

# Selling Disruption<sup>TM</sup> Show

**With Mark S. A. Smith**

*Disrupt Your Market with an Army of  
Salespeople Who Willingly Pay You to Sell  
Your Product*

*Mitch Russo*

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Mark S A Smith: My guest today is Mitch Russo. I met Mitch the old-fashioned way, on LinkedIn, where we had a lot of friends in common.

Mitch Russo: Exactly.

Mark S A Smith: Mitch helps companies put together massive sales forces that are self-sustaining, self-directing, and scalable like you won't believe, by helping companies create certified customers that resell your product. It's fantastic. Mitch, in the past, has been CEO and president of Business Breakthroughs, which was an organization with Tony Robbins and master sales trainer Chet Holmes. Amongst many other things, he founded Time Slips, which was building software for lawyers and accountants and other service providers. So, he has lots and lots of insight on how to create a sustainable business. Welcome, Mitch.

Mitch Russo: Hey Mark, so great to be with you today. I so enjoyed meeting you in our last conversation, I was really excited about this interview today.

Mark S A Smith: Thank you, likewise. I also want to mention that you have a best-selling book on Amazon, The Invisible Organization, that blueprints the entire process of going virtual and the benefits of having a virtual company. Let's talk about how to create massive sales forces.

Mitch Russo: I love that topic. It was very straight forward and very simple. 25, 30 years ago I had a software company and I built it to over 100 employees and I sold it. But before I sold it, I had a problem and that problem was about two and a half years prior to that. It turns out that my sales had plateaued, my support burden was increasing, and I was struggling in paying more now for every new client than I was before.

Mark S A Smith: Mitch, we have listeners right now that are shaking their head going, "Yep, yep, that's me."

Mitch Russo: Perfect. So here's what I did and I tripped over this thing by complete accident. I had a problem with a very important customer on the other side of the country so I called another client that was local to my first client and said, "Hey, could you help me out? Could you drive over across town and help this poor woman out? She's struggling getting her software to work." And she said, "For you, Mitch, sure. I'd love to." And I was thrilled so I send her over there and I wait and I'm biting my nails, not sure what's gonna happen and about four hours later she calls me back and I said, "How did it go, how did it go?" And she said, "Well, it worked out fine, we rebuilt her database and she was absolutely thrilled when it was done." And the next thing she said changed my life. Then she said, "And she gave me \$100 bill and if you know anybody else who needs my help, let me know."

Mark S A Smith: Wow. That's a prospecting strategy, tell me more.

Mitch Russo: At that point, it was like light dawns on Marble Head, oh my God. I could probably do this with all of my really strong clients. I could give them a test to make sure they really know their stuff, charge them for this process, and then send them clients so that they could either start their own coaching and consulting business or they could do it on the side.

Mark S A Smith: Yes, the current model for a lot of start of businesses, specifically with franchise style business, is give them free information, get them to trade information for more information, sell them the information, and what you've done is added a fourth layer, which is, help them make money with the information.

Mitch Russo: And we go one step further than that. In my program, the way it originally worked out was that I didn't do it very well, I just did it sort of tripping over it. By the time I had about 50 or 60 of these certified consultants, they were just causing all kinds of trouble inside of my user base and my client base. So, I had to shut down the program and I had to then interview all of the customers that had bad experiences. I realized something that I had never, ever saw when I started this thing out. I realized that culture is probably the most important element of building any business, any team, any group of people.

So, I restarted the program after studying what went wrong, I fixed all the problems, and when I restarted it, it promptly grew over 18 months to 350 certified consultants, which became my third largest sales channel, reduced my tech support by 20 percent, and gave me nationwide coverage, trouncing my competitors. Just destroying the competitive landscape overnight. That's what certification can do.

Mark S A Smith: And that is massive disruption. Now, you're spot on. We have heard from other guests on the Selling Disruption Show about how important culture is. You just gave us a case study of the result of not having a defined culture versus creating a defined and disruptive culture. With that, we have our show being culture is the most important element in building any business. Tell me more about how this worked out.

