

Weekly Insight 10/13/06 PART TWO

Jeff Molander: You are listening to the Partner Makers Weekly Insight recorded Friday, October 13, 2006.

Jeff: So what's the gossip, who's got gossip this week? Hold on, Wayne, I know you've got questions. Who's got gossip?

Patrice Colancecco-Milligan: You've got gossip Jeff.

Jeff: I don't have any gossip.

Wayne Porter: We won't talk about my gossip, Jeff.

Jeff: There's no gossip.

Sam Harrelson: Oh, yeah, Jeff, you do have gossip. That's right, I forgot about that.

Jeff: No, I don't think there's any gossip.

Wayne: There's lots of gossip.

Jeff: You're probably referring to the [Affiliate Summit](#). The fact that I'm not emceeing the Affiliate Summit. Ah, there's some gossip there. I'm just not emceeing the Affiliate Summit that's all.

Sam: Who here is going? I'm going.

Patrice: I'm going, but I need a Free Molander T-shirt.

Jeff: Free me?

Sam: Free Molander! Wait, have you been in prison?

Jeff: I have not been in prison, no.

Sam: I'm glad.

Jeff: We just could not get an arrangement, Shawn, Missy, and I could not put together a mutually equably relationship where I would emcee the summit.

Sam: Who's going to be the emcee?

Jeff: Actually, you know what? This hasn't been announced, but I was just looking around on the website, so I guess we can break it here at the Weekly Insight show. It

appears that Lisa Riolo, Wayne, who you were singing praises of earlier, is the new emcee. Did you know that Wayne? She's on the site.

Wayne: I did not, but I think that's a good choice. I met her back in 2000, back when she was a Rep, and she moved up a ways. She is very sharp. I think she's a good choice.

Jeff: Yeah, I do too. As good a choice as, similarly I was thinking that Todd Crawford might be nominated, I bet he was, I don't know. But a little bird told me--

Wayne: As the emcee? Todd as the emcee?

Jeff: Yeah, considering his position in the industry. I wasn't thinking in terms of who looks good or -- Todd's got a lot of speaking experience, what am I saying? He looks good up on a podium; he does a very nice job. I've seen him numerous times.

[group banter]

I did hear that Linda Woods and Haiko were in the many under consideration. There was a call I guess for nominations and some people self-nominated, which is fine.

Patrice: Can you imagine Haiko as the emcee?

Jeff: I can imagine.

Patrice: Can you imagine that?

Sam: I'm not even going to touch that.

Patrice: The summit would have to be an extra four or five days just to accommodate the commentary. It would be crazy; I think I would love it.

Jeff: Listen, Patrice, people I think would have said the same thing a year ago or how ever long ago it was when I got nominated.

Patrice: I know, I was so upset that I didn't get to go to the summit that you did emcee.

[group banter]

Wayne: You were nominated to emcee. I know Corey has usually been the emcee and then I don't know what happened there. And then it became an election, or what?

Jeff: Well, I mean this whole thing started very small and is now very big. They have a board now that advises them on what they should be talking about in terms of the content. It was very small and it's grown over the years and it's pretty big now. But it's always been something worth nomination.

Wayne: I thought the board would over-see the new Pinnacle Awards, the nominations for that.

[group banter]

Jeff: I'm not sure about that.

Wayne: My concern was to receive an honor, great. I mean, to have it named after you before you're dead, is nice. It's a nice tribute but I don't want. I never wanted to get into one of those titanium suppository -that's how Brian referred for it. A couple years ago and unfortunately everyone they chose for this award had some sort of - you know - they were doing something else. I don't think they could find anyone. I think they gave it to Barney or someone. I think they made up an affiliate.

Sam: Because this is coming up in a month, does anybody have any thoughts on Pubcon?

Jeff: Is that a good conference Wayne, have you been to that?

Sam: I've never been, and I've heard good things about it. I was looking for another opinion on that.

