Health Profits Academy:
Session 2

Jay Boyer & John S. Rhodes

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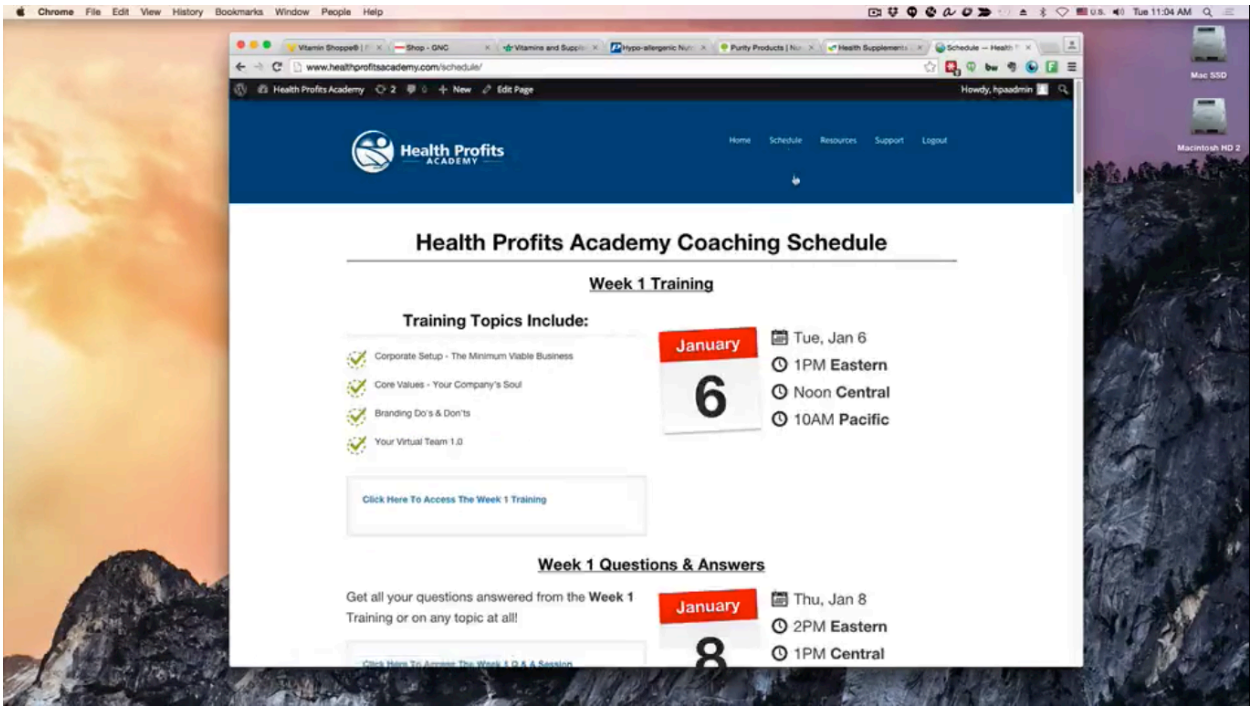
Introduction



Welcome to Week 2 of Health Profits Academy! A lot of material is going to be covered in this session. You need to know that some updates have been made to the Health Profits Academy membership area. If you log into the membership area, the first thing that you should see is a message from Buck on the home screen. Underneath this, you'll find the training modules listed. They are being added to this page as the training moves along.

A 'Schedule' link has also been provided so that you can see what's going on when. This page is shown above. If there was a training session held on a specific date, then a link to that training is provided. If upcoming training is to be held, then you'll find the registration link for that training. So, you can always come to this page to register for these sessions. You'll still be receiving email reminders because Buck knows that people like receiving those.

In this portion of the training, you'll be learning how to finalize the market research/product research step that you began during the preflight train. Now it's time to zero in on what market you are going after and what product you are going to be using to service that market. In addition to that, you are going to dive into formulating a blockbuster product. Buck is going to share the things that he and his business partners have done to come up with great/differentiated products. You want people to say "Hmm…that doesn't sound like anything I've ever heard of before." and hopefully they'll get really excited about it.

Furthermore, in this lesson you're going to learn how to select and work with contract manufacturers. That's obviously a very, very important step. Buck wants to make sure that you're getting the right consultation and that you are getting products manufactured in a safe manner and that they are compliant with any related regulations. Finally, a little bit about the technical aspects of this business will be covered.

A lot of things about this process might seem a little scary right now, but this training is meant to help demystify much of it. You're going to get a lot of help too because there are a lot of people out there that can help you with this. By no means are you alone in trying to do all of this. So, without further ado, let's dive in.

What Makes a Great Market?

The characteristics of a great market were originally discussed in the preflight training. So, you may want to review that material. By the way transcripts and notes on what were covered in these past sessions are being added to the membership area as the training moves forward. It's a lot easier and faster sometimes to skim through those documents then to sit and watch a video session all the way through. Especially if you are reviewing a training session that you've already watched, you might want to just use these documents to look back over what you have already learned.

Anyway, you want to look into particular aspects of a market before moving into it. Some of these things may seem contradictory at first. They will be explained in further detail as the lesson continues. So, just keep moving forward with the lesson and hopefully anything that seems like it doesn't make sense at first will soon be clarified.

First of all, you want to make sure that the market you're going into is big enough to be worthwhile. Really drilling down to smaller niches can really be a good thing, but even then, you want to make sure that you have a big enough market to build a business within. Buck is often asked, "What's a good sized business?" He says that when he examines a market, he likes to see that there are companies in that market are doing eight figures. In other words, there should be at least a couple of companies that are making $10,000,000 a year or more.

An exercise for determining how many orders a day you would need to have in order to make a certain net amount was presented in one of the preflight training sessions. Well, you can use that same system to get an idea of what other people are making. You'll learn more about how to go about this further on in the training.

The next thing that you want to look into is addressability. Can you reach the people in your market? In the old days, it was a question of whether you could reach them through direct mail or through a category-specific magazine cost effectively. Nowadays, you're probably going to focus on ways that you can reach your target audience online. That being said, at Health Profits Live, there are going to be people speaking about how to go about reaching your target audience offline these days. That's still a very viable option.

Right now, however, this class is focusing on reaching your customers over the Internet. What are your possibilities online? Can you reach the people in your target audience this way? If so, what are the best ways to go about doing this? Truthfully, because of ad networks like Facebook, it is much, much easier to reach people that you would like to market to. Now, you do have to be careful about your newfound knowledge and what you're putting in front of people so that Facebook and other such networks don't slap you. The use of online ad networks is one of the best ways to reach most audiences nowadays though.

Of course, you know that the best thing to do is look for "House is on Fire" issues, but Buck is going to reiterate this over and over again because it's that important. Anytime a person asks him what he thinks about a particular product, he's going to consider this first. He's going to ask you if people care enough about the problem to open up their wallets and pull out cash to have the problem addressed. Again, another big aspect of this is to look at whether other companies are successfully selling similar products. Buck typically looks for at least two other companies addressing a particular issue.

The more specific you are the better when you are marketing to your audience. For instance, most of the markets that Buck is in appeal to female baby boomers with a specific condition. If he knows that about his target audience, he has an easier time talking and connecting with his customers. It's easy to think, "I'm giving up all of this opportunity. I want to sell to everybody." However, that's problematic when it comes to coming up with a hook or a marketing message that you want to use. You really want to speak to a specific individual in your marketing messages. That person should have unique attributes associated with them.

There's a company called Planet Fitness, which many of you have probably heard of before. They have really funny ads, and they specifically go after people who know they need to lose weight but are intimidated about doing so because "muscle-heads" generally hang out there. So, a slogan that they use is "No Gymtimidation". Buck feels like this is a really great way to

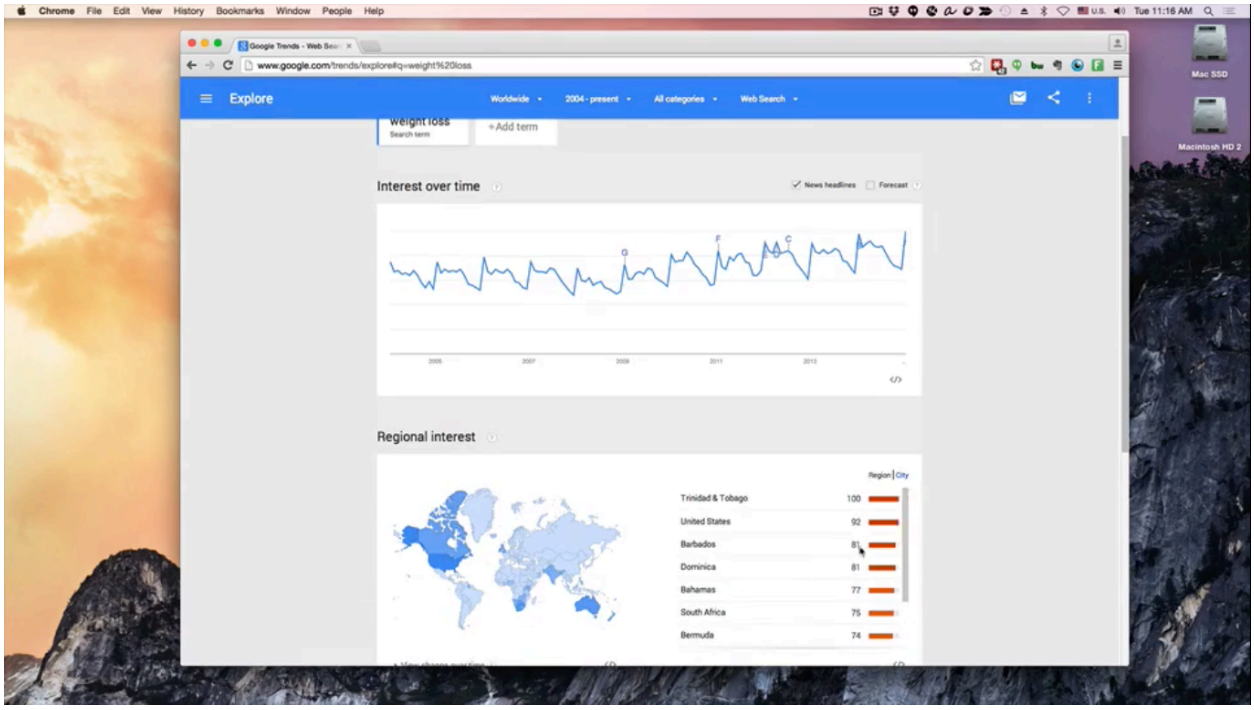
look at this market. They are basically saying, “Look, we’re not trying to go after the people that some of the other gyms are going after. We’re going after the ‘average Joe’ or ‘average Jane’ that wants to come in and work out without being intimidated.

You’ll find similar messages with companies like Curves, except that they are meant to appeal to women and women only. Planet Fitness’ marketing message is meant to appeal to both men and women. How you think about your market is important. There are a lot of people that have joint pain, or issues focusing, or memory issues, but if you can dial it in a little further into gender, age, and other categories like that, you can create some really powerful messages that appeal to that audience in particular.

Buck says that he’s very proud to be able to say that his first copywriter was Gary Halbert. If you have had a chance to read some of his work, then you probably know that he had a unique ability to come up with some amazing truisms. One of the things that made his work so effective and eventually made him famous was that he always looked for a starving crowd. This comes back to having a “House is on Fire” issue. You want to make sure that people really, really want your solution.

The people you are marketing to should have a burning need for your product, so much so that they are happy to open up their pocketbooks to get their problem solved immediately. Whether you are putting your notes down in a physical notebook or in Evernote, you need to keep this element of marketing in mind. Is there a starving crowd looking for a particular solution, or are they just kind of interested? This makes all of the difference in the world. There are a lot of products out there that people logically know that they should have, but unless it’s something that they yearn for, they aren’t going to go chasing after it like a starving crowd would.

A great tool to use for examining different markets is Google Trends. At the very least, use it to look at the market you plan on moving into. You want to see that a market is either consistently stable or trending up before you try to market products within it. If the market is trending down, that market would likely be problematic.



You can access the tool by visiting http://www.google.com/trends. There will be a search bar at the top of the page that you can use to look up whatever you would like to. Buck advises looking up a specific market such as 'Joint Pain', 'Back Pain', 'Memory', or 'Weight Loss'. To demonstrate this, Buck did a search for 'Weight Loss', and the results from this search are shown in the screenshot above. During one of these searches you can usually find data pertaining to people's interest levels over a certain period of time, people's interest levels by region, and data pertaining to related searches.

If you look at the data shown in the screenshot above, you can see that people in North America are particularly interested in weight loss, and the 'Interest over time' chart shows that people's interests remains fairly steady. There's even been a bit of an upward trend over the last few years. Furthermore, there is typically an uptick around the first of the year, when people are making their New Year's resolutions.

Buck also looked up 'Joint Pain', and his search yielded similar results. Again, it does seem like people tend to pay more attention to a particular product at certain times of the year. In this case, it seems like people are more interested in the topic of joint pain in the summer months. It may be that people are more active during the summer, and therefore, have more of a need for joint pain solutions.

The biggest reason to look at this data is to make sure that a trend is steady or becoming more popular. In other words, you want to see the line in the top graph moving either consistently straight across or moving upward. When you come here, type in keywords that pertain to

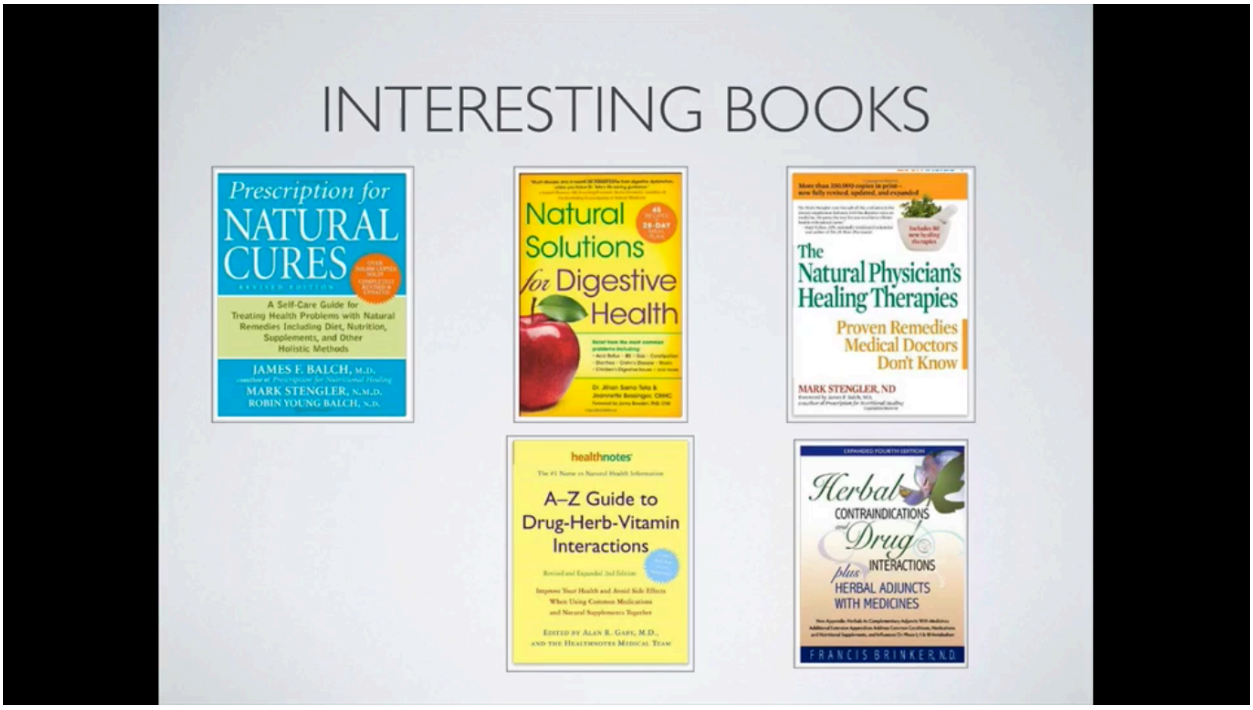
solutions people are looking for when they are trying to solve the problem that you're solution is mean to solve.

Another thing that you can do when you are looking for potential solutions that you could offer is to look for natural solution-related books. One of Buck's favorites is *Prescription for Natural Cures*. He often looks at this book when he wants to validate that A) the condition exists and B) what the best options for addressing that condition.

There's a similar type of guide that you might look into. It is titled *Natural Solutions for Digestive Health*. Digestive Health is something that Buck cares a lot about, and therefore, this is a resource that he turns to often. Another book that may be useful to you is *The Natural Physician's Healing Therapies*. All of these are available on Amazon.com.

Buck also highly recommends getting *A-Z Guide to Drug-Herb-Vitamin Interactions*. This is a great guide to use if you want to do your own homework when it comes to the ingredients within your product. For example, if you're looking into a certain formula, but you are concerned that the ingredients might not interact well with each other or with any other drugs your customer might be taking, this health guide would be very useful to have on hand. By the way, Buck advises that you do look further into the ingredients that you are using and not just go by what other people are telling you all of the time.

There are different versions of this type of guide. Another one you might look at getting is *Herbal Contrandications and Drug Interactions, Plus Herbal Adjuncts with Medicines*. This last book is quite thick and updated regularly. So, that might even be a better choice for you. Buck likes that he has these resources on hand the majority of the time. He says that he can quickly look into things himself this way, in addition to any online research he is doing. This is an awesome way to see if there are any other potential solutions for the condition you're going after.



