from dozens of friends and family on a special day and, rather than reply to each person, they simply wait a day and post, "*Thanks everybody for the well wishes. I had a great day,*" thus missing an opportunity for a more meaningful exchange.

OK, I know we're all busy and most of us have done these things ourselves. I'm not passing judgment here because I'm also guilty. What I am saying is that these new methods of communicating with the people in our lives have made our contact more shallow and less deeply experienced.

And this is not entirely the fault of social media. I lived in Los Angeles for ten years and never made a single friend from my neighbors. Those people were polite and generally cordial, but that's as far as it ever went.

So here we are, living in a hyper-connected world and yet deep, interpersonal contact is just not commonly practiced. There is an ancient hunger in humans for meaningful interaction with others but we seem to be moving toward less of it, rather than more of it.



Economic

Perhaps adding to the busy, not to say frantic, lifestyles many of us are dealing with, there is increasing economic turmoil that tends to exacerbate the issue.

First of all, governments all over the Western world are quickly going bankrupt. Many countries, the US included, owe more than their entire economy generates in a year. Their total long term liabilities are more than all the money on earth. And crazy financial schemes like derivatives take the risk beyond trillions into the equally incomprehensible quadrillions of dollars - more than all the money and all the assets on the planet.

Those of us aware of these facts tend to be concerned about what the future will bring. Many of us want to be as ready as we can be in the event the inevitable happens in our lifetimes.

At the same time, we are seeing a technological revolution in the workplace that is reducing the need for human labor. What started with typewriters, dictaphones, and fax machines as labor saving devices, has grown into robots and intelligent systems that are replacing millions of jobs worldwide.

It's not just ditch diggers that are being replaced. Thanks to computational power like IBM's Watson, computers can now analyze every medical textbook and peer reviewed clinical study - including the one published ten seconds ago - and make a diagnosis using the same skilled questioning and diagnostic tests an experienced physician would. Similar systems can render legal opinions based on every relevant precedent and argument presented in any legal jurisdiction. So even doctors and lawyers feel the threat of being displaced by technology.



Driverless cars are already on the roads. Soon they will begin to change entire industries, including transportation, manufacturing and individual family budgets. When a car can be at your home in one minute, take you where you need to go, then drive off and help someone else, how many cars will a family even need? How few will need to be on the road when every car can be in use 90% of the time instead of parked 90% of the time? How much less oil will need to be extracted, refined, and distributed? Many of the blue collar and white collar workers in those huge industries are at risk of being supplanted by a combination of automation and decreasing demand.

Many people who work in Customer Service will be replaced by technology like Apple's Siri that understands spoken language and can offer answers to common problems. New software can grade college essays and MOOC (Massive Open Online Courses) can distribute the talent of one teacher or professor to an unlimited number of students.

So there is a big squeeze happening to people. At a time when we are able to live longer it is becoming increasingly more difficult to remain employed longer. Entire industries are at risk. And increasingly more of the money we earn is taken from us to pay interest on the stellar debt and foolish programs generated by our brilliant politicians and their pandering to entrenched financial backers and voters.

The Good News

Sorry to outline such a bleak picture. But you know I'm not exaggerating any of it. Facts are facts, and perhaps some of this explains why millions of people need antidepressants, coping therapies, or just a good bottle of wine to get through the week. (Ha!)

But there is some very heartening news for we humans. We have valuable, irreplaceable and very human skills that are in increasing demand.



In his book, *Humans Are Underrated: What High Achievers Know that Brilliant Machines Never Will*, author Jeff Colvin, a senior editor at *Fortune* magazine, details how certain deeply human characteristics are unlikely to ever be replaced by robots and computers.

We have massively powerful abilities for empathy, social sensitivity, and humor. We can build relationships using our personal communication and storytelling faculties and those relationships can be deeply and mutually satisfying.

Do you see the significance of this?

At the exact time in history when technology is causing people to worry about their future role as workers, and reducing the frequency and depth of their interpersonal contact (HBD in place of a heartfelt conversation), the abilities of other people to provide these human connections is going to soar in value.

At the risk of sounding mercenary, there is a competitive advantage and economic opportunity here that has never existed before because it has never needed to exist before. There is an emerging demand for high-touch as much as there is for high-tech.

Micro-Marketing

Colvin's hypothesis has certainly been corroborated by my experience. Earlier this year, after making a living from online income for nearly twenty years, my wife and I decided to show other people how they could do the same. There are many business models that could support this enterprise. We all know there are seemingly millions of websites devoted to 'make money online.'