Jeff: Has anybody been to that? I have not. I've heard good things about it, too. I just don't know who shows up to that? Any idea what type of people show up to that?

[group banter]

Sam: It looks like we're going to be exhibiting at the Affiliate Summit, but we're curious as to whether or not to send somebody out to Pubcon as well.

[group banter]

Sam: It's a scary place.

Wayne: Ya, it is. Last year, and this year, I think, I am presenting on.NET and financial fraud.

Jeff: Wayne, what conference is this?

Sam: Do you have to give your resume to the FBI as you walk in?

[group banter]

Wayne: But I imagine my file's already pretty thick from hanging out with Brian Clark. Yeah, the Bill Gates thing. You know that kind of... I tell you what, if someone can give me good information about Pubcon, I'll get them a free copy of the film, of the DVD.

Jeff: What about the ecomXpo. Who's going to ecomXpo? And why?

[group banter]

Jeff: I'm going to be there, and I'll tell you why.

Wayne: Actually, I thought that the balance and stuff looked pretty good.

Jeff: I mean, John Battelle is keynoting. No, nobody's paying to go. It's free.

Wayne: I might actually breeze by then.

Jeff: Oh, if it's free. Can't say no to free.

Sam: I think a lot of the affiliates are going to go. It's a good way to start getting into the conference world. You know, like the Affiliate Summit, it started out small, but now it's getting pretty large. For someone like AdTech, it's scary as hell if you don't know what you're doing.

Wayne: And the other thing is the price point, too. It's not cheap. And if you're just starting out as an affiliate, or just getting into the conference world. Spending 1500 bucks as you're looking at your ROI, and think, holy cow that's a lot of shoes to sell.

Patrice: When you're safe behind the relative anonymity of the virtual world, as you are if you're a big poster on ADW or anything else. I mean, that's comfortable right there for a lot of people who might not, or might get anxious, too.

Wayne: That's the death of your business. That's the problem, I think. The people I talk to... For me, the big break through, the learning, came when I started to go to conferences, which I was reluctant to do. That was back when it was a whole different process. But still, I was able to connect with people, and they do share things more so than on a message board or even blogging. You make connections and friendships. I don't even like the word affiliate. I mean I...

Jeff: Nobody likes the word affiliate.

Wayne: It doesn't make sense. I mean, seriously, it really doesn't. In going forward TJ did have it right. You would be the publisher, whether you're publishing content or...

Jeff: Yeah, whatever.

Wayne: ...you know ADX power and communities and services going forward. Are you a virtual sales guy? I mean, I would never...

Jeff: No. It's all about native traffic. Do you have traffic that other people can't get? That's a publisher, if you do. If you don't you're just as, according to you, I should say, a pirate. You're an arbitrageur. You're a media arbitrageur. All right?

Wayne: That's been a huge conversation at every network I've worked at. What do we put on the website? Do we put publisher or affiliate? If you look at it, it goes back and forth. That's an interesting can of worms.

Jeff: So Rick, but why is there this debate? What's that, Lee?

Lee: Are they sellers? We call our folks sellers, in part, because we no marketing at Leadpoint. We just basically, we facilitate a sale. You have traffic, essentially that's the only thing you have Lead to sell. And we provide a trading floor and we provide a bunch of buyers to come push your leads through. So, I can kind of be the network half to chime in here.

Jeff: Yeah, but you're not a network. You're a marketplace, Lee. Right? I mean you're not a network.

Lee: Yeah, we are a marketplace, so...

Jeff: So, you're like Ebay?

Lee: We are absolutely a marketplace, yeah.

Jeff: I mean you're Ebay, so you have every right to call them sellers, because that's what they are. They're selling leads.

Lee: I wish you...I would love to see a more complex deal structure. I would love to see sponsorship that's rolled with a cost per action or cost per click or something like that. And we talk about...

Wayne: Well, I think that is our ambition really. If you look at some of the long-term plans we have here. Is that really, we want to get into more complex deals. We want to... the running joke around here is that Leadpoint's mission will be complete when we're selling leads for bags of rice in Vietnam. Whatever. If you have a service to offer, you'll be able to come to us and say, "Hey, this is what I want to sell, help me sell it."