Another book that Buck mentioned was the *German Commission E Monographs*. This is sort of Germany's version of the *Physician's Desk Reference for Natural Substances*. They have been using herbs to solve health conditions for decades, and they have done a great job of documenting herbs, dosages, contraindications, and many other things. This guide has been translated into English, and it is available on Amazon.com. You probably have some resources of your own, but these are some of the go-to references that Buck recommends you use.

Again, the point of all of this is to validate that your chosen product is the best solution that you can offer and that there is a market for it. In past sessions, you've been taught how you can use Amazon.com for your market research as well as Macromark and a few other sites. One great tool that Buck also recommends using is Nextmark. This is another web-based tool, and it's very similar to Macromark.

Next, you want to continue qualifying your product by looking into the addressability of your market. You need to know if people are looking for your solution, and if so, how many. In other words, you want to get at least some idea about the size of your market. You also want to look at the competition your product will have when it comes to getting traffic.

The first place Buck went to during his presentation was Amazon.com, and when he got to the site, he went straight to the book section. As you learned previously, the 'Health, Fitness, & Dieting' is one of the major categories you would want to look at. There are over 652,000 titles in this category. You're going to want to drill into this section a bit further. Buck clicked into

the ‘Diseases & Physical Ailments’ subcategory next. This would probably get you into the ballpark of what you’re looking for.

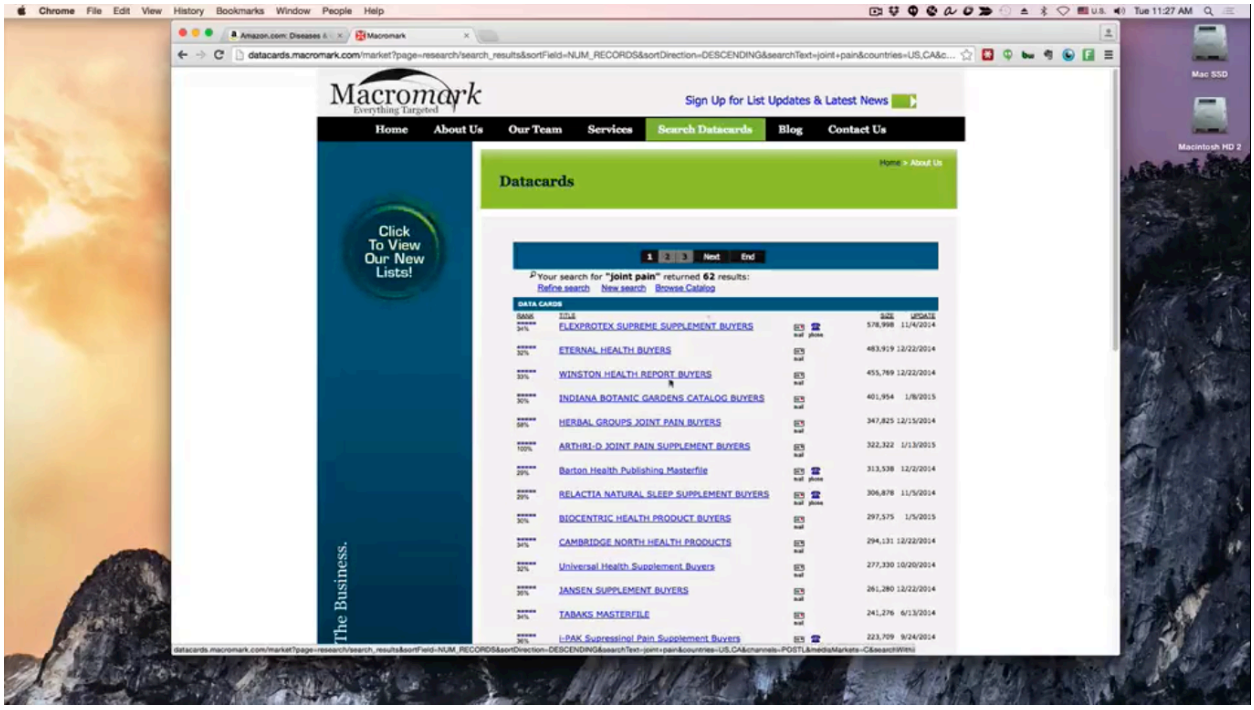
When you get to this section, what you may want to do is enter in a keyword phrase that pertains to what your potential target market is looking for. Let’s say, for example, you were thinking about selling a product for joint pain. This search yield over 2,500 results from the section you are searching within. This verifies a couple of things for you. First of all, it shows that a lot of people are publishing books for this particular market, which also means that people are looking for solutions for this type of problem.

One thing about this particular market is there is a difference in people as to where their pain is occurring. For instance, Buck’s dad has trouble with his knees, and his mom has joint pain in her hands. So, what specific area are the most problematic is something that you want to look into, and you’ll want to take notes on that. Other things that you want to take note of are some of the book titles you run across that you may want to look further into later as well as what type of language people are using when they talk about their joint pain. On top of that, you might make note of the specific subcategories that seem to be the most related to your particular niche.

When it comes to Macromark.com, you’ll want to go straight to the ‘Datacards’ section. In his presentation, Buck applied the following search criteria when he did his search:

- Domestic US
- Canada
- Consumer
- Postal Mail

After selecting these items, he typed in ‘joint pain’ and hit ‘Search’. After the results came up, he sorted them by size. At this point, you’re trying to validate if other companies are selling products similar to yours through direct mail ads. A good number of products came up in Buck’s search. One of the first results to come up was Flexprotex Supreme Supplement Buyers list. This was a list of over 500,000 joint health product buyers, over 12,000 of which have purchased a joint pain product recently. Buck comments on this saying, “This gives me a sense that there are people spending real money to print…lick the envelope, lick the stamp, send it out…because that is real money, as opposed to doing, you know, a $10 a day spend on Facebook or Google. Yeah, that’s real money, but it’s not as risk-oriented as doing something with direct mail.”

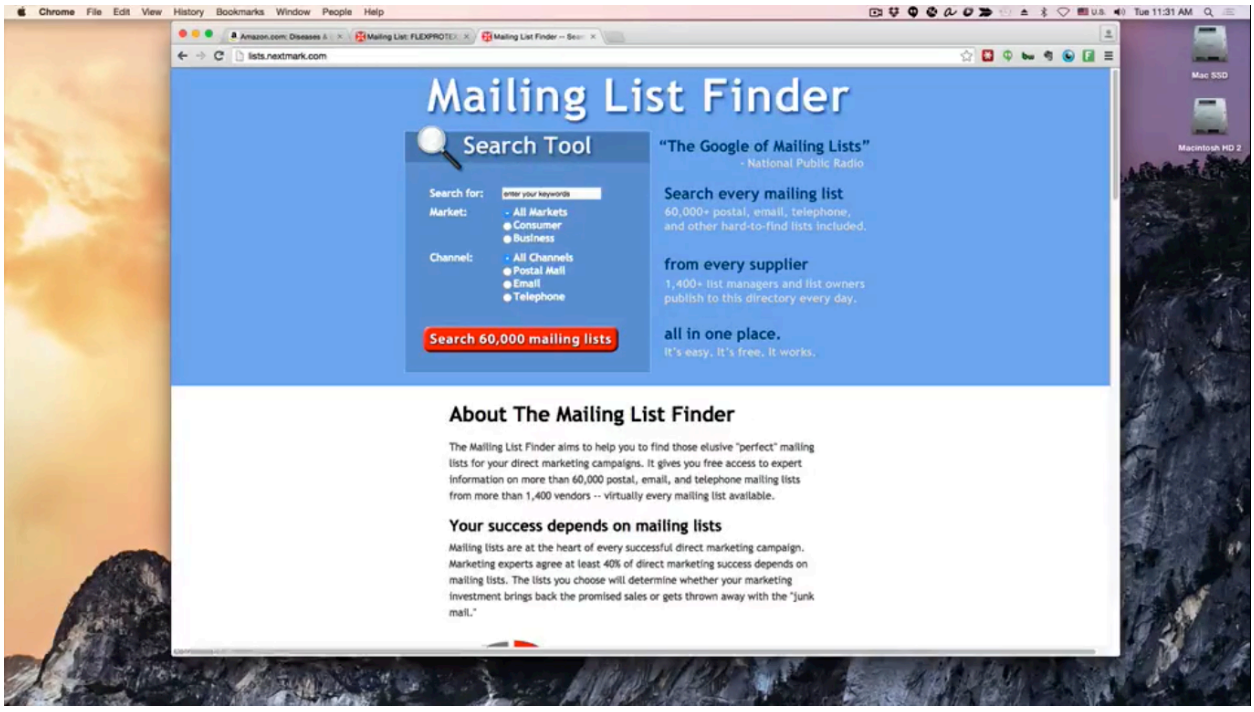


Anyway, when you go to Macromark to do your research, one of the things you are trying to do is get a sense of whether or not people are making a lot of money selling to the audience that you intend to sell to. Therefore, you should look for similar products to yours. It doesn't have to be exactly the same, but it should be a product that's marketed to the same audience as yours would be. If you don't find a product that's similar to yours that doesn't necessarily mean that you should toss your idea out the door; you might have to do some soul-searching though. There still may be ways to promote your product as a star or frontend product.

Buck says that there are two ways in which he looks at the products they launch. Either it's a star or frontend product that he knows he could sell in a direct response type of manner and acquire customers that way, or it's a product that they could sell on the backend. You really want to have one of these frontend or star products starting out. These are products the types of products that have a starving crowd looking for them and you can get a premium price for them as well as products that can be differentiated from the others in the market. Starting out with a product such as this is going to increase the likelihood that you're going to have success immensely.

Now, during your research you might discover good products to sell on the backend of your offers. You absolutely want to make note of these and then later consider coming out with them. Even though a product doesn't fall into the 'star' category, it doesn't mean that there's not a market for them and a need. Anyway, you should use Macromark to get an idea of the number of buyers you have in your market.

In many cases, when you are looking through these data cards, you can gather some demographic information as well in terms of what gender of person you'll be selling to as well as what age group. You could also contact some of these companies to get more detailed demographic information. This type of information is going to help you immensely when you get into marketing to your target audience. Demographic information showed for the joint product that Buck looked up. That target audience was 56% female and 38% male. Buck has found that a lot of these supplement products are largely driven by women.



Another tool that Buck often uses is Nextmark. This is a free tool, although they also have a fee-based tool. It gives you a lot of information that's similar to what Macromark provides. As you can see in the picture above, this tool has a number of search options. Buck chose 'consumer' for the market and 'Postal Mail' for the channel. Again, people that market over direct mail are taking significant risks, and that says a lot as to whether a market is promising or not.

Buck searched for 'joint pain' on this site too, and he got some interesting results. This search brought up 676 consumer mailing lists related to joint pain. One of the top results listed was a list of arthritis sufferers. There were more than 630,000 people on this list. If you wanted to rent this list, it would cost you $125 per thousand people. There was also a list of back pain sufferers by state and one that listed individuals suffering from pain disorders. These were a little more general. You might want to look for lists that contain members of a much more specific audience than these.

Again, you're really just looking for two answers at this stage. The first is whether or not the market you're going into is big enough to target, and secondly, you want to know if the market is addressable. If you can get to a market through direct mail lists, that's a good sign.

Another of the lists that Buck ran across was titled "Value Wizard – Back Pain & Joint Pain Sufferers with Postal and Email Addresses Mailing List". This was huge, containing over $15,000,000. The company that posted this lists suggests using it for health and weight loss and alternative health offers as well.

Once you know that people are looking for back pain and joint pain solutions, you could drill down by age and gender. Those are select groups that they typically charge you for in addition to the base price. The base price, in this case, is $85 per 1,000, and additional selects by geography is priced at $5 per 1,000 and by age is $5.00 per 1,000. You cannot use 'Selects' by gender in this case, but typically you have this option.

After looking into this market, Buck was able to validate that this market was big enough and that he could easily address this market. He also knew that there were online platforms that can help him address it as well. For instance, he could do so through search term targeting on Google Adwords or through interest-specific targeting on platforms like Facebook. During the case study, however, he was able to use some free tools to look into the market's scale and addressability.

All of this can go into your notebook and be a powerful reference for you. It's all about increasing your odds. If you were to go to Las Vegas to play Blackjack, wouldn't you want to increase your odds of getting a 21 any way that you could? Of course you would. So, anything that you can do to increase your odds legally when it comes to selling supplement products, you would probably want to take that advantage as well. That's what this portion of the lesson is all about, and this is something that you'll learn how to do throughout this course. You are learning to increase your odds little by little so that you have more of a chance at a successful offer as well as being able to scale that offer.

You also want to look and see if your product falls into some of the bestselling categories that are provided by some of the top sellers such as Vitamin Shoppe, GNC, Life Extension Foundation, and Swanson Health Products. If you go to the websites of the suppliers, would you see a product like yours? If so, what categories does it fall into? They've presorted their products into the bestselling categories.

If you're unsure what category your product would fall into, you might have a difficult time convincing your market that they really need your product because you are scattered with what you're trying to accomplish with your product. It's understandable that you would want to have all different kinds of benefits associated with your product, but you really want to focus on one major benefit. Then, if you want to have secondary benefits, that's great. You can talk about all of that in your marketing, but you primarily want to be focused on that main benefit, which should be that "house is on fire" solution.

You should also look at brands that you admire. For instance, Buck's mother-in-law is using a blood sugar regulation product from Gaia Herbs. They have awesome products and great packaging. They are doing really well as a brand. Buck says that he sees them in retail shops everywhere. Another high-end pharmaceutical-looking brand that he often sees in high-end shops and grocery stores is Pure Encapsulations. The packaging that they use looks like that you would find pharmaceutical drugs. They market their products as being pharmaceutical grade products which are of a high-quality and contain proper dosages. The point is that you should look to see if your product matches some of the bestselling categories that these types of brands are putting out.

The best part of all this is that a lot of these companies are doing your homework for you. If you go to their websites, you can easily see which products are the bestsellers and which are not. They'll show you the categories right there on the homepage. It's absolutely fantastic.

There are some companies that Buck recommends that you watch. These are the same ones that he watches, and he thinks that they're worth putting down in your notebook. The first is Purity Products, which does over $100,000,000 in revenue selling products mostly though radio and direct mail. Healthy Directions is another one that Buck advises you keep an eye on. This is a company that generates over $200,000,000 in revenue. They do some internet sales, but most of their sales are made through direct mail as well.

These are companies that are making a lot of money doing things the old fashioned way and ignoring what's happening online in some respects. That involves going through the difficult process of writing sales copy, long-form sales letters, magalogues, and everything else that typically comes in these direct mail packages. They pay to put these through the mail, they pay to test them, and they pay to figure out which products are their top sellers and which aren't. They spend a lot of money doing this.

In conclusion, you should look into all of these different companies because they've already spent the time and the money to find out the things that you need to know as well. So, why spend your own time and money doing so? Instead, learn from what they have already put together. For your convenience, Buck provided the following links to make it easier to do this research:

http://www.vitaminshoppe.com/

http://www.gnc.com/

http://www.swansonvitamins.com/

http://www.lef.org/

http://www.purityproducts.com/

http://www.healthydirections.com/

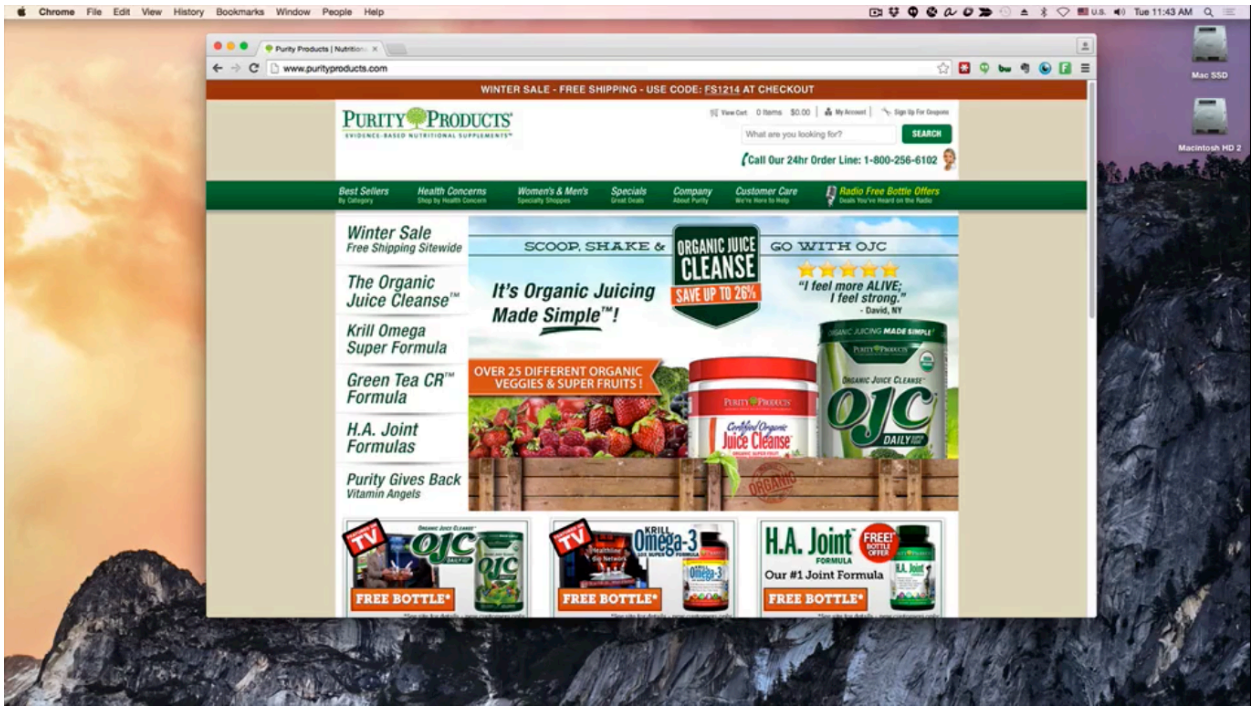
When you visit these sites, you want to look at what the top sellers are and what the categories are. If you were to go to Buck right now and ask if he thought your product was a good product, he would ask you the following questions:

- Did you put it through the "house is on fire" test?
- Did you validate that the market has a significant amount of interest related to it?