Mitch Russo: Once I rebuilt the program and I started to recruit new people into the program, and I realized that now we're gonna do it the right way, now we're gonna train them at every level of operation. So before, you never thought to tell people, "Look, you gotta shower before you go show up at a client's site." You know?

Mark S A Smith: You'd figure they'd know that, but nope, people don't.

Mitch Russo: People don't and you gotta follow up after you visit an office and they didn't do that either. So, we created a systematized process that gave them all the instructions they needed to be in business as a consultant. Now, there was no internet back then so we had to do this in a big, fat, paper binder.

Mark S A Smith: Oh, yeah.

Mitch Russo: As the program grew, we had a yearly event, we called it the Symposium and the certified consultants would nickname that the love fest, because that's what it was. Hundreds of people streaming in from all over the country into Beverly, Massachusetts at a little hotel called the Kings Night Inn or something like that. We had lobster bakes and we had comedians and we had field trips, oh we had so much fun. But you know, we also had some intense learning and the event closed with a "Ask Mitch Anything" Q&A. That was the place where I loved to be more than any place else, I was there answering questions and just serving my community the best I could.

Mark S A Smith: Beautiful. The community has to have a leader. Might as well be you, the one that's making the money from it. Tell me how you made the transformation from your software certification tribe to doing this for others.

Mitch Russo: Believe it or not, I never thought to do it for another company. It happened again almost by accident. I was working with a client on another completely different topic and they were telling me about their business and I said, "You know, you oughta read this blog post I wrote on my website about how to build an army of sales people who pay you for the privilege of selling your products."

Mark S A Smith: I love that.

Mitch Russo: And he said, "What, what are you talking about." So, I pointed him to the article, he read the article, and he said, "I want you to do this for me." And I said, "Well, okay. You have to understand I haven't done it in like decades, are you okay with me relearning it with you at the same time?" And he said, "Sure, sure." So, we did it and we put the program together and of course now, we used all of the tools available that wasn't available 25 years ago.

Mark S A Smith: Sure. So many online tools that allow us to automate the learning.

Mitch Russo: Exactly and so we put in place things that later I would have never known to use. For example, one of the things that we now use as common practice, is we use a learning management system.

Mark S A Smith: Sure.

Mitch Russo: Now, learning management systems are pretty common but knowing how to use them, knowing and understanding what 100 percent comprehension really is, is a completely different story.

Mark S A Smith: That's awesome.

Mitch Russo: But I had a great teacher, Tony Robbins.

Mark S A Smith: He is the master of modeling.

Mitch Russo: He is. So, when I built Tony Robbins learning management system, which was a virtual training environment, Tony taught me more about how to teach people to learn, how to make sure people assimilate information, than I've ever known before. And that's now, what I share with my clients, it's a very straight forward process, and I make sure that when my clients graduate their first class of certified consultants, those people have 100 percent comprehension of the material. That's a good feeling.

Mark S A Smith: That's awesome. Well, the ability to master that adult education is critical to scaling seamlessly, smoothly, sustainably, and profitably. So, you really have accumulated this amazing set of wisdom that allows organizations to grow and disrupt. Fantastic.

Mitch Russo: Yes.

Mark S A Smith: So, one of the things you've learned along the way, is how to create four recurring revenue streams for organizations that have a product that can create a certification for people to go out and sell and create a career around it. Tell me more about that.

Mitch Russo: Sure. Well it's four to eight recurring revenue streams depending on the opportunities available with the company. Here's an example. You sell certification and every new person comes along buys certification, let's say they pay 10 or 15,000 for certification. And by the way, that's at the low end, I have clients who charge 30,000. Every new person who comes along, they pay 10 grand so new enrollees is one revenue stream. One year later, they have to renew their certification. That's the second revenue stream.

Mark S A Smith: Yeah, it's a moving target.

Mitch Russo: Exactly and on top of that, one of the things that we promise, and I say we meaning I'm promising through my client, our clients promise their certified consultants a 3x to 10x return on the certification fees.

Mark S A Smith: Nice.

Mitch Russo: We have to earn that renewal next year and if we don't do it, we don't get it. So, the third recurring revenue stream, are symposiums, live events. The live event generates, easily, half a million to a mill dollars every single year because of the nature of what happens at a live event. You've