Lee: I've done some really creative deals with people in the past. Yeah, we'll put a couple of your downloads here and we'll have a cost per action here. And we'll do double elements and several moving things. That's why I just don't like the sign up and join an affiliate program. What's the etymology to "affiliate?" I challenge someone to look that up. I'd like the word affiliate gone. If you're a big publisher...

Jeff: Why? Why do you want to see a word gone? I'm confused. Do you want to see a word gone, or do you want to see what it represents, gone?

Lee: Yeah, well, I... I think it's gotten a negative connotation and the spy ware industry, they haven't really helped that out with adware...

Jeff: Well, if it's got a negative connotation, why isn't Google calling its AdSense publishers, publishers? They're calling them affiliates.

Lee: Are they?

Jeff: Yeah. Yeah.

Lee: ...it's of Latin derivation meaning an adopted son.

Jeff: Is it?

Lee: I thought it was Latin. I thought I meant that.

[laughter]

Lee: In some communities, it might. No, really. I think when I looked it up it was a Latin derivation. The guy had a degree in Latin studies or something.

Wayne: The only person I know besides me who's read about it, so if there's any one else who listens to this, and they email Jeff, they will also go to copy.

[laughter]

Wayne: Anyway, back to the conversation.

Jeff: Which was? Which was what?

Wayne: The summit.

Jeff: Oh, the Summit, conferences, who's got dirt. What other...so what happens outside of you two that's big news, that people should pay attention to? What article did you read that was important, all that kind of stuff?

Lee: What about pay per post?

Jeff: Yeah that's another one.

Lee: We haven't gotten into that. But...

Jeff: Yeah, and Walmart, apparently, is big on this whole fund bloggers thing. They're taking some heat, as well. But yeah, those pay per post companies...now there're two or three others that are getting funded...

Lee: Yeah.

Jeff: ...which are the...

Wayne: More power to them. What's the difference between that and putting a bunch of ads in stuff?

Jeff: I think it's a big difference. It's a big difference if it's segmented out. I mean, I still see...and I'm not against advertising in blogs and things of that nature, but... First of all, my other argument to that is it's like product placement in the movies, or whatever. Or in books, they're doing it now. A couple years ago at my faithful summit, where I ended up in the hospital, on the blogging panel, I think I was the only one. My blogging strategy was totally different. People were talking about leaks and reaching all these people, whereas I'm thinking about a few hundred or even a couple thousand. And in some cases, some blogs are just meant for one person or two people to signal them to the noise or...I see the currency of blogging as really, influence to a certain degree.

Jeff: Yeah, but if it's transparent, right? If this pay per post shit is transparent, doesn't that all go away? That's my first question. My second question to the group is, if you are, and I hope you all are at least vaguely familiar with a company called BazaarVoice, if you're BazaarVoice and you're in the business of helping retailers and marketers create, very quickly access and publish reviews of your products on your site and then actually they syndicate that, isn't that, essentially, the same type of material? If you're a company like BazaarVoice are you at all worried about, these companies review me, pay per post. Are you worried about that?

Wayne: Well, I think you have to look at it from a... If you come from the top down perspective, maybe. I think it's really about how you can change the marketing paradigm here. Blogging is more of a... You have a community and you build a community and if you start doing product placement on certain blogs, you're going to lose that community, or people are going to you're going to lose that community, people are going to view it as inauthentic.

Jeff: People are never going to know what's paid for and what isn't. You're never going to know, right? So they're going to leave.

Wayne: You can have a certain product. You push that product on your blog and people rally around the product.

Jeff: What if it's not authentic? What if it's not an authentic endorsement?

[group banter]

Wayne: Are you endorsing it, are you being objective, are you saying the good and the bad? There's a lot of tone that goes into that too.