- Did you go look at similar products on Amazon and some of the other sites that I have given you?
- Did you look at the trends pertaining to your particular solution?
- Can you name the problems that you're trying to address distinctly?

If you're trying to be all things to all people, you've got a problem. General wellness is great, but it's not a "house is on fire" kind of problem. You have to be able to name the enemy. If you can name the enemy, then you're going to be much more successful in A) finding people that have a common enemy and B) telling those people that you're going to be taking care of that enemy for them.

Product Benefits & Competitive Intel



Write the following statement down in your notebook right now because it's absolutely true:

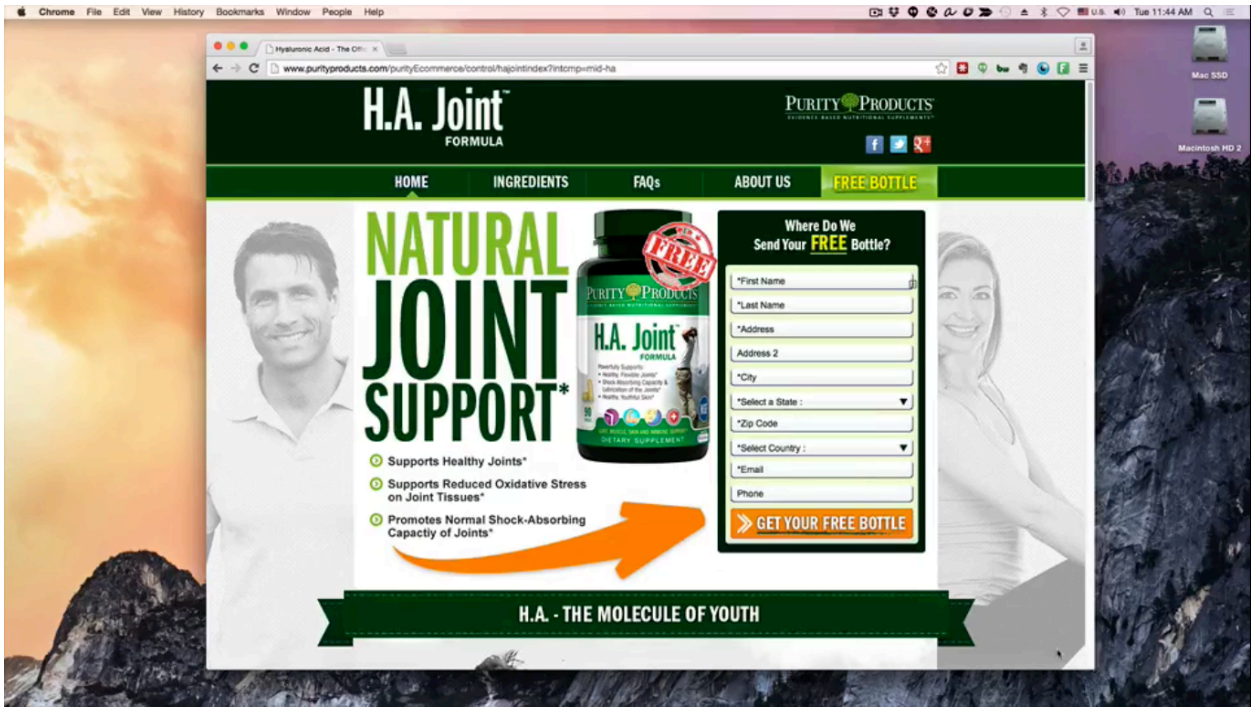
> "People will pay to fix problems they have now, not problems they might have in the future."

Commenting on this, Buck said, "In America, we love doing this. We love kicking the can down the road, don't we? But this is human nature. We always wait until the last minute." Afterwards he went on to tell a story about how his nephew had a chronic problem with his wisdom teeth coming in, and he waited and waited thinking it would just go away. Well, he ended up getting an infection, and now he has to have major surgery.

Of course, now he and his family are going to pay out a lot of money to pay for this surgery because his mouth is all swollen and he's in a lot of pain. In other words, he has a "house is on fire" problem now, and instead of paying a small amount to have it fixed, he'll probably have to spend a lot more money to address the issue. In scenarios where people have to get a problem solved right away such as this, where there is a lot of pain involved either emotionally or physically, people are willing to pay a lot more if they believe you have the solution. When they do, you want to make sure that you deliver the appropriate solution to them.

Buck recommends doing a lot of competitive intel. Purity Products' homepage is shown above. If you live in the U.S., you've probably heard their radio ads before. A section of their site contains their bestsellers by category. This can be quite helpful because it gives you confirmation on which products are winners and which categories they belong in.

Purity Products spends money on direct response ads. Specifically, they do long-form radio ads, which means that they do 20 or 30 minute infomercial-type ads on the radio. Through these ads they are driving people to an 800-number and/or a website. As Buck looks through a site like this, he likes to look into what claims the company is making about a particular type of product and what benefits are listed pertaining to that product on the site.



If he wanted to get into the joint market, for example, a lot of Buck's homework is already done. In other words, the joint product shown above is one of their top-selling products, and the messaging that they are using would probably appeal to the audience that Buck is going into as well. The bullet points on the joint bottle above states

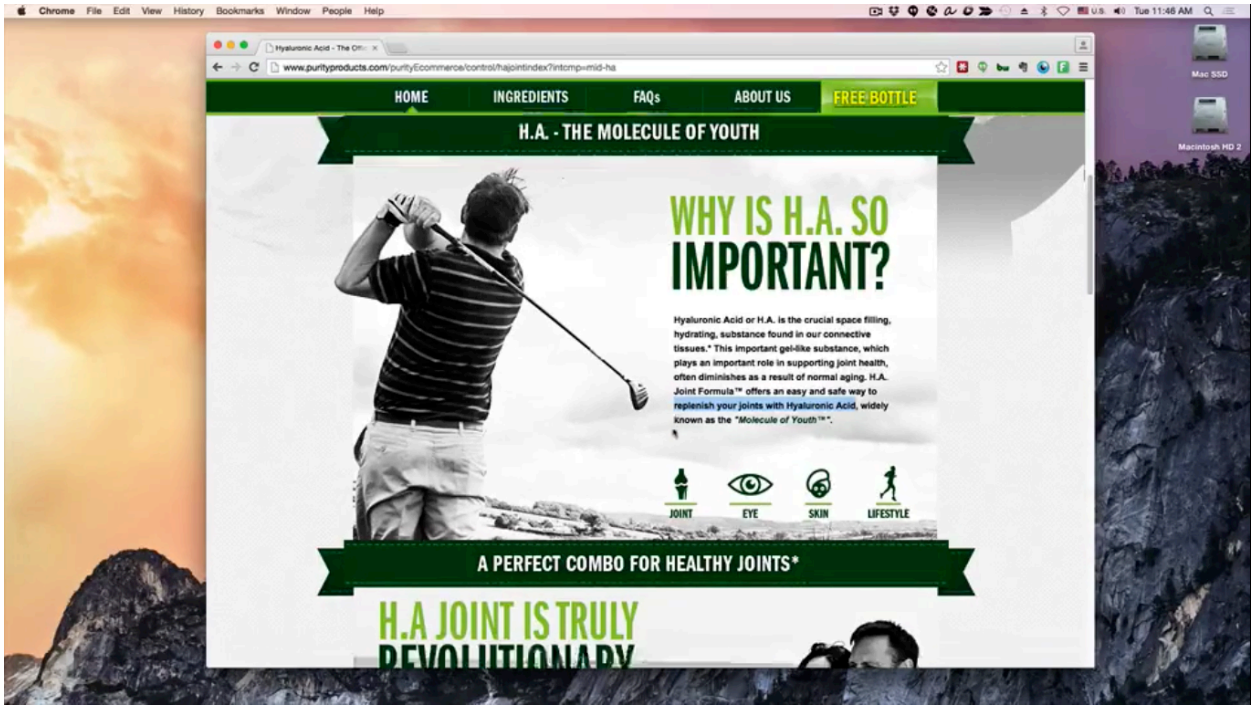
Powerfully Supports:

- Healthy, Flexible Joints
- Shock-Absorbing Capacity & Lubrication of the Joints
- Healthy, Youthful Skin

These are all benefits of the product. The last one, “Healthy, Youthful Skin” is a good example of a secondary benefit. This isn’t the primary reason why someone would want to buy the product, but upon seeing this, most people would think “I can have joint relief and have great looking skin? I’m in!”

Buck usually writes down the benefit bullets that he finds in his notebook so that he can keep track of them. Later on, he’ll look over them and ask whether or not what’s listed includes the same key things that he is looking for. Then, he’ll examine them to see if he can make similar claims for his product or not. If so, he may use some of the same benefit bullets in his own marketing messages.

The site goes on to talk about the product and how it works to replenish your joints in the portion of the page shown below. That phrase, “replenishing your joints”, caught his eye, and as a pain sufferer at times himself, it actually drew him in a bit. At the end of the paragraph shown, the phrase “Molecule of Youth” is also used, which would be quite appealing to most of the people in this type of audience as well. These both sound very powerful and alluring, and therefore, they are phrases you would probably want to jot down in your notebook.

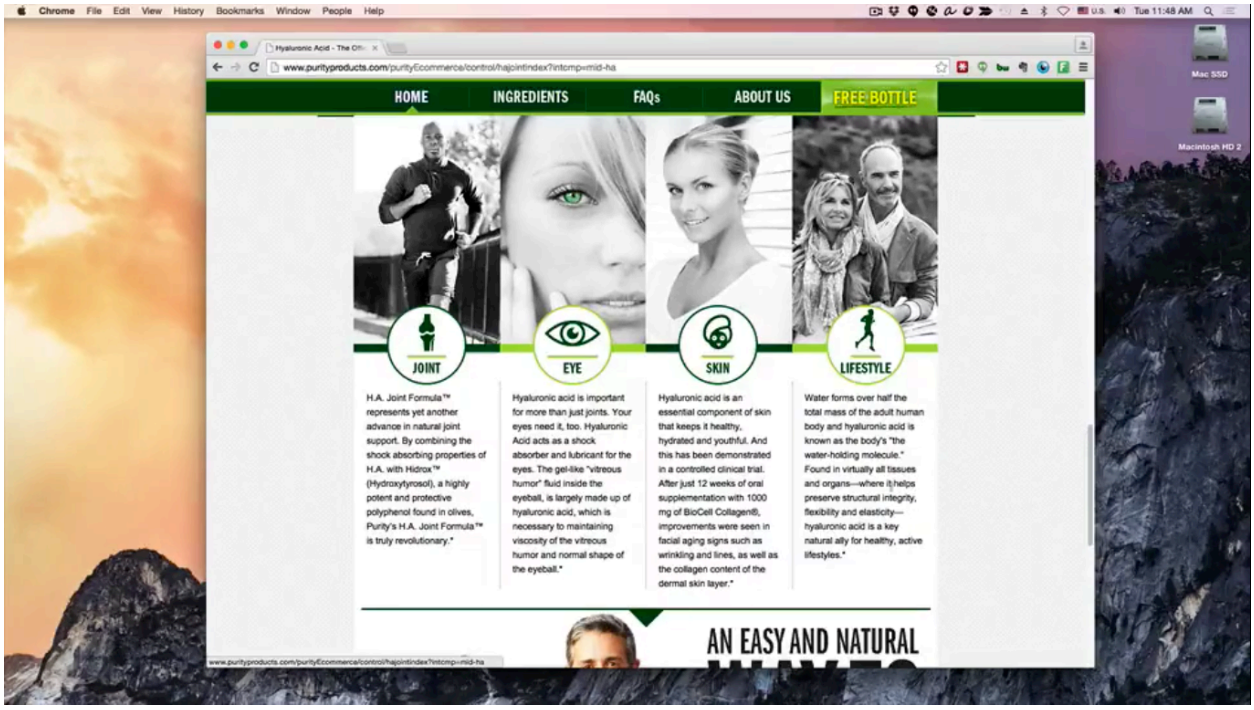


The page also points out that Hyaluronic Acid is used in this product. This is another detail you would want to right down because it may be an ingredient that you might want to use in the future. Also, take note of any claims that are being made about that ingredient. One thing that stuck out to Buck was that the site used the phrase “shock absorbing properties” pretty often.

The term “shock absorbing” is something that ties right in with how people think of joint pain and the solution that they need for it. So, that’s an example of some very good marketing.

If you were to continue on down this page, you would find that the secondary benefits of the product are pointed out as well. One phrase that Buck points out is “healthy, supple, hydrated and youthful.” These words would all be very engaging to someone who was interested in the secondary benefit of having nice skin.

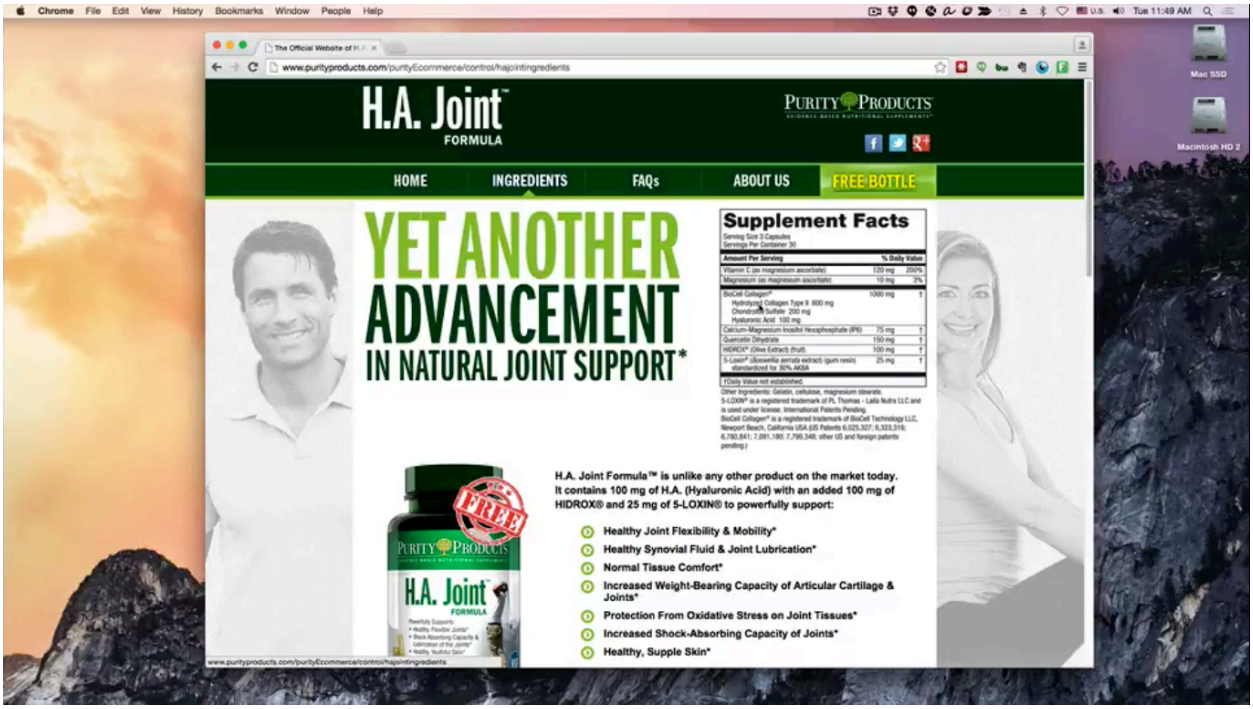
You would want to make a list of any secondary benefits that you find as you do your research, and you would also want to take note of the words that these marketers are using to describe these benefits as well. Later on, you can do further research to see if your product could provide the same secondary benefits, and if it doesn’t at first, you might look at ways that you could include such characteristics in your product.



In the picture above, you can see that all of the benefits of the product are listed and described. As you know, people read left to right in this culture, and therefore, the benefits pertaining to one’s joints are listed first. An ingredient called ‘Hydrox’ is spoken of, which is one that this company has branded. This is something that will be discussed further later on in this course. You can come up with your own cool little names for blends like this, and it can really increase the perceived value of your product.

The page also discusses how this product can be used as a shock absorber, or lubricant, for your eyes as well. This, Buck felt, would be really appealing to older audiences. Buck admits that

reading the fine print on things is starting to become a hassle for him, so that jumped out at him, as it would for other people having the same trouble. The skin benefit discussed previously would probably appeal to the same type of audience as well. The lifestyle benefits would be the least attractive and less urgent to most people, and that's why these are listed last.



Another thing that Buck usually takes down is a list of the ingredients. He may even take a screenshot of the Supplement Facts list for the product, like the one shown above. What he really wants to know is what their star ingredient is and then what the secondary ones are. From looking at this, he found out that Hydrox was really just Olive Extract, but they've given it a cool name. Some of these may be branded ingredients.