After a careful examination of what would give us the most personal satisfaction we concluded that it would be close, personal, one-on-one consulting with people who shared our worldview. That is, people with



a belief in the value of personal freedom and who see themselves as the change agents of their own lives, rather than seeing politicians as the providers of societal solutions, increased wealth, or enhanced freedom.

The enterprise has been successful right out of the gate and continues to grow. In the next year we expect it will reach capacity. As you can imagine, there are only so many people that anyone can personally interact with on a frequent basis. But what this means is that a viable market is generated from only a few hundred people.

By viable, I mean a generous income in the area of \$200-300,000 per year.

But this is not the reason I call it micro-marketing. As you might be aware, in the world of online marketing there are many gurus who offer to show newcomers how they can reach success by becoming highly visible and attracting many thousands or even millions of people.

However, this business model does not require any of that.

No TED Talks, No #1 on Google

I've been in the e-commerce world almost since the beginning and have had my share of good breaks. I was interviewed by Tony Robbins and he included me in one of his instructional products, I wrote articles for a Top-500 website, and I've had articles published in too many print magazines to mention.

However, I'd be lying if I said I knew the "secret" to doing any of that. Some of it comes from doing a competent job every day, and some of it comes from pure luck. In the case of Tony Robbins, a person who worked for him bought one of my books, was impressed with his results and mentioned it to Tony. How does one duplicate that?



And the army of PhD's at Google are getting much better at not being fooled by the ridiculous tricks that used to allow an unknown, unhelpful website rise to a high position on the search results page. So expecting massive free exposure from Google because of a hot new trick is quickly becoming a pipe dream.

The same unlikelihood can be said for the probabilities of being the next sensational TED Talk viral video or building a million Facebook or Twitter followers.

E-commerce is maturing and becoming a marketplace where the big names with big budgets can gain massive exposure that the little guy cannot expect to duplicate. Hey, you can still get lucky, but luck is not a business model.

The micro-marketing model is different. For example, I've been so selective about who even sees my website that I've even blocked certain pages from being viewed by Google's all-important spiders. I'm careful to only be interviewed on other websites and podcasts that appeal to the exact profile of people that I want to target. So far, these can be counted on my fingers.

While my other online businesses have mailing lists where each person who joins the list has an average value of 0.50-\$1.00, the people joining my micro-marketing email list have an average value of over \$35 each. That means for every 1,000 people who sign up, while perhaps over 90% of them will never buy anything, the rest will generate \$35,000 of income for the business.

That's massive!

This model is incredibly powerful and it points the way to a more human form of business where the individual can flourish. And because it's online, it can be done from anywhere in the world. How liberating is that?



The Sub-Niches Are Filled With Opportunity

Like the global economy as a whole, the online economy is made up of many massive sectors with a combined turnover of a couple trillion dollars annually and is growing faster than any terrestrial economy.

Inside those sectors are many niches, and inside of those niches are many more sub-niches. For example, “Pets” is a multibillion dollar annual market. A sub-niche of this would be “Pet Training” which is very distinct from the niches of pet food, pet medicine, pet furniture, pet toys, pet accessories, pet-friendly hotels, etc.

Inside the “Pet Training” niche are sub-niches like training aggressive pets, training guide dogs, puppy training, etc. And there are more sub-niches inside these, such as training a Doberman puppy, or training a Bloodhound puppy.

For the person who just brought home his first Bloodhound puppy and wants to not only train that puppy to walk on a lead, be house trained, etc, but also wants his new Bloodhound to be able to follow a scent trail, which puppy training program is he more likely to purchase? A generic one for all dogs, or the program specifically for Bloodhounds?

Even these tiny, obscure, sub-niches can offer the opportunity of hundreds of thousands of dollars per year. And they are reasonably safe from the “big guys” because the giants are only interested in going after markets worth at least tens of millions of dollars.

This is where micro-marketing lives! **And when you combine a small, well-defined market with the ability to reach out to people on a personal level, and capitalize on what humans can do better than any technology ever will, there is a hungry demand for what you can offer.**



Micro-marketing, combined with a high-touch, person-to-person delivery is a way the little guy can future-proof himself while generating a substantial, portable income that he owns and controls.

And that is by no means the only benefit. That human connection goes both ways. I can tell you from personal experience that making these connections with like-minded people is much more rewarding than dealing with thousands of customers in a more remote way (which I have also done for many years).

There is gratitude, appreciation, laughter, and the satisfaction of improving people's lives. It's more human. It's the opposite of what most people dislike about sales and marketing.

At a time when so many people are worried about their financial future, and living a day to day life that increasingly lacks deeper human contact, I think micro-marketing is an idea whose time has come.

Want to know about other business models and ways to own and control your own portable income?

Join our e-mail list here.