Sam Harrelson: Yeah, exactly. I just think it's funny that Walmart is getting into it - did you guys check out Walmart's MySpace claim thing where they tried to get young people to talk about going back to school and what they were buying at Walmart?

Jeff: I didn't see that, no.

Sam: It was often linked to. It was embarrassing. They pulled it after about a month. It didn't go anywhere. It's interesting they're getting into the next thing as well.

Wayne: You've got to give them credit for trying though. That's part of the deal. I have a rumor.

Jeff: What's that Wayne?

Wayne: I have a good rumor.

Jeff: Oh, right. It's about time.

Wayne: I'm not going to name the retailer, but a retailer is out looking for affiliates. They want their content and reviews to put on the site.

Jeff: They're seeking to acquire them. Travelocity did that.

Wayne: No, for free. They're giving them links back.

Jeff: [makes disgusted noise]

Wayne: I know.

Jeff: You're talking about that the advertiser is giving links back to the affiliate.

Wayne: In exchange for their content. I read the agreement and it looks like once you do that they pretty much do whatever they want with your content.

Jeff: They own you.

Wayne: Including sell it, and this that and the other. Whatever they want to do.

Jeff: Well maybe not. They wouldn't want to sell it. Why would they want to sell it?

Wayne: But that was in the agreement. I wouldn't sign that agreement.

Jeff: No, you don't negotiate that out.

Wayne: But it's interesting because this is a retailer actively going out, normally they leverage their content reviews to send traffic over, and now this retailer is going Hmm, give us your content and we'll give you traffic.

Jeff: This is not surprising because a lot of the affiliates produce good content. A lot of affiliates have something that the advertisers want.

Wayne: This was, we want your content and we will give you a link back. I don't know, maybe they will put a no follow on it or something.

Patrice: Well that's pretty funny because a lot of affiliates are creating this wonderful content in order to get the click. I don't know that they would create it just for a link back.

Wayne: That's the whole thing, the whole incentive. The whole pitch was we like your content. It is good content. The guy had a really nice site. I've heard this has gone out to quite a few people. And they were like "If it's really good, we might pay you an extra hundred bucks a month." Good content writers are not cheap.

Jeff: Wayne, are you talking about content that is review-oriented commentary?

Wayne: This person writes technical content.

Jeff: OK.

Wayne: Some of it is review type content.

Jeff: I'm not trying to figure out who this person is, just so you know. But is it like chat board type of stuff? Is it fat wallet type of stuff? Is it people in a room on a board discussing or is it.

Wayne: No, no, no. It's blogging and educational blogging type material that is technically oriented. Again, this person produces this content and monetizes it probably AdSense and WebShare and in the past you would have maybe pitched someone to sponsor it, right? But no, this retailer is going out saying "Hey, tell you what, we'll take your content and host it on our servers, feature it, and we'll link back to you."

Patrice: I don't know, I don't see that as a very nice compensation for that. I'd say no way.

Wayne: [sarcastic tone] And if it's really good, we'll give you a hundred bucks. How's that.

Jeff: Let's also not forget the competitive issue here. They are probably trying to lock their competitors out as well, right Wayne. In terms of working with that particular affiliate.

Patrice: It would be kind of funny if someone leveraged their content and said sure, you can have the content I've already written that I'm using for other purposes. You can give me a link back and maybe a hundred bucks. By the way all the content when it's on my site is pointing to someone who is not you and who is paying me real money for sending them traffic.