This information also tells him that 5-Loxin is actually a trademark of PL Thomas. That interested Buck because he knows that PL Thomas is a distributer for branded ingredients. That means that if he wanted to come out with a product that had 5-Loxin in it, he could probably just give the people at PL Thomas a call.

The same thing can be said for BioCell Collagen. It happens to be a registered trademark of BioCell Technology LLC. Buck could contact this company and find out whether they sell this ingredient directly or through a distributor. Many of these companies, especially if they're not US-based companies, will enter into distribution agreements where they can have an ingredient made available to a contract manufacturer. This is a way you may be able to go about including a certain ingredient in your product. That's a little trick of the trade.

There are two reasons why you would like to keep an eye on Purity Products and other companies like it. Again, this is a way that you can find out what kind of messages these companies are using which resonate with the market that you're going after. It also helps you to keep a notebook of potential ingredients that have interesting science associated with them. A lot of these branded ingredients are patented and/or trademarked, and they have specific health claims backing them.

Find out who the distributors are or find out the names of the companies that have access to the ingredients you're interested in having. Very often it's required for companies with branded ingredients to put that brand name on the Supplement Facts label. You can use this as a way to find out about and reverse engineer a breakthrough product.

To reiterate, some of the details about the H.A. Joint product that Buck took note of were "H.A. The Molecule of Youth" and "Promotes normal shock-absorbing capacity of joints". Pay special attention to the former. This is a good example of how you have to present some of your benefits. By saying that you are "promoting normal" shock-absorbing capacity of joints, you're not making a claim that you're reconstructing the person's joints. You'll see this kind of language over and over again because these companies are trying to stay within the lines of compliance.

You're going to learn more about compliance in the lesson to follow, but these types of statements will help you to grasp how things should be stated. This is especially true when it comes to very successful and well-established companies like Purity Products because you can be pretty sure that they are going to only use statements that are compliant. These companies are a lot more well-known, and therefore, more likely to be scrutinized by the FDA and/or the FDC. So, they have to do things in the right way in order to keep doing business.

Other statements that Buck took note of were "Keeps skin healthy, supple, hydrated & youthful" and "Shock absorber and lubricant for eyes". You get eye, skin, and joint benefits from this product, but it is primarily made for joint health. Always remember never to lose focus on the primary reason you're selling a product. You hook them with the primary motivation, which in this case would be that they want to relieve their joint pain. Then, once you have done that, you can really differentiate your product with its secondary benefits, just like Purity Products has done with their H.A. Joint formula.

Another benefit of this particular product is that it "preserves structural integrity of tissues and organs". This is more of an anti-aging message. This might be the kind of statement that would resonate with your audience as well, although you may need to do a little more research to find out for sure.

Of course, these top companies have already researched what appeals to their audiences, and in many cases, the kind of statements they are using, you can use as well. However, you need to know your customer too, and you really want to have a grasp on what they want. So, you will need to do a little bit of research of your own.

One way to appeal to your audience is to get an idea of what lingo that people with your "house is on fire" condition are using to describe their problem. This is going to help you to validate that you are going into the right market and that there is enough pain there. In addition to that, if you use the same type of phrasing that the company uses to describe their problem, your message is going to really hit home.

A great place to go to research this is Amazon.com. You want to look at legitimate reviews from people that have the primary condition you are going to offer a solution for. Take note that at times review are not legitimate because people have others write reviews for them at times to get top rankings within the site. In fact, it's been a trend has been going on lately where people will have negative reviews written for competing products to get a better ranking for their own product. That's really sad, but it's true.

In most cases, you are sophisticated enough to be able to tell a legitimate review from a fake one. In general, Buck looks at the good reviews instead of the bad ones. So, he'll look at the four and five star reviews. When you do this, you want to zone in on how the customers are talking about their problem. In his demonstration, Buck went to Amazon.com and looked up 'purity products ha joint'. Buck noticed that a lot of people were talking a lot about the specific places where their pain was occurring. One person quoted another saying "Look, I can make a fist and it doesn't hurt!" This kind of a statement is gold to you.

Buck recommends that you look at how your potential customers describe their problems, and what areas on their body they are having trouble with. You also want to look for statements that are consistently being made over and over again. Gather this kind of information in your notebook to refer back to when you are marketing your products. Again, you want to make any notes you can pertaining to how people are talking about their problem. Imagine, for example, using the quote above as a headline. Don't you think that someone that has a joint problem would pay attention to that? "Look, I can make a fist and it doesn't hurt!" That's a great headline just by itself.

Another person complained in one of these reviews that another company charged his card $104. You may remember Buck stating that some of the business practices of some of the companies out there are not consumer friendly. A lot of them will do a forced continuity option, for instance. This doesn't make customers very happy in most cases, and Buck doesn't

see this as a very good way to conduct business. He doesn't recommend that you follow these types of practices either.

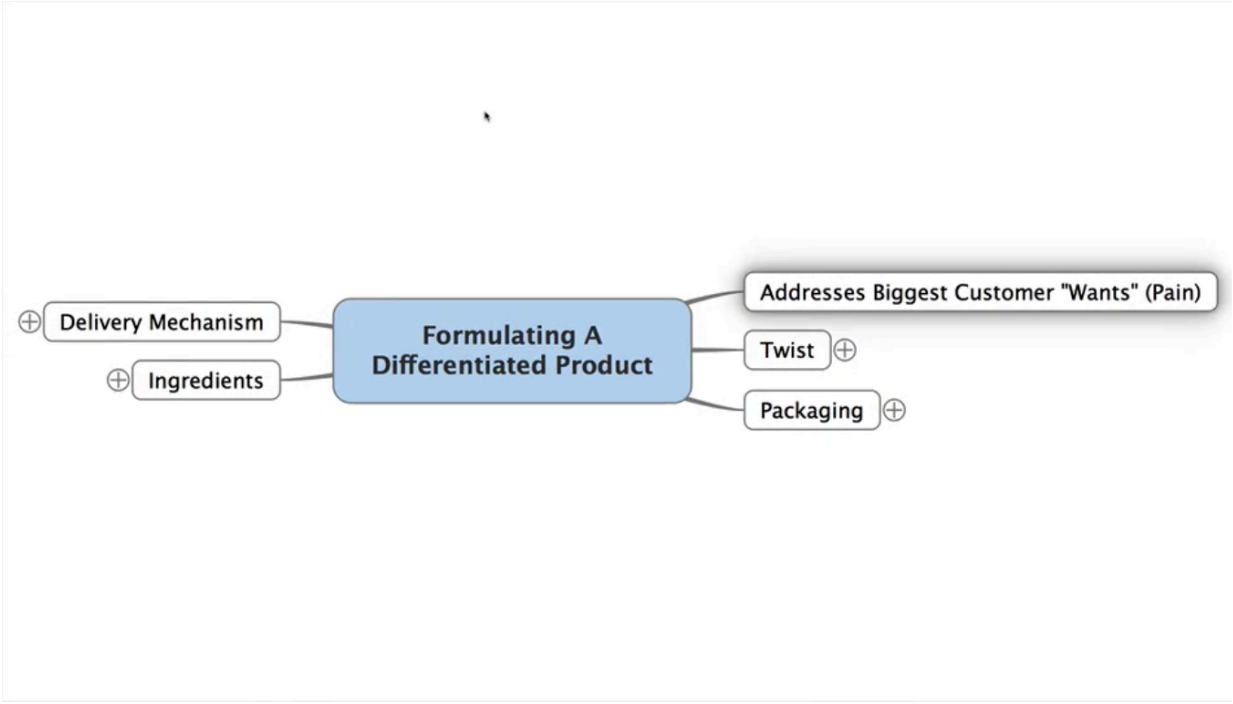
Anyway, you may want to pay a bit of attention to what your customers want or don't want as you're going through these, but mostly you are looking for whether or not a review is genuine, and if it is, how people are talking about their issues. What language are they using? Are there any nuggets of information that would be good to use in your marketing and to appeal to your audience? Statements that give insight into people's emotions, or that are made over and over, are absolute marketing gold.

If you go directly to the product's website, you can sometimes find reviews there, although in many cases these types of reviews have been groomed. In many cases, if they are narrative reviews, it's worth taking a look at them. You could also use the old-fashioned method of looking at condition-related blogs. In other words, you can go to a site where someone is blogging about the condition you're looking into and read the comments that are streaming from there. That can be very helpful.

Another great place to look is in forums. In this case, you would search for people who were looking for feedback on a related issue or product. For instance, you might go to Google and look up the phrase "Have you tried H.A. Joint?" Think about the terms that you would use if you were on a forum trying to ask other people for help. You can also check forums where people are talking about using natural solutions to treat a specific problem.

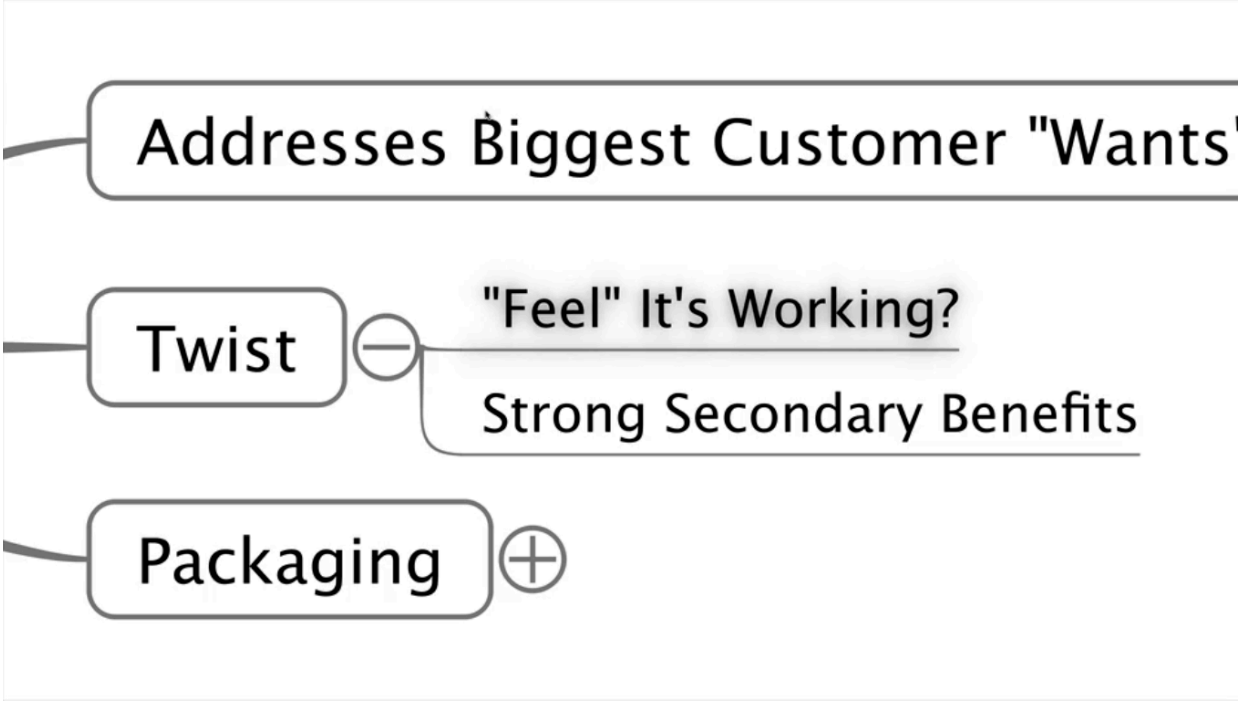
After you have gathered a good amount of information, you can start compiling it all into an organized list of what your customers really want. Think about what they would imagine their life being like after they use your product. Someone that has joint issues may have the primary problem of not being able to grasp things without being in major pain. Maybe they can't hold their Kindle, or they can't change the channel, or they can't take something off the shelf. Maybe they can't open up jars anymore. These sorts of things seem simple to most of us, but when someone has a major problem, it's a "house is on fire" issue. If you can speak to that in your marketing, that will be very powerful for you.

Formulation



In this section, you're going to be given Buck's own secret checklist of how he goes about formulating differentiated products. Things that you need to pay attention to are going to be pointed out, and you don't need to have all of them to have a runaway bestseller. However, if you adhere to these guidelines and include a big chunk of them, you'll have a much better chance of making your product a winning product. Again, it's all about increasing those Vegas odds. If you play long enough, you're going to win if the odds are stacked in your favor. That's why casinos always win, right? That's because the odds are always stacked in their favor, even though they may lose money at times.

First and foremost, you want to make sure that your product addresses the biggest customer "wants". In other words, whatever formula you come up with needs to address the "wants" that your customer has. It shouldn't address the problem partially, and it shouldn't "sort of" address it and then do all kinds of other things too. You need to figure out what the customer really, really wants, what the "house is on fire" solution truly is, and then you can get into other solutions if you want to. The biggest customer "wants" need to be addressed first though.



Buck says that he likes to have some twists in his formulations. He likes to differentiate his product so that people cannot walk into a vitamin shop or their local grocery store and see a bunch of different products just like his. According to him, he walked into a vitamin shop the other day and saw 50 different Garcinia Cambosia products. Everyone knows that this is a hot ingredient right now, and that's because it was featured on Dr. Oz not too long ago. There were so many that it was really hard to determine which one was the best, he says.

While Buck was in the store, he was chatting up the sales guy. He told him that he was in the dietary supplement space and he was trying to figure out what the bestsellers were. Buck asked him "Whatever happened to raspberry ketones?" because that was another one of those hot "Dr. Oz" types of products. The man replied that now there were only two options for that in the store. There were just two little slots containing raspberry ketone products.

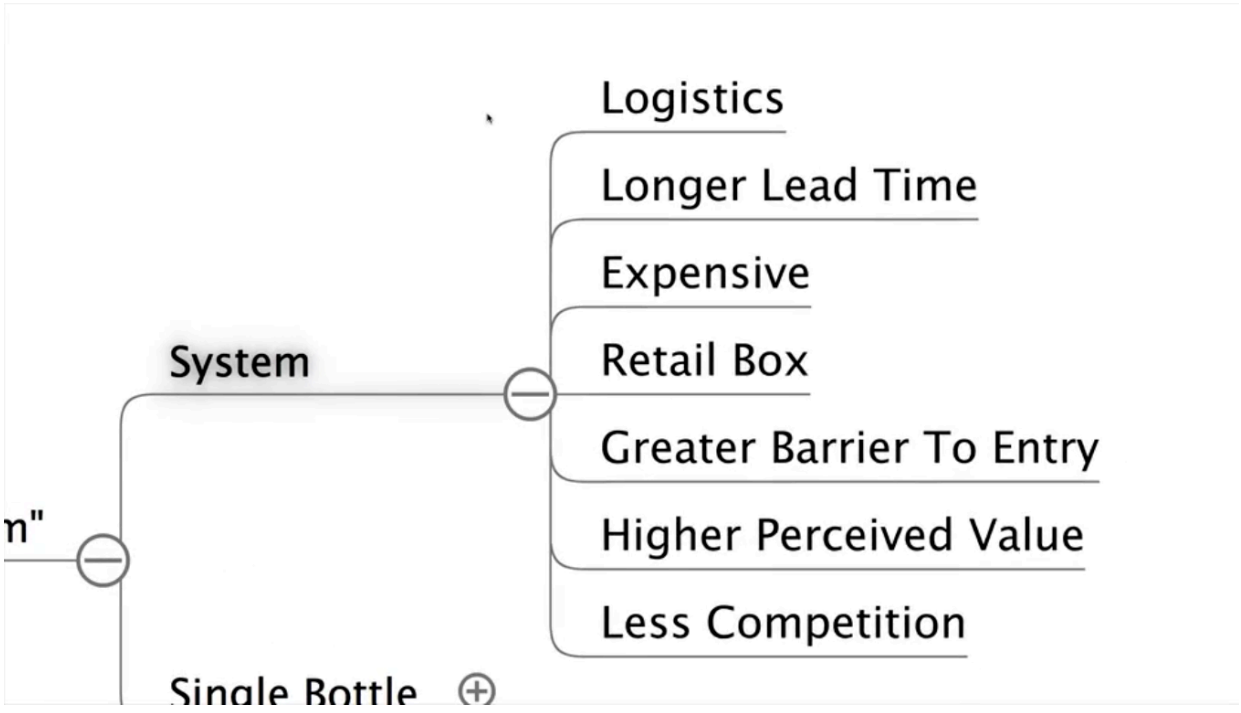
The point of this story is that you don't want to get stuck in a position where you have invested in a trend while it's hot and then it ends up just being a fad that fizzes out. You want to have a product that's going to end up being a star year end and year out. Buck recommends that you include an ingredient that people can easily notice the effect of, if at all possible. This can take many different forms. For instance, your supplement might put someone in a better mood or make them feel more focused. Another example is they may have more energy, or in the case of joint pain, they may have immediate relief from that.

There are ingredients that may assist in making a vitamin seem more effective sooner. If a person has to take a particular supplement for two or three months before they really start

feeling anything that could be a problem. You might want to include the long term solution in your formula because you know it has got the science and you know it's going to be best for them, but you might also want to include an ingredient that gives it some "oomph" right from the get-go.

This is going to vary depending on the type of product you have. For example, one ingredient that Buck uses is a very high-quality Rhodiola rosea from the mountain regions of Siberia. It could be featured as a star ingredient, but it also gives the user a feeling that something is occurring. Kitty, who is a member of this training, recently sent Buck a sample of a product of hers which contained ashwagandha. This is another ingredient that can make someone feel like the product is working and can be used as a star ingredient.

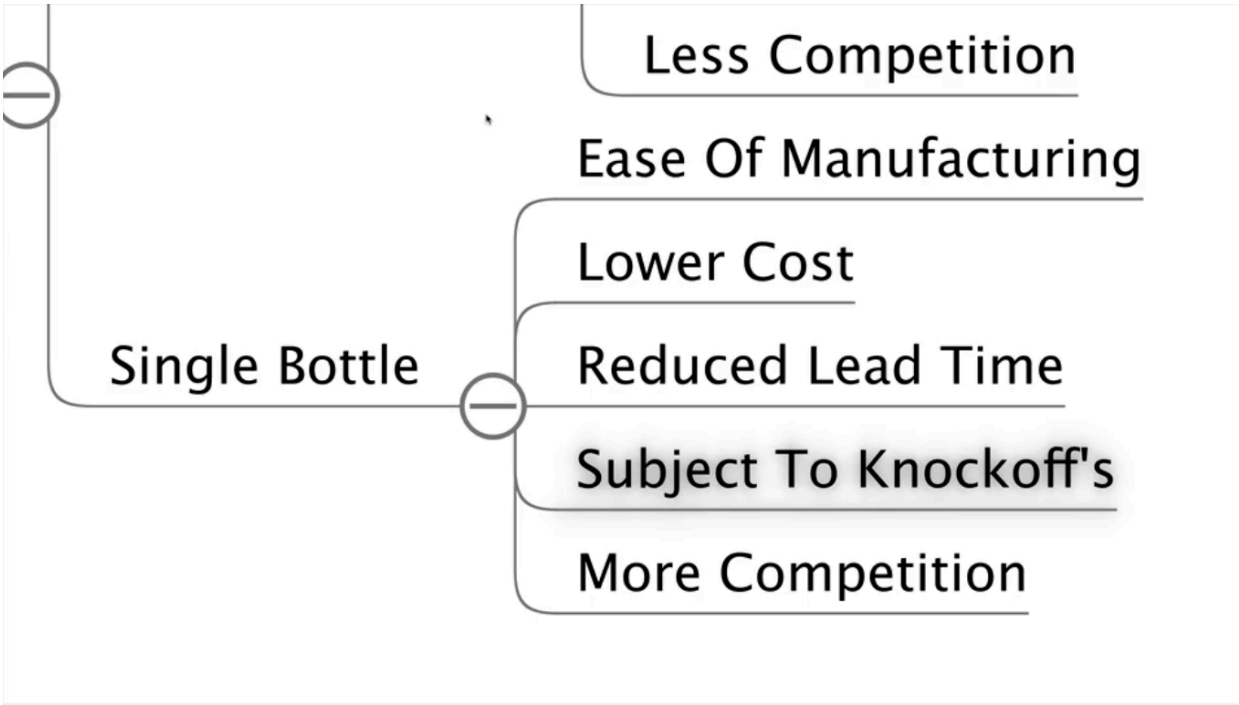
Also, if you can provide secondary benefits with your product, that's great. For instance, HA Joint primarily is meant to help promote joint health, but it also affects the eyes and the skin. Those anti-aging benefits are very strong. If you can provide your market with something else that they want, you absolutely should and you should include it in your marketing. That way, if you are up against a similar product that has the same main ingredient, but yours has additional attributes to it, you're product is going to be chosen first because it's differentiated and seems to have more benefits.



Another thing to give some consideration to is your packaging. You basically have two choices. You can take the single bottle approach or you can offer your customers a system. There are pros and cons to both. The logistics of taking a "system" approach are much more complex.

Buck has a product that has a tea, a probiotic, and fiber. He has to bring all of these different components together at the fulfillment center he uses and have them put into a kit before it can be shipped out to a customer.

Obviously, this requires longer lead time, and not all of the lead times matchup between the various components. That will increase the expense of a system. Also, you'll need a retail box for a multi-component system. One of the pros, however, is you'll get a greater barrier to entry. Someone who identifies you as a bestseller in your marketplace is going to have a much more difficult time knocking your product off. They might come out with a single bottle formula, but if you have a system, you're going to be able to justify your price point and your product is going to be much more interesting to consumers because it will have a higher perceived value. That leads to less competition in the space your product is in.



A single bottle formula is, of course, much easier to manufacturer and there are lower costs involved. Plus, the lead time will be as low as it can be in this industry. This type of product is subject to knockoffs though. A person could find out about your product, go to their manufacturer, and then say "I want something like this, but with a twist." So, you can get knocked off more easily, and that leads to more competition.

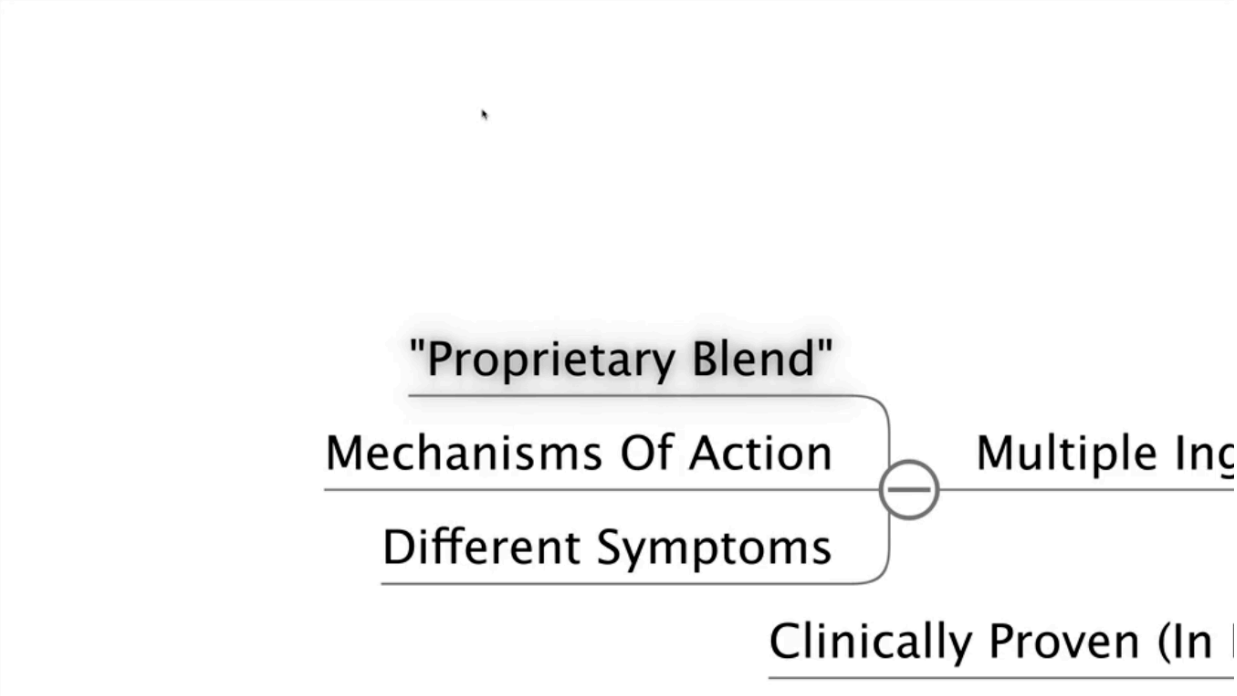
If you're doing a dietary supplement, it's recommended that you keep your costs low by using a plain white HDPE bottle with a well-designed label. You may consider using colored lids or flip top lids. Buck likes to go for convenience, and he'll spend the extra money on that. For

instance, he will use a flip top lid instead of one that screws on and off if he thinks his customers will prefer it.

He also knows that people hate to deal with seals on the packaging. So, he likes to use lift-and-peel seals. This might cost a little more money, but he likes to think that people view his product as more high-quality because of this. He sees a lot of bigger brands doing the same thing. Since this is the playing field that he wants to play in, he wants to follow their lead. Besides that, lift seals and flip top lids aren't that much more expensive, and Buck feels that this is money well spent. It may be pennies more, or maybe a nickel or dime here or there.

If you are doing a cosmeceutical, consumers really want to see more high-end packaging. You can get HDPE with a slick coating, but Buck feels like that cheapens it. For cosmeceutical lines, glass is where it's at. Using frosted glass is the direction you want to go, Buck says.

Now, let's talk about the direction you want to go when it comes to your ingredients. Buck prefers multi-ingredient formulas to single-ingredient products. A lot of people will ask if they should use a pharmaceutical grade of a certain ingredient at a high dose and just go with that. That ingredient may have a lot of merit, and it may be a great ingredient to have. The problem is that you don't want to make it easy for your competitors to knock of your product. Also, differentiating your product with multiple ingredients is going to make it easier for you to market that product.



If your product has multiple ingredients, then you can have multiple pathways of addressing the problem your target audience has. When it comes to multiple ingredients, you do have the choice of providing a proprietary blend. There's nothing wrong with that, especially if you're hiding the exact amount of ingredients that you have in your blend.

It's strongly advised that you choose ingredients that are clinically proven, making sure that you have the right dose in that blend. If you have the scientific dose in the blend, you don't necessarily need to reveal all the other components that are in the product. That can be a way to differentiate yourself and prevent price dropping from occurring.

Buck likes his products to have several mechanisms of action. Here's an example. Their weight loss product contains two ingredients that demonstrate more than double the fat loss than if you were just on a 2,000 calorie a day diet. These ingredients work in very different ways. One of the ingredients will decrease your hunger by regulating the Ghrelin hormone. It will also increase the level of another hormone called Adiponectin, which has been correlated with increased fat metabolism. That's one ingredient.

The other ingredient is a very high-quality version of green coffee that's grown in Madagascar; it's not the cheap green coffee you get from China. This ingredient works through the liver and through a blood sugar regulation mechanism. It will help you to reduce the amount of carbs that you intake, or rather reduce the number of carbs that get turned into fat.

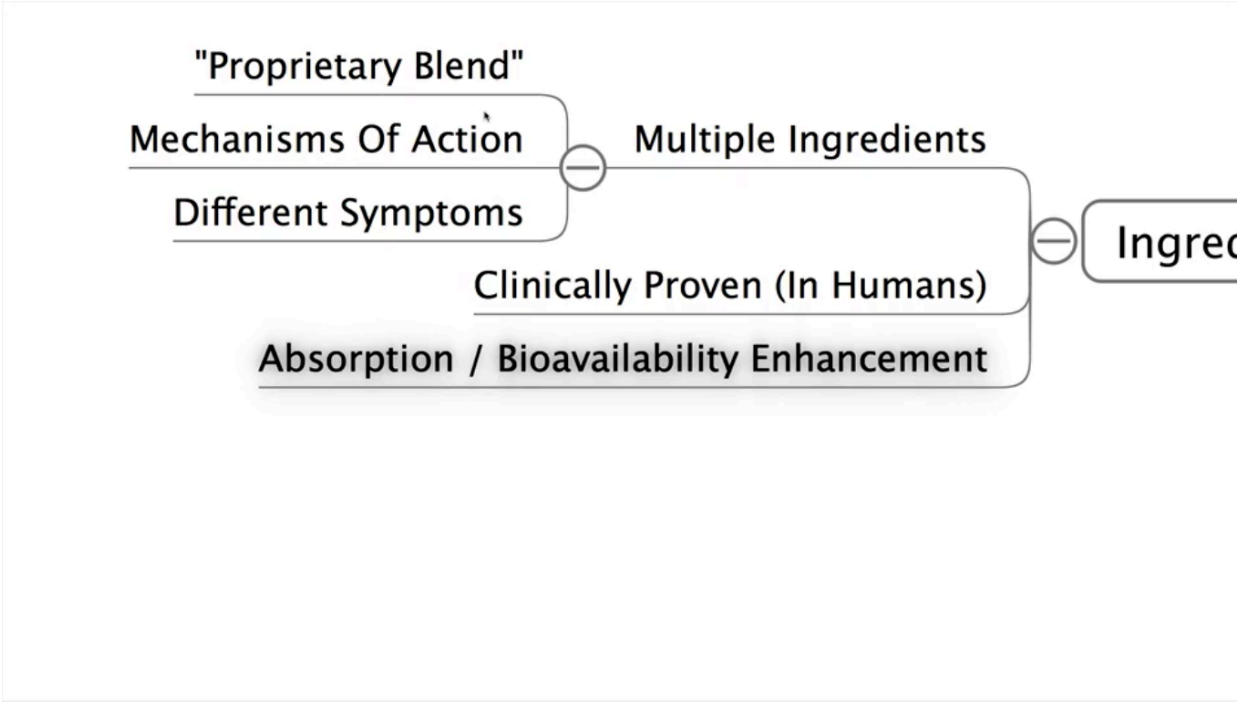
By supporting hunger, increased metabolism, managing blood sugar, and reduction of conversion of sugar to fat, this product employs multiple mechanisms of action. In addition to that, this increases the likelihood of a customer receiving the outcome that they want. Their "house is on fire" situation is "I want to lose weight fast." This particular product does that through multiple mechanisms, and these can be pointed out in the marketing messages for that product.

You will have to increase your price point as you add more ingredients, but you're doing it for a good reason. You want the customer to have the outcome that they want. This will also differentiate your product, which will cut down on the amount of competition. Furthermore, you are going to be able to point out how your product can solve a person's problem in multiple ways, which is going to help your marketing messages.

The same thing goes when it comes to symptoms. You need to have identified exactly what it is that your customer wants. A person might feel stuck because they have cravings all the time and can't stop themselves from eating, or it may be that no matter how much they exercise they can't seem to lose weight. Whatever it is, you can have ingredients that address those specific symptoms for their "house is on fire" situation. All of this is going to help you when you are creating your marketing messaging.

As previously stated dozens of times, you need to have clinically-proven ingredients. You can bet that the branded ingredient in the HA Joint product, from PL Thomas, has human clinical studies associated with it. That's why they included it in the product. As you identify ingredients that have potential, you'll want to make sure that you're picking ones that have human studies which show that they work. You don't have to have multiple studies, but it would be better to have more than one study, obviously. However, for launching your product and being able to make the health claims related to those studies, you need to have at least one and it needs to be a reliable, well-constructed story.

Typically if you source ingredients from high-quality distributors, you're in a much better position because you know that you're dealing with quality companies. They know how to discern whether an ingredient has the right science backing it or not. The companies that Buck is recommending to you are quality companies, and by the way, PL Thomas is a high-quality distributor, according to Buck. That's why the value of the VIP Rolodex is so high. If you just go off and talk to a supplier that doesn't come recommended to you, either by Buck or his trusted manufacturer, you would be left in the dark trying to figure this all out on your own.



The next topic is "Absorption/Bioavailability Enhancement". You want to pick ingredients that support the absorption of your star ingredient. Buck and his partners selected an ingredient called Bioperine for Weight Loss Formula #1. This is from a company called Sebenza, and they have clinical studies that show when you include Bioperine. Buck thinks that it's 5 grams or 10 grams per dose that can increase the absorption and the bioavailability substantially for a certain set of natural ingredients that it's been tested with, but in general, it improves the

absorption of any ingredient it's combined with. Ingredients that help to increase absorption should be part of the story that you tell when you market your product.

Another way to go about improving bioavailability is to talk to you talk to your manufacturer about delivery. It may be best to deliver it as a softgel, a tablet, or as licaps. You could also just use a veggie capsule, a powder, or an effervescent tab. These are all different options that you have in terms of delivery. You certainly want to look and see what your competitors are doing when it comes to delivery, and you want to understand why they have chosen what they have. What are the claims they are making around their specific delivery mechanism? It may be that they have just chosen a delivery mechanism as a matter of convenience. For instance, customers often prefer to take softgels because they are easier to swallow. They aren't chalky, and they don't scratch your throat like some of the larger pills do.

You really need to put your consumer hat on when it comes to these sorts of things. Ask "What is the experience I'm getting from this? Is it easy to swallow? Would I prefer it to be in a different form? What are my problems with this particular form of delivery?" When it came to their fish oil product, Buck and his partners chose a type of softgel that doesn't breakdown in the stomach acid. It's an enteric softgel that has enteric properties in the softgel material itself, rather than being coated. They chose this for a couple of reasons.

First of all, they wanted to increase the bioavailability of the Omega-3 fatty acids so that they would be deployed in the small intestine and not inside the stomach. They also chose that type of enteric softgel because it reduced side effects. One of the side effects of taking fish oil is burp-back. Some people complain about this; they get an upset stomach. No one likes to burp fish.

Customers prefer to take softgels, but they also chose a very concentrated form of fish oil to reduce the number of softgels that customers need to take. This helped with convenience and customer preference. If customers take fewer softgels to get the same dosage, this leads to less burp-back, no upset stomach, and higher blood plasma levels of Omega-3 fatty acids. This all comes out of a result of making better decisions when it comes to delivery.

As you're thinking about formulating your product, and talking to the formulator and your product contract manufacturer, think about that aspect of it. Don't just let your manufacturer do whatever they want when it comes to delivery, and don't just copy what your competitors are doing. This is an opportunity for you to seek a competitive advantage, and that's something they have always done at RealDose.

Think about what makes your product different from all of the others out there. You might have Garcinia in your product, for example, but what would make your different than all the other Garcinia products out there. One thing that you can do is look at delivery systems and

ask if there is a way that you can do something different. Is there a way for you to zig when everyone else is zagging, and is it cost effective for you to do so?

No one is suggesting that you spend crazy amounts of money trying to come up with a new delivery system, but it worth asking the question "Could I select a noble delivery system that drives convenience, increases bioavailability demonstrably for the product, and maybe has some other side benefits that helps me to differentiate the product?" Don't just settle for whatever your manufacturer recommends. Listen to what they have to say, but give it some thought on your own.