Wayne: There's all kinds of things in that deal I would as questions about. First of all, do they have - lets start with robots.txt, are they just going online in that section of it? How are they serving the content. Is it actually going to be spidered or not? Is it going to be dynamically served? And they are giving you a link back. Is that with no follow-ups, are you not getting the PR advantage? And then there's the duplicate content issue. If that site has a higher PR and the other site has a lower PR. They are saying we're going to give you credit for it, we're going to do this type of stuff. I've always been an advocate to affiliates - and I use that word loosely - create your own content. That's what is valuable. Don't just look online. Go to your local paper. Pitch them. Hey, I can do a syndicated column for you to raise awareness for your site. They can monetize. They can drive people offline to online. That is a real value add. I thought this was very interesting as I went through the terms and maybe this person will share it in a future show. They are not the only person, I think, who has received this pitch. It's a blanket pitch to a bunch of people. So what would you do. I'd read lines of it back to them. Then see what they say. I don't know ultimately what's coming from that. Suddenly merchants have woken up because that's one of the components of a web 2.0 company is that you have content and users usually help create or generate or transform that content or add to it with contents or content ratings. It's dynamic in some way. That's web 2.0. Using it loosely that is one of the factors. Interesting shift that suddenly they were becoming content acquirers. I thought that was kind of neat. When normally it's been that your content drives traffic to us it's give it to us and we'll give you a little PR.

Sam: We've come a long way from the Amazon reviews to that.

Wayne: Right.

Sam: That was part of the deal too. With Amazon reviews they have web services. You can syndicate it. You can do great things with web services, really neat stuff. So suddenly they control this content and now let's say they are using our web services, now where is your content going to end up that you did? Where is your name going to end up? Then we get into content sprawl, you know adware is a great model to look at to see what happens there, or the CPA arbitrage thing. The further it gets away from you the more warped it can become or the more strange situations can occur, that's a rumor Jeff...

Jeff: True.

Wayne: No, that's not a rumor it actually happened, I thought that was an interesting shift, to me that would be an insulting approach if someone came to me and said "This is what we'll give you" and I would be like "This is what I'm going to give you."

[background laughter]

Patrice: I think that it would be interesting to who would respond to something like that. If somebody's whose content probably wasn't really that good he would just be so excited to see that their content being published somewhere.

Jeff: Yeah exactly.

Patrice: But if they are doing it by invitation then that would not be the type of person they would be seeking in trying to accomplish it.

Wayne: No, no! I don't think this is a cattle call, this is a, "Hey this guy is producing some good stuff, so let's make him a deal." I'm like "Look, this is your lifeblood man" Now, I think he might pose back to them "What if write unique content, just for you" and sort of experiment and "OK, I'll write a review just for this particular retailer and see what the ROI is for me."

Sam: It's like argument about using kids on MySpace to pimp your product. I think there are a lot of similarities there, having corporations trying to break into something like that or Facebook--whatever.

Wayne: Well Yeah, most of them are bots anyway and half of the people you talk to on MySpace aren't even human, you spend most of your time talking to automated people. I think Morton Run came out with Sleek instant messaging which has become an interesting place for fraud. One of the frauds out now is, "You know, I have this illness, please click on this link and it helps with my treatment" and do social engineering that way. Then you have worms and things...

Jeff: Oh, we're back.

Wayne: I am back.

Wayne: Jeff, I used to do this years ago, I don't know if you remember Something Awful, it used to be this website. I used to get on there just to see how far I could take it. I wish I had kept these. I used to play a mad scientist and people used to chat me up out of the blue.

"How you doing? What's up?"

"Yeah I'm building a robot"

"Really?"

"Yeah a Dinobot"

"Well what does it do"

"It dinos bots! Crusherbot, I think it's name was...Hey do you want to talk to him?"

"I Can?"

"Sure, let me hook it up to the RX232 port, and I'd soft of fumble around and then I'd start typing in all CAPS."

Jeff: Classic Porter, this is like when he met me.

Patrice: [laughs]

Wayne: It was amazing the number of people who would interact with me in all caps and wait for the human edge to take off. And then I'd get back online and say "I took him offline and there is the whole accident thing"

"What do you mean accident?"

"You know this is a pusher bot it was designed to help people go places and it pushed them down the stairs and the investigation and everything.

Jeff: You may think that Wayne is full of shit [Wayne laughing] but I am here to tell you, Wayne is...when I first met him, I forced him to send me, what Wayne, this if the first or second week I got to know you via email, I don't even think we spoke on the phone. I said, "You are so full of shit, send me the IM strings" and he was so proud of these strings that he saved them and he sent them to me. They were long so he could not have...

Patrice: [laughing] Excellent!

Wayne: I definitely did that, I mean that I see these as R&D that's what I'd call that Jeff and I think that's important for companies to spend, it may seem silly but it gave me a lot of insights into how people behave online.

Even now in security Chris actually chatted with a Botnet operator and that was a hysterical conversation with a bot.

Jeff: I've seen that one too, you've got to publish those. Are they published anywhere?

Lee: Hey Jeff, we are going to cut out here because we are still unfortunately working.

Jeff: Yeah, we went way over...this is two episodes.

[group laughter]

Lee: This is two episodes, I'm going to say goodbye until next week and as always it's entertaining and the company was fabulous.

[group thanks Lee and says goodbye]

Jeff: Yeah we need to wrap it up anyway guys, we're over an hour.

Jeff: So what's the moral of the story today?

Jeff: Actually Amanda unfortunately wasn't available to make it, but she, I think what she wanted to do was, I guess we could do "moral of the story", but also who gets the steak dinner. Last episode Wayne, I don't know if you heard it but.

Wayne: Oh yeah.

Jeff: Someone needs to get a steak dinner and I suppose the person who gets the steak dinner is the person who's pulled the wool over our eyes and B.S.'d us to the best of their ability and really has done a bang up job of Bulls***ting I suppose. I gave it out to Nettraction.

Jeff: It's hard to follow up on Nettraction.

[background laughter and banter]

Wayne: I thought this was a kids' educational show we were doing Jeff...You lied! I thought it was going to be on PBS or something. [laughs]

Jeff: This Show? Oh no, no, no, this is PG-13.

Wayne: PG-13...OH.

Jeff: I think trust-e gets the steak dinner award actually no they don't. They did a very poor job of pulling the wool over people's eyes, we didn't touch on them.

[background agrees]

Wayne: We didn't touch on them, we'll have to do that week. You know I really can't comment too much on that because I promised. [laughs]

Jeff: Yeah, I bet. It was all over the news.

Wayne: ...So I'll definitely need to sit around for the carnage, that's pretty good, I thought it was interesting dramatization.

Jeff: So who did a really good job B-Sing the industry this week? Did anybody? I don't know, it was a hard act to follow Nettraction.

Wayne: Yeah.

Jeff: Well we are going to try each week to hand out...

Wayne: Well I thought it was interesting that they shot the questions back and they asked me like, "We have a few questions for Ben" and I was like, "OK, that's fair." And I told Ben, Trust E, they wanted Ben to ask them questions. So I said, "Ben, come on the fly. I don't know what to tell you."

Jeff: I don't know what this has to do with a steak dinner.

Wayne: Ben was like, "Hey comments on, track lights on, lets go." He didn't see them before hand or anything either and I was like OK here you go, so he laid it on the line. Although I had my...

Jeff: Well we want to get your summary next week. OK, we wrapping it up, Thanks everybody.

[group says thank you]

Jeff: It's been a fun hour and something like ten minutes or so. I'm going to see if I can divvy this up into two pieces.

Wayne: Are there any video censors where you can do a take out or something?

Jeff: Oh no, none of this gets edited.

Patrice: This is the director's cut.

[background laughter]

Jeff: This is a podcast man.

Wayne: You edit it to an hour and you package it with the outtakes. Wayne had a seizure or something.

[group laughs]

Jeff: No that's not funny.

Wayne: Lets get naked and then we could all drink and video it and then get shit-faced and I don't see why we need the video.

Jeff: Well I think Shmuly is going to beat us to it.

Wayne: And then we can use you two and we could do the Shmuly show.

Patrice: I totally have that same shirt. That would be great.

Wayne: What are you trying to say Patrice?

Patrice: I'm not trying to say anything.

[laughter]

Jeff: Thank you guys for your time and we'll see you next week with more news and gossip.