Again, you should use a combination of unique ingredients as opposed to a single ingredient, and make sure that they're clinically proven to deliver the health benefits indicated. Convenience is another detail to consider. You might want to use a flip top lid for the jar or bottle, or a lift and peel seal, to make it easier for your customers to take the packaging off. You may also want to reduce the size of your capsules or find a way to reduce the number of capsules or softgels a person has to take.

As previously mentions, Buck and his partners chose enteric softgels where the enteric properties were in the softgel itself. It wasn't coated. That can both reduce unwanted side effect and give it an aesthetic advantage. You may have seen these types of enteric softgels that are either opaque, where you can't see through them, or they look frosted because their coated. The coating can crack and it can fail, which means that the contents of the capsule get deployed in your stomach as opposed to being deployed in your small intestine. The enteric softgels used by RealDose for this particular product looks like a regular softgel. You can see the fish oil inside. It looks very attractive, and that's an aesthetic benefit that also supports convenience.

Buck says that he argues with his partners about this quite often. One of his partners isn't as concerned about it being natural ingredients or being organic or non-GMO. He wants to make sure of the science first. Buck leans more toward the organic non-GMO, so he would prefer to have products that he knows are really natural or well-crafted, that are not genetically modified. He thinks that's where the market is heading. He feels if you can do that in terms of both the ingredients you select and the delivery mechanism that you choose, you can have a leg up when it comes to your marketing messages.

Another thing that was discussed was the option between having a single bottle formula versus a system. Buck advises that you go with a single bottle formula starting out. This is how RealSDose started out too. Their first product was Weight Loss Formula #1. It's a single bottle formulation in a white HDPE bottle. They initially just had the neck ring, and they don't even

have a flip top lid. According to Buck, he would go one step further if he did it all over again by having a flip top lid and a peel seal on the inside.

Now, let's talk a bit more about proprietary blends. The product shown above is a product that Buck's wife, Diva, found at the Pharmaca where they live. He thinks that it's packaged very well, and he really admires the logo. It's a simple logo. It has a simple design with a lot of white space on it. It looks very attractive, however, the way that they put it together.

This product is on the retail shelves, and he believes that this box increases the perceived value of the product. The makers of this product have chosen to put their ingredients into a proprietary blend, and they haven't called out any branded ingredients that they have any patents for or they have to list a supplier for. You can have success with this approach as well. Buck says that he would bet that their product matches the doses found in clinical studies and then they had some other ingredients added.

Of course, they are required by supplement facts or regulations from the FDA to list the ingredients in order of precedence. The star ingredient for this particular product appears to be bitter melon fruit. It is possible for someone to take your formula, reverse engineer it, and knock it off. They might send it to the lab or go to a manufacturer.

A lot of people will try to find their product in Amazon, on eBay, or somewhere else online for a lower price. The beauty is, Buck says, is that it's their product and they control the sales channels. That also means that they control the pricing. This allows them to maintain an

Apple-like attitude towards pricing. Their attitude is “Look, if you want an iPhone, guess what? You’re probably going to pay about the same price no matter where you get it.” That’s the kind of pricing control that Buck strives for with his products.

Buck is planning on interviewing a couple of his trusted distributors for ingredients. Once you have had some experience with ingredients and formulators, you’ll find that events like Supply Side make you feel like a kid in a candy store. You don’t know where to go first, your head is spinning, and it’s amazing. You definitely will want to have a mission when you go in. You want to go through all of the isles and see what they’re featuring; you’ll want to talk to the sales reps, and so forth. It really helps to have a couple of go-to partners that you can really trust which represent more than one ingredient so that they can point you in the right direction at least.

Buck expects the interviews that he sets up to be somewhere between 30 to 45 minutes long each. He’s going to interview them and then put those interviews into the member’s area. On top of this, he has some other interesting news. He’s just interviewed Kevin Parlin, who is the president of PayRamp, for the international folks in the membership. If you are an international member, they have a solution for you when it comes to setting up your U.S. entity, your bank account, and get your mailing address without coming to the U.S.

Buck is really excited about sharing this information with you. Everything you need to know should be covered in this interview. You can find it in the member’s area. Now, let’s move on to selecting a manufacturer.

Manufacturing

If you don't want to take Buck's advice and select a manufacturer from the VIP Rolodex, that's fine. You'll be taking a bit of a risk, but there are other quality manufacturers out there. Buck isn't going to be a jerk and tell you that you have to go what he suggested. Let him offer some advice on how to select one at least. First, you'll want to make sure that it's not just a broker. There are a lot of companies out there that masquerade as manufacturers, but all they really are is a front end to any one of a number of manufacturers.

Buck says that he learned this little secret by talking to the people at his preferred manufacturers. They said "Yeah, did you know that this company, and this company, and this company are basically just sales front ends. They're just a bunch of guys in a boiler room in New Your City dialing for dollars." It's likely that you don't want to have some person who is really just a sales rep to a variety of manufacturers being your manufacturer. You should try to avoid that. So, you'll want to ask them "Are you really a manufacturer? Is that the name in front of the plant, or are you using someone else's plant?"

You really want to have somebody that provides you with consultative account management. Look, if you're going to be dealing with a sales rep, it's just the nature of the game for them to try and sell to you. They are motivated to sell you product and to bring you on as a client. They are motivated to get as many bottles manufactured as possible. You want somebody who has

your back and cares about the solution you're trying to develop. You need a manufacturer that is looking for a long-term relationship, not just a one-time order. This is key.

Buck advises that you try to find manufacturers that have in-house formulators. That's because places with in-house formulators are more likely to know about cutting-edge ingredients and the research associated with those ingredients. If a manufacturer isn't doing their own formulation in-house, or they don't have formulation assistance, then they are just sitting there being order-takers. They are going to look to you to come up with a great formula, and you'll have to do it all on your own without much assistance. In this case, you'll want to go to shows like Supply Side to find sources, look at competitive products, and source potential ingredients for your product.

It's really nice to have access to in-house formulators through your manufacturer. It gives you a leg up. One thing that you'll need to ask your manufacturer is if they have any off-the-shelf solutions available for you if you choose to use them. This shouldn't be considered mandatory, but it's definitely a plus. Many of the people in this training are torn between doing an off-the-shelf formula or a custom formulation.

You have to ask whether they follow the Current Good Manufacturing Practices (cGMPs). This is a big one. Can they provide you with a regulatory review of your product label for accuracy and compliance? You'll want to make sure that they will not only do this for you, but that they are able to provide that in-house. The main manufacturer that Buck works with does. They will look at his product label, send it to compliance, and send their notes back. Afterwards, Buck will send it to his outside counsel, and he highly recommends that you do too. That way you can make sure that you "T's" are crossed, your "I's" are dotted, and that the gross issues are all addressed from a regulatory compliance standpoint.

Next, you'll want to find out if the manufacturer you're working with has a proven track record. This is something that you'll have to dig a little deeper to find out about. You can start by asking "Do you have high-volume clients that are successfully selling their products in the marketplace?" If all they have for clientele are supplement wannabies that are not selling high volumes, it they aren't manufacturing for any industry leaders, you might be a little suspect.

Just because a manufacturer does smaller runs, doesn't mean they are not high-quality. They may just not have bigger companies to manufacture for. However, Buck usually looks for companies that are experienced in working for bigger manufacturers, and that is what he recommends you look for as well.

This can really save your bacon, especially if you start to scale. One thing that Buck likes to ask is "Look, if we enter into this relationship, maybe not the first time, but as we get down the track, and I start reordering from you, I want to know that you're going to extend to me credit

terms." These typically will be net 30, net 45 on the outside. That means that you can place an order and the truck will start ticking for you to get them money, but you've got 30 to 45 days before you have to make that payment.

That's a big deal because that gives you about three days to get your truck to fulfillment and you can start selling your product. You'll have 30-45 days to sell that product and generate some cash to offset the expense of manufacturing. This can be a big, big help. The company that Buck works with will extend credit, and it has really been a great, great partner for them, Buck says.

You've probably done a little research of your own, and if you have, then you probably know that Vitaquest is located in New Jersey and that they have been in business for 40 years. So, they've been around the block a few times, and they have 40 clients in countries around the world. Buck says that he really can't say enough about them, for a lot of different reasons. One of the things that are so great about them is that they have their own in-house testing labs. This is for doing testing of raw ingredients for themselves and making sure that everything is as it should be.

Buck still recommends that you do your own batch testing after your finished goods go through a third-party testing lab. In any case, having an in-house lab is a big deal. Vitaquest has 17 degreed chemists that are being supervised by three resident PhDs. They have a real staff, which include people of a high intelligence. They assist clients and make sure that everything is working and humming well from a quality assurance stand point.

Buck typically recommends taking shortcuts wherever possible. That being said, Vitaquest is a top-tier provider. So, if you are considering the possibility of using their services, you need to have your ducks lined up before you call them and start engaging the sales run about doing a tiny run of product. Again, they're used to working with bigger clients, but they are aware that Buck has students with smaller businesses and they are prepared to help some of you get going. They have a partner company that has about a dozen off-the-shelf formulas that they will be talking about at the live event, and they are going to make sure that those options are presented to those who aren't coming to the event as well. So, there's a shortcut.

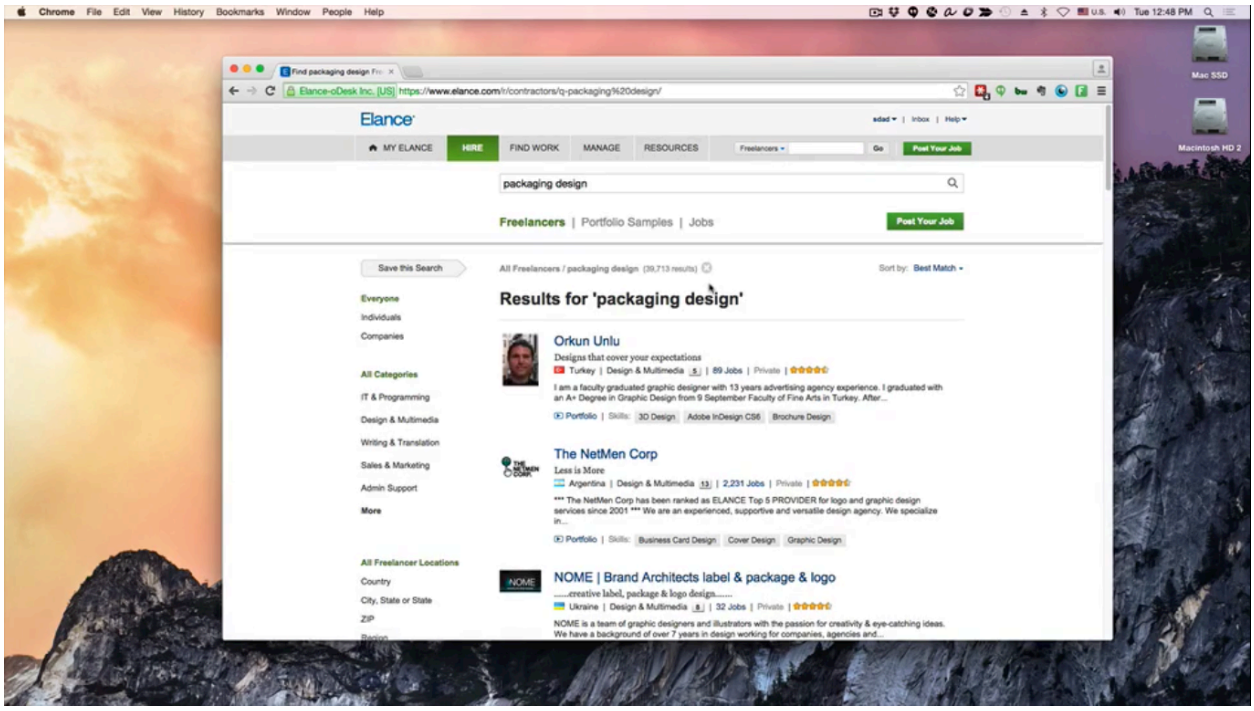
Now let's get into some fun stuff when it comes to manufacturing. One of Buck's labels is shown above. He's had different labels made over the years, but he always keeps coming back to a very simple pharmaceutical-looking one. As you know, Buck likes to keep things as simple as possible. If it makes sense to have benefit bullets, he likes to put the benefit bullets on the front of his bottles, and in some cases, he'll have his designer create seals to put on them. These aren't official seal, mind you, but they do describe something that's true about the product.

This is RealDose's Omega-3 product. It has been third-party tested for purity, potency, and quality. It has a fresh lemon-lime taste, so they had a seal made for that. So, you get some visual cues and benefits that would make the product look more attractive than if it were just plain vanilla. This is kind of plain vanilla, Buck says, but it does have a nice logo. In this case he stylized the text because they have super critical concentration of Omega-3 fish oil in the product. He added a seal pertaining to this. He doesn't always use seals on his products

though. For example, Weight Loss Formula #1 doesn't have a seal on it. It just has benefit bullets on the front of the label.

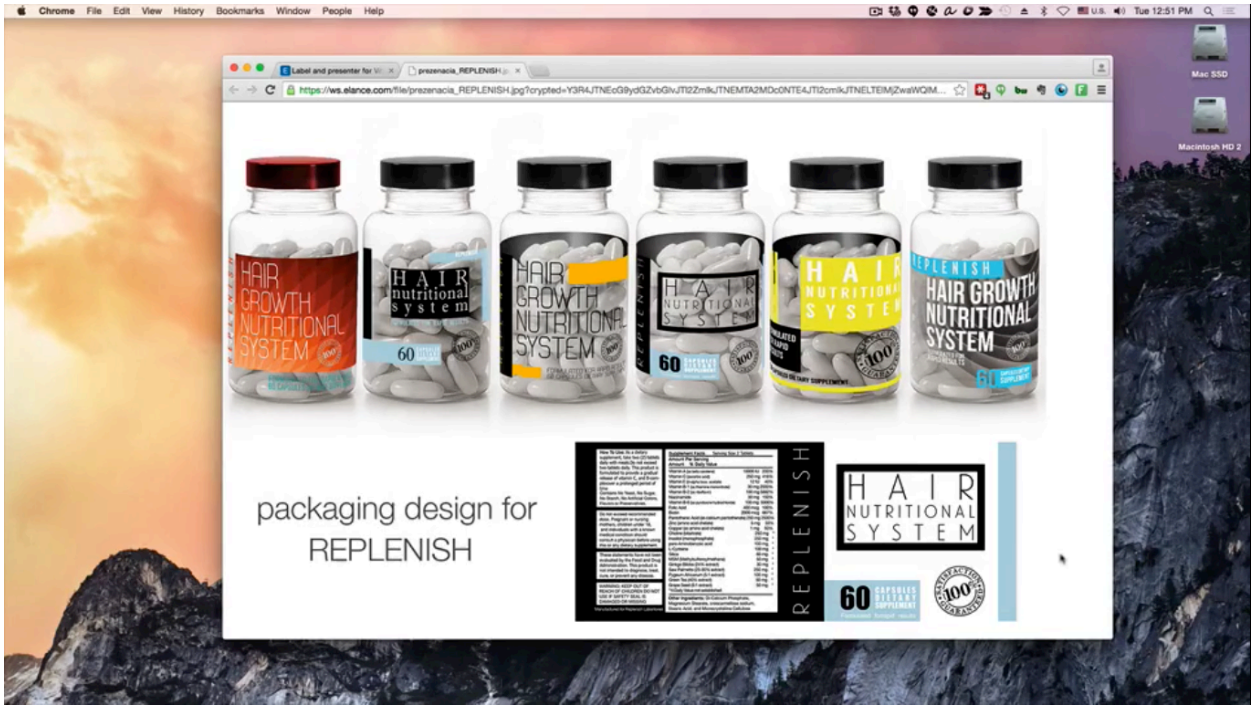
You can do some really crazy wild things when it comes to labeling, such as having a black background with light text on it. Buck, however, usually just uses a white HDPE bottle and a clean white label with dark lettering in the logo. He says that he's had more natural products that have more of a colored background and scenes and so forth on it, but he usually gravitates back to this approach. Honestly, this has served them well at RealDose.

Buck's resource for packaging and design, his secret, is Elance. He's used this site for eight years now. This website is shown below. He begins his search for a designer by typing in 'Packing Design' or 'Packaging Design'. That's the term you'd want to use as well in order to find the right person because you don't just want a designer, you want one that is savvy when it comes to packaging, labels, boxes, and other things of that nature.



When Buck was searching on Elance during his presentation, 39,703 results came up. So, he sorted the results by 'best match'. You could also sort them by 'reviews'. Designers from all sorts of places came up. There was one man from Turkey, another from Argentina, and another from the Ukraine. Buck says that one thing he has found over the years is that people in Eastern Europe tend to do a great job and he finds that many are quite creative. He admits that he might be a bit biased since his wife is from Lithuania. The guy that Buck has doing his packaging is in Serbia.

When it comes to programming or tasks that require technical skills, you might check places like India. On the other hand, if you are looking for a virtual, customer care agents, or people to fill jobs like these, the Philippines are a great place to find those types of workers. You can source great individuals from all of these different places. Anyway, during his search Buck found a company called Gnome Architects. When looking at this company's profile, he noticed that they had 20 reviews and a rating of 4.9. Plus, it looked like people kept coming back and buying from them. They had a 14% repeat rate. This all looked great, but what Buck was really interested in was their portfolio.



In their portfolio, they had a box design for a company that was likely in Japan. There was also a bottle design. It's shown above. By displaying this, Buck isn't trying to say that you should go after this particular look and feel. He was just looking to see if they knew how to do label design and if they could follow the patterns for, or instructions for, doing a label design. The flat version of this label design is shown above as well. As you can see, it contains the Supplement Facts as well.

From his search, Buck could tell that this company had more than one client and had returning clients. They must do a good job because they have a lot of great reviews, and it's apparent that they have created some really attractive designs. He's supposing that they can follow layout instructions well too. It only took Buck five minutes of searching to find a potential company to use for his packaging design.

Sometimes it takes a little extra time, but Buck will sometime use a “Kissing Frogs” approach. You see, design work isn’t that expensive, so he will try out two or three different designers, giving them the same instructions, and wait to see what comes back. This helps him to gauge different designers because what he is really looking for is to have a long-term business relationship with one or more. Buck says that he’s worked with some of the same people since way back in 2005. Once you find somebody who does what you need them to and does it well, they are gold. You won’t want to start over with someone new. It’s well worth spending a little extra to find someone like that.

Buck went through this process when he sourced his VA, Mark, too. Mark has also used this process to source other personnel in their Filipino team. This process works amazingly well. Spend a little extra money on finding the right people, and you’ll be amazed to see the variations when it comes to quality, response time, and cost.

There are a number of considerations you should make for you label. Your label design is subjective, but Buck wants you to know that he has had good luck having a clean pharmaceutical look on his bottles. So, you can do what you want, but he is letting you know what has worked best for him. He usually puts 3 to 4 benefit bullets on the front of his bottles as well. When it comes to his weight loss formula, he has a statement on the front that says “With ingredients clinically proven to accelerate fat burning, reduce appetite, increase energy and stamina, and enhance mood.”

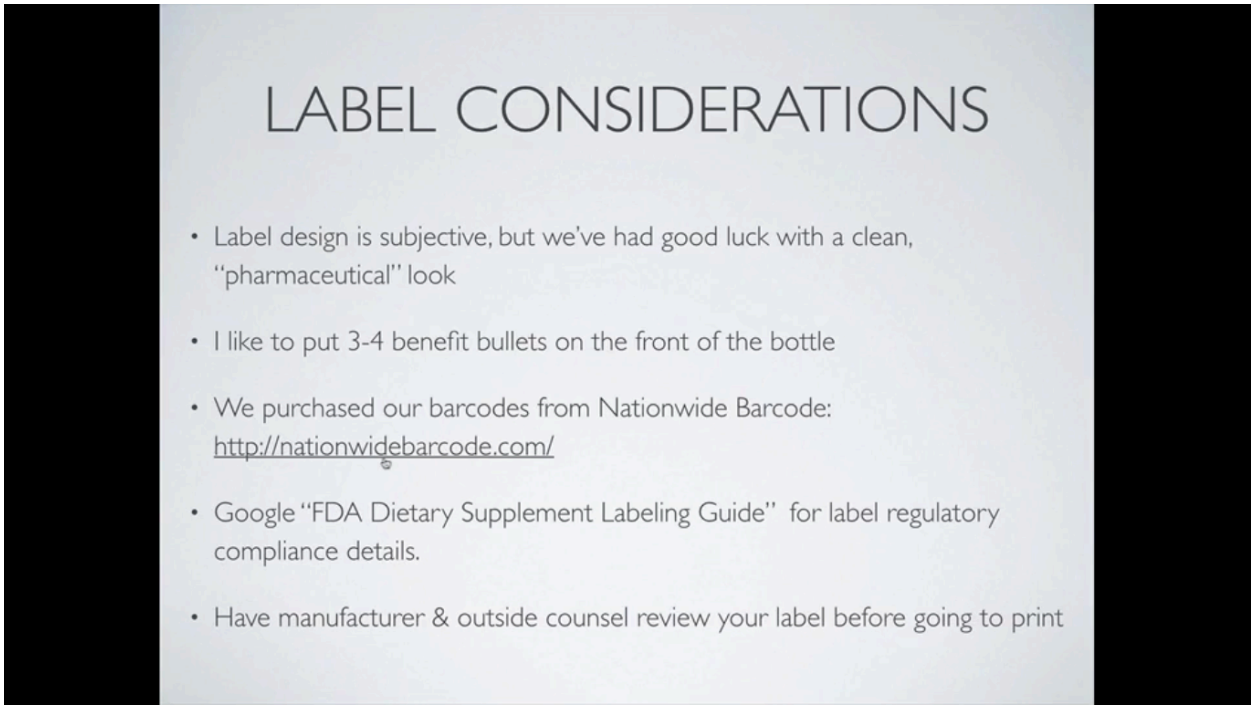
Here’s another tip. You’ll want to have a barcode on your packaging. It’s not hard at all to get a barcode, by the way. You can get them from the main body that dispenses bar codes, but there are also a lot of companies that will provide them to you. You don’t have to spend big bucks to get 1 or 2 barcodes either. One of the companies that RealDose uses is NationWideBarcode.com. Once you have a barcode, just have your packaging designer lay it out in your design. When your designer is through with your design, you can have it printed out by a company like Consolidated Label.

There are a couple of different reasons why you want to have a barcode on your product, in spite of the fact that your product isn’t in any retail stores like Whole Foods. Companies like Newgistics, which is Buck’s preferred fulfillment center, will use these barcodes when they go through the process of picking, packing, and shipping your product for you. They’ll put your barcode in their system and make sure that everything scans correctly for you.

You need to Google the search term ‘FDA Dietary Supplement Labeling Guide’, which is a definitive guide for the FDA. This is a great read, and it will help you to sleep at night. It’s worth taking the time to scan through this so that you understand the do’s and don’ts and what’s required of you. That being said, if you use a good manufacturer, like Vitaquest, they

will have a regulatory team validate that the label has been put together correctly. They will make sure, for example, that you've included the 'Supplement Facts', and that this portion of the label is structured correctly for the ingredients it contains.

Your manufacturer is going to give you the 'Supplement Facts' that you need to incorporate into your label. Even so, it's recommended that you seek outside counsel. You can find a resource for this in the rolodex as well. Keep in mind that the FDA Dietary Supplement Labeling Guide applies to products sold in the U.S. If you live elsewhere, such as in Australia, New Zealand, Singapore, Hong Kong, and the UK, you'll want to check on your own countries laws and regulations. That's beyond the scope of this course. It would be too much to get into the laws of all of the individual countries people could be from, and since the U.S. market is the biggest, that's going to be the focus of this training. That being said, Buck says that he never has to re-label his products if he ships them to another country.



Always make sure that both the manufacturer you are using and your outside counsel review your label before going to print. You want to make sure that you're not stepping over the lines in any of the health claims you have included in your benefit bullets and that everything is laid out the way it's supposed to be. This all may seem a little scary to you at this point, but honestly when you have a designer that knows what he or she is doing, and you have a manufacturer that knows what to do and how to lay it out, then you're pretty safe. Still, you need to be familiar with label formats yourself.

There's an old story about Henry Ford you should take note of. He was once hauled into court and asked "Well, what do you know about making cars? You never even went to college." To this he replied by saying something like "Well, you know, I have a panel of phone switches, and I can press a button, and I can get any expert I want on the phone within 5 seconds." Buck wants you to have this attitude when it comes to your supplement company. You know where to go, and you know where to find experts to advise you. So, you don't need to know the ins and outs of everything; you just need to have a high level of understanding about what they are doing, what they can do, and how they can help you.

Now, let's talk about retail boxes. Buck has a love/hate relationship with them. He thinks they are cool, and they can definitely be useful. Retail boxes can make your product stand out much more than it would if it were just a single bottle sitting on a shelf with a bunch of bottles just like it. However, if you're selling online, having a box for a single bottle formula isn't going to make that much of a difference at all. You would need one if you are selling a multi-component system though.

Buck has a product from Nature's Secret that's called Ultimate Cleanse. This is a two-part total body program. He believes that in this case a retail box would enhance the perceived value of the product more than shrink wrapping two bottles together would. It simply makes the product seem more substantial. Plus, you can tell more of a story on a box.

The box above contains a wellness CD. This is a bonus that the customer gets when they make their purchase. You can do a lot of interesting things like this when you have a retail box. For

instance, you can include other types of info products or inserts which will increase the perceived value of the product as well.

The cool thing about this is that it's relatively inexpensive to do so. As you probably already know, costs go down substantially when it comes to printing. For instance, if a batch of 1,000 inserts cost you $100 to get printed, then a batch of 10,000 might cost you $250. That's just an example, but the truth is that the more you buy the less you'll pay because most of the costs involved in printing boxes goes into the process of setting up. This is a very non-linear pricing model that you get big, big discounts if you buy in volume.

Typically, Buck and his partners buy thousands of these labels at a time, even if they are only doing a smaller run. They may get 10,000 units, even if they are only running 2,000 units, for example. There are big savings associated with doing that, but it's still relatively inexpensive to get this done on a per unit basis.

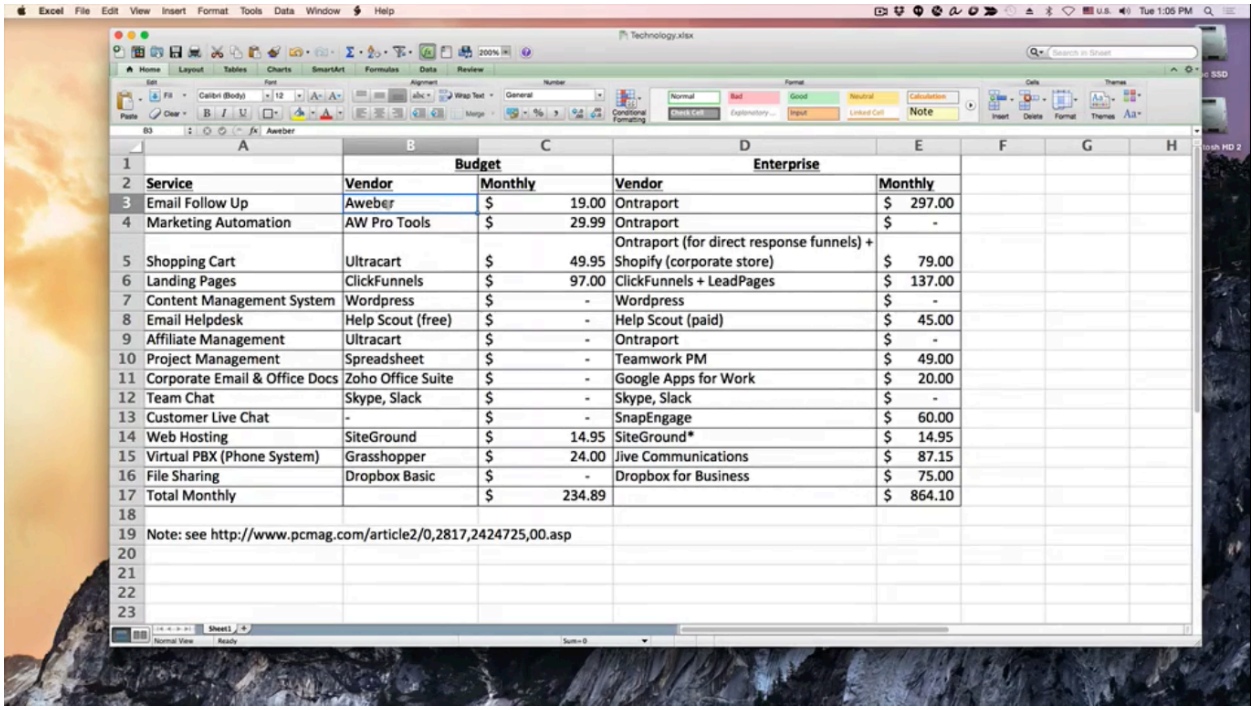
If you are selling a product for $89 or $100, and the box costs $0.50, then the benefit of having more perceived value for your product outweighs the cost that you're paying for printing. It's even more worth it if you get into offline channels. For instance, if you sell to a doctor channel, then having a retail box is definitely going to be advantageous because it's going to be sitting there on the shelf.

Box Co-op is a resource that you're given in the Rolodex. It's recommended that if you are going to use a retail box, you go on Elance, find a designer, and then send a template of the design over to Box Co-op. Here's another tip. Buck says that he learned the hard way to be careful about ordering his boxes. He once bought boxes from Eastern Europe that were flat and not glued. He actually had to glue them manually, and he had to teach his fulfillment house how to glue them. It was a real pain. Now he gets boxes that are just pop-open. They ship flat, but you can push them and they self-assemble. There's nothing to glue.

That's what you want, the pop-up boxes. You don't need these for single bottle formulations, but if you do go with a retail box, don't skimp. The same thing goes for labeling. In other words, go with a full color box, and use thicker paper, especially if you have a box that you're going to have multiple items in. A good thickness is .024 inches. Buck says that this is a thickness that he's had a lot of success with. It's called Coated One Side, C1S.

This is another very important detail. You need to put a UV coating on it. They are going to ask you, "Do you want the UV coating?", and you're going to ask, "What's that for?" Well, if your box is subjected to sunlight, it's going to fade. The UV coating protects from this, but it also protects the box if it gets rubbed. Boxes in transit get rubbed a lot. This rubbing makes the ink smear on the box. Plus, it gives it a nice sheen that makes it look like there's a plastic coating

on the outside. When you get your labels printed, you will want them to be coated as well so that the ink won't smear if they get rubbed. You definitely don't want to have that problem.



		Budget		Enterprise	
Service	Vendor	Monthly		Vendor	Monthly
Email Follow Up	Aweber	$	19.00	Ontraport	$ 297.00
Marketing Automation	AW Pro Tools	$	29.99	Ontraport	$ -
Shopping Cart	Ultracart	$	49.95	Ontraport (for direct response funnels) + Shopify (corporate store)	$ 79.00
Landing Pages	ClickFunnels	$	97.00	ClickFunnels + LeadPages	$ 137.00
Content Management System	Wordpress	$	-	Wordpress	$ -
Email Helpdesk	Help Scout (free)	$	-	Help Scout (paid)	$ 45.00
Affiliate Management	Ultracart	$	-	Ontraport	$ -
Project Management	Spreadsheet	$	-	Teamwork PM	$ 49.00
Corporate Email & Office Docs	Zoho Office Suite	$	-	Google Apps for Work	$ 20.00
Team Chat	Skype, Slack	$	-	Skype, Slack	$ -
Customer Live Chat	-	$	-	SnapEngage	$ 60.00
Web Hosting	SiteGround	$	14.95	SiteGround*	$ 14.95
Virtual PBX (Phone System)	Grasshopper	$	24.00	Jive Communications	$ 87.15
File Sharing	Dropbox Basic	$	-	Dropbox for Business	$ 75.00
Total Monthly		$	234.89		$ 864.10

Note: see http://www.pcmag.com/article2/0,2817,2424725,00.asp

Buck has put together a cool worksheet for you. It is shown above. Buck says that this is his "Budget and Enterprise" view of the technology platforms that you'll need to run your business. He says that if there was anything that he missed, he will update this. However, he wanted to use this to walk you through a basic setup with a budget in mind so that you could really 'shoestring' the process, as you grow your business.

Buck broke down all the services that you'll need in terms of the generic functionality. He lists the specific vendor he recommends and then the price point on a monthly basis. The first system listed is the email follow-up. There are a lot of email follow-up systems out there. A few of them that Buck and his team have had really good luck with is iContact and AWeber. He knows the creator of iContact, Ryan Allis, who ended up selling it for 150 million. AWeber is Buck's first email system, and he says it's a solid system. It's been around forever. Not only is it an auto-responder, but it also has broadcast capabilities.

AWeber is very sensitive when it comes to spam and making sure that you maintain deliverability. There may be some drawbacks to from that perspective. Mail Chimp and Silverpop are some more options. Everyone is going to have their own opinion on this. AWeber has been around for a long time. A lot of marketers use it, and it's relatively inexpensive.

Marketing Automation is listed next. This gives you the ability to not only do follow-up emails, but put some intelligence behind how you follow-up with your customers as well. If a customer clicks on a link, you might want to tag them in a certain way so that you can send a specific marketing message to them in the future. If a customer buys a certain product, you might want to tag them for making that purchase so that you know what to include in future promotions. That's what this technology allows you to do.

All of this functionality is part of environments like Ontraport and Infusionsoft, which are high-end all-in-one marketing systems that include email follow-up and marketing automation. If you're doing this on a shoestring budget though, AW Pro Tools is available for just $29.99. It integrates with AWeber, and it was designed to be a poor man's version of Ontraport or Infusionsoft. In fact, it gives you many of the same features of Infusionsoft or Ontraport, but without the $297-a-month price tag. Now for just $50 a month, or close to that, you have the same functionality at 1/6th the cost. In the case of the enterprise solution for email follow up, Buck is using one solution, that's Ontraport.

Next on the list is your Shopping Cart. Buck's go-to solution for the last several years has been Ultracart. If you just want the cart with all the capabilities of direct response-type functionality, one-click upsells, and more, this is a good service. It includes support for merchant accounts like PayPal, Amazon Payments, and Kevin Parlin's solution, which is in the Rolodex.

For the corporate store, Shopify is what's listed. When it comes to direct response funnels where media is bought and traffic is sent to a landing page, UltraCart is RealDose's solution at the moment. Instead of buying three cart solutions and spending all the money associated with that, Buck suggests using Ontraport because it has all of those features. Later on, if you want to add Shopify, it's an extra $79 a month, so Buck added this to the 'Enterprise' column.

For landing pages, he recommends ClickFunnels, LeadPages, and 10 Minute Funnels for the budget-minded. There's another service called Megaphone that you might want to look into. If you were to ask Buck which one of these he would choose, he would say ClickFunnels. He says that he really admires what Russell Brunson has done. ClickFunnels has a lot of functionality, and Buck thinks it's a great tool for creating very rapid sales funnels and landing pages. It's a bit more costly than the others though. It's $96 a month for the mid-grade offering.

Buck says that he has all of the funnel solutions given, and he typically moves back and forth between LeadPages and ClickFunnels, just depending on what he's doing. He likes having a couple of different options, he says. This does increase his monthly costs a bit though.

When it comes to your contact management system, this is basically your website. RealDose's was built in WordPress. You'll probably get into some philosophical arguments about whether WordPress is secure or whether it's fast enough for what you have. However, if you're just

getting into this business, there's a lot of capability in terms of using WordPress' templates, their plug-ins, and other functionality the service offers.

Buck doesn't think that there's any reason to invest in a formal contact management system. There are some high-end systems out there, but from Buck's perspective, he thinks WordPress is a good solution for storing your website, your pages, and managing the content on your site. There's no cost associated with either the 'Budget' version or the 'Enterprise' version of WordPress.

When it comes to the Help Desk, Buck recommends using Help Scout. In fact, he says that he loves this solution. It was actually discovered by his customer support manager. Prior to this, they were using Zendesk, which is a much more expensive solution. Now they have the free version of Help Scout. There's also a version available for $15 per user per month. That's a flat fee. Many similar services will charge you by the ticket and things like that, which Buck feels is very confusing and much more expensive. Help Scout can be used for free, but if you are on an enterprise scale, Buck advises that you get the paid version because it's really great. Buck has three agents using Help Scout. That means he pays $45 a month. That's not a big deal at all, he says.

When it comes to Affiliate management, Buck suggests UltraCart as a solution, if you're doing referrals. If you want to refer someone, or if you want to have another business refer customers to you and pay them for those referrals, then you need an affiliate management technology platform. The beauty is that UltraCart and Ontraport both have these built in. So, they come along with the same price tag. UltraCart is for the budget-minded, but Buck says that he would use the built-in affiliate management of Ontraport.

There are lots of advantages to having your shopping cart, your follow-up email system, and your marketing automation all in one place along with your affiliate management. For example, if you refund a customer, that refund is going to flow automatically to the other aspects of your business. This includes making sure that you don't overpay your affiliates. You will want to be sure that the refund is applied to the affiliate commissions. If it's an all-in-one system you're using, like UltraCart or Ontraport, then there's no problem. The problem will be fixed automatically, and there will be no need for a third party system.

For corporate email and office docs, Google's Gmail used to be king in Buck's eyes. You could get a free Google Apps account or Google for Business accounts. You could also associate a domain with it. So, you could have a vanity domain with your email and use all the Google Apps, Google Docs, Google Drive, and all of the other services associated for no cost. It was a beautiful thing, he says. They changed the rules though.

Now they charge a nominal cost to use Google Apps. So, for the budget-minded, Buck selected Zoho. He does, in fact, use this service. He's very happy with them, he says. They provide both email and office docs, and they will support up to ten accounts. By the way, when you apply for a merchant account, they will look into your business. You will need to have a website. If you're using a Gmail or Yahoo account to communicate with your merchant process, this screams "Mom and Pop" or home business. This could be problematic for you. If you're using a vanity domain and an email on your vanity domain, you can just quickly and easily set that up with Zoho Office for free.

What Buck really prefers is to pay $5 per user per month to just go ahead and use Google Apps. Google, after all, is the 800 pound gorilla that takes on Microsoft, and their apps are very capable. You'll have your spreadsheets, your presentations, your word docs, and Google Drive for storing files. This will eliminate the need to pay for a third party drive file sharing system. It's very, very inexpensive. Again, it's $5 per user per month, and Buck puts $20 there for four users.

Another thing Buck makes reference to in his spreadsheet is having live chat. They didn't have live chat at RealDose until after their first few million sales, and it's not necessary for you to have this set up when you start out either. Once you start staffing up, however, a live chat is a great thing to have. It can increase your conversions, and once you're ready, you should probably jump into the enterprise version. They use SnapEngage at RealDose. It does interface with Help Scout, by the way.

You'll probably get into even more philosophical arguments when it comes to web hosting. Buck likes SiteGround. PC Magazine recently ranked it among the top hosting companies of 2015. In fact, it was one of the top ten. This isn't one of those things that are going to make or break your business. Buck says he isn't sure whether or not he would recommend GoDaddy necessarily. He really likes SiteGround because they have great customer support, he says.

If you don't want to have to deal with technical issues and you don't need to have all the bells and whistles, then SiteGround is a good option. They use a service called Rackspace at RealDose though. They are currently looking for ways to scale to a different configuration that's not as expensive, however. They don't really need all the bells and whistles that Rackspace provides. Even on the enterprise side of things, SiteGround is a good option for you. Even the highest mode is only $14.95 a month.

When it comes to using a phone number, using something like Skype-In or using a service like Grasshopper or Jive Communications would probably be a good choice. You'll want to get a phone number that's has the same area code as the locale your business is established in. Again, this is going to be important when you sign up for a bank account and merchant account.

Grasshopper is only $24 a month, so it's a great option for the budget-minded. It's got great call-redirection, voice mail, and all this functionality that makes you feel like a real business. You'll be operating completely virtually though. In any case, this is a great option for you.

It hasn't been long since Buck first discovered Jive Communications. Right now, RealDose is using a more expensive piece of software called 8x8 (8x8.com). They have enterprise software and the pricing to go along with it. According to Buck, it costs around $1,000 a year per seat at minimum.

Jive Communications is a very highly-rated service. It's standing up against companies like 8x8 pretty well. They have very inexpensive per seat pricing. There's a package that goes from 1 to 4 users for only $24 a user, or something like that. Buck feels like this would be worth looking into if you're considering an enterprise and looking to scale up. Once you hit the point where you have 20 or 30 agents and many of them are answering the phone, that's where having something like Jive Communications makes a lot of sense.

Last but not least, when you're operating a virtual environment, having the ability to share files is incredibly important. This is especially true when it comes to doing things like getting a label or box designed or sharing details with a copywriter. One cheap way to communicate is to just email files back and forth, but some files can be too large to email.

RealDose uses Dropbox for business, and Buck really doesn't think that they could survive without it. They use Google Drive as well, but Dropbox is what everyone seems to be using. There's a basic version of this that you can use for free. It gives you something like 2 gigabytes of storage. This will help you to start out on that shoestring budget. Later you can move up to a more expensive account, once you get more established. It costs about $75 a month for the first five users.

According to Buck's spreadsheet, you can implement all of this for just $234.89 a month if you're on a budget. You could really run a multimillion dollar business, from a technology standpoint, with this budget version. For $864 a month, you could have full-on enterprise capability, with all the bells and whistles you need. Buck figures that this would be the equivalent of having two lattes a day, or something like that, in terms of expense. If you're running a business that's generating hundreds of thousands of dollars in sales a month, your technical costs would be just a drop in the bucket.

These are all great options for you, especially if you don't have an IT staff to keep things up and running for you. All of these services integrate very nicely. You don't have to be super-techy to make all these work for you. They just work.

Questions & Answers

I tried to go through Elance to find a copywriter, but I'm not having very much luck. It's been six weeks and we still don't have anything written. Do you have a list of copywriters that you've worked with? If not, can you suggest a way to go about finding a good copywriter?

The fact of the matter is that copywriters are creatives, and creatives tend to have their own scales of time. As Orson Welles used to say "We will sell no wine before it's time." With that being said, there does need to be some set deadline or schedule they need to stick to. If they can't, you may have to move on. Direct Response Jobs has some good options for copywriters, and there's going to be several copywriters at the live event.

At the live event, will there be any presentations on how to use keywords? I am very confused when it comes to figuring out how to use keywords and how people search for them.

A rock star media buyer will be speaking at the event. So yes, keywords are definitely going to be discussed.

I've never really worked with a formulator before. Do they come up with some formulas for me and then I just review them, or should I do my due diligence first and at least have something to take to them?

It's best to do your homework first. Have a short list of your own and then say "Hey look, I'm coming out with this product for this market. I've done the homework on the competitors, and I've looked at what's available." By the way, there are a few resources you should be aware of. The first is Neutraceuticals World. You can typically get a free subscription to this magazine. Another thing that you can do is attend Supply Side East and/or Supply Side West. East is coming up in April. Nutrition Business Journal has ingredient buyer guides, so that's something to look into too.

Buck recommends talking to a distributor or two before moving forward into anything. There's a gentleman in the Rolodex named Russ Anderson. He's a distributor with a variety of ingredients and would be a great person to talk to. He doesn't have a large portfolio, but he does have some.

I do see some ingredients that are showing up on competitor labels that I would want to consider. Should I just run these by the formulator at Vitaquest?

Yes.

If I do end up getting ingredients through P.L. Thomas, is it the formulator's responsibility to get all of that taken care of, or is would it be up to me to contact the ingredient's distributor (P.L. Thomas) myself?

Buck says that he has done it both ways. He thought he was going to get a better deal by negotiating directly with the manufacturer. In some cases you have to deal directly with the distributor because they have exclusive distributor rights in the U.S. P.L. Thomas has exclusives on most of the ingredients they represent.

You can go about it this either way, but when you're working for high-quality manufacturers like Vitaquest, it's often better to let them source the ingredients. There are a lot of reasons for that. One reason is that they are such a high-volume manufacturer that many times they already have ingredients on hand from that distributor. Therefore, it will save you time and the hassle of having to worry about how much you need to ship when you move to get it manufactured.

When it comes to BioPreine, you know the origin it came from and what makes it really unique. Does the formulator give you a breakdown on that type of information for the ingredients?

That's why Buck pointed out some of the things that he did in his mind map. He wanted you to know to ask what you could do to differentiate your product and what you could do when it came to things like making your product perform optimally. That opens up the door for the formulator to step in and say things like, "Yes, BioPreine is a good option, and VESIsorb is another ingredient that you can use to make your product absorb into the system better.", and things like that.

You would begin by asking questions like "What ingredients do you recommend for this particular condition because this is what I'm seeing in the marketplace…" and "Can I have more than one because I know they use different mechanisms of action?" Another question you might ask is "What do you recommend in terms of boosting absorption?"

How would I be able to find out the company that has a formula I wish to, not knock off but, improve upon?

When there's a branded ingredient, there's typically science behind that ingredient. Typically, it's on the product website because they'll have citations there. Find the research for that ingredient and see what the dosage was that delivered the result. That's one way to work backward. The other is to simply go to Vitaquest and simply ask "What do you guys think of in terms of…" They could probably make a recommendation to you.

Are there any formulators who do not use magnesium stearate, which is something I'm looking for?

Talk to Vitaquest about that. People feel strongly about this topic. RealDose uses a vegetable derived stearate, but that still may not make a difference to folks that care about it.

When it comes to the market research that we do on Macromark or Nextmark.com, is there audience data like gender or age data, that's accurate for us that since we majorly talk to people who purchase online?

Yes, there is indicative audience data. For example, if you find a list that had 500,000 people on it, and it was people that were interested in a joint pain solution, their breakdown might be 60% women and 40% men. That might be indicative and representative of the market. However, Buck advises that you look at other list and compare the numbers, just to validate that.

What is the maximum price you would pay per unit for a custom formula blend?

Unfortunately, max prices are all over the map. These are based upon the product and the market. Here's an example. At RealDose, they pay more than $11 a unit for Weight Loss Formula #1. That's not for the faint of heart, but for them it's not crazy because they have branded ingredients. They have high-quality ingredients. They have manufacturing standards. They do batch level testing, and the product works. So, from their perspective, they can tell a story and charge a premium price as a result.

Will you put the 'formulating a differentiated product' slide in the member's area as a PDF as well as 'Basic/Enterprise'?

Yes. Absolutely.

What are your thoughts on ingredients from China?

Buck says he may be a little biased when it comes to this. He's been to China, and he says that it's amazing how much you can get manufactured over there. When asked this question, he stated, "If you're manufacturing kitchen utensils, yes, I think China's a great place. But for ingestibles, I'm not a fan. I'll tell you. After the melamine scare with the dog food contamination, with baby formula contamination, all kinds of food contamination issues that occur in China, and the tricks that some of those folks are playing in terms of making sure, trying to make sure ingredients test for certain active constituents…I just don't trust it. I don't trust ingredients that are sourced from China. Maybe I'll change my mind later, but for now, my druthers are to try to stay away from them."

Buck continued on stating that most of his ingredients typically come from Europe, India, Russia, and similar locations. Sometimes even Canada, he says. He also says that there is a strong desire for Western dietary supplements in Asia because to the safety track record of Western products. So, you could actually have great success distributing products in those countries.

What is Vitaquest's minimum order quantity for custom formulations?

Buck says that he believes it's 150,000 tablets or capsules. There are going to be Vitaquest representatives at the live event, and things like this will be discussed in great detail. Also, companies like Private Label Nutra will do a lower quantity. So, that's something you might consider.

Do merchants look at your credit score when deciding if they want to work with you?

Yes, they do. If you're a U.S. citizen, they will ask you for your social security number. They will typically ask you to sign a personal guarantee for your merchant account. That's because if you're processing payments, and for some reason you run off with the cash and never ship the product to the customer, the merchant processor is left holding the bag. So, they want to make sure that you're a good credit risk. By the way, everyone should listen to the Kevin Parlin

interview because there are some great tricks and tips about merchant accounts in it that apply to everyone, not just non-U.S. citizens.

Isn't it hard to get clinically effective doses in a multi-ingredient formula? Do secondary ingredients need to be in clinically proven doses as well?

Those are great questions. According to Buck, your star ingredient should absolutely be dosed the same as the clinically effective dose. There are two star ingredients and one supporting role ingredient in their Weight Loss Formula. They are all at the clinical dose in the formula, but this can be complicated and difficult, especially since proven dosage amounts tend to be pretty high. They do it in three divided doses and they target a capsule size that people are willing to ingest.

Whether the secondary ingredients need to be in clinically proven doses really comes down to if you are using the ingredient as your twist. In other words, you want them to have that secondary benefit, but you may not be able to make the health claim because you don't have the same amount that was proven in the studies. That's the trade off. Typically, you want to have the clinically proven dosages.

One exception might be if you know that at a smaller does people will still have an effect, and there's still a positive impact. That can be your twist or your 'feel good' component. However, you're not necessarily going to be making a specific health claim around that. You just know that people will feel it and feel good.

Will you have anyone at the live event talking about direct mail?

Yes. There's a ringer on that subject, so be prepared. There's going to be talking some offline, so no worries.

How recent should a clinical test be? No more than 10 years? 15?

That's an interesting question. Buck says that he doesn't think research has a shelf life if it's valid. If a study is well-constructed, and has an appropriate number of participants, and it's the gold standard, double blind placebo controlled then it should still be substantial, even after 10 or 15 years.

How do we find which ingredient dies what and how quickly customers will notice a difference?

One way is to do your research, from a competitive standpoint, on who's selling products. Who are those top companies? You'll start to see commonalities for these conditions. Are these ingredients showing up again, and again, and again? That's one indicator. You might also look into the science behind some of their claims or even call up the distributor of a branded ingredient, like P.L. Thomas and ask about what's included in a particular formula.

I'm an ecommerce neophyte. While I was checking out WordPress, I ran into WooCommerce. Do you have any opinion on their shopping cart?

Buck says that he's heard good things about WooCommerce and thinks that it might be a good option. He does hesitate when it comes to direct response sales funnels because he didn't see functionality in WooCommerce for doing a one click post transaction upsells, which means that someone's purchased the product, they put their credit card in, they hit 'Order', and then right before they go and get their order receipt they get another offer presented to them that they can say "yes" or "no" to. Upsells are very powerful, and they can drastically increase your average order value. So, you really don't want to miss out on any opportunities to upsell.

That being said, WooCommerce would be fine for something like your store where you're not doing direct response or upsells. In other words, it would work well in scenarios where people just browse and buy. However, for first time buyers that you've spent money on to get, you want to try to offer them as much as you can while they are there spending money.

Are disorders like anxiety and depression considered diseases when it comes to making claims?

Honestly, the lines concerning certain conditions, such as these, are getting really blurred. Obesity is now considered a disease, for example. So, if you're treating obesity, you are a drug and you're making a drug claim. There are ways to bull back in the line and say "I'm helping someone achieve their normal weight. I'm helping someone maintain a mood that is bright, and normal, and sociable" or what have you, rather than saying "This is an antidepressant. I'm treating depression." The second you start stepping on toes by saying things like "I'm treating obesity." and "I'm treating depression." you start to paint a target on yourself.

What about anti-inflammatories? It seems like the FDA was going after them.

You have to be careful about that. Buck says that their Omega-3 product regulates or maintains a normal inflammatory response, so he's had some experience with this. You might remember that in the joint supplement example one of the benefit bullet points said "Promotes normal shock absorbing capacity of joint." The word "normal" is like a code word used for not running afoul of the FTC and the FDA. You'll see this word used a lot when you are researching the marketing of supplements.

When it comes to anti-inflammatories, Buck says that he has seen the phrase "maintaining normal anti-inflammatories" come under fire, but he says that he believes a phrase like "normal inflammatory response" would be fine. That's actually one they have used on their own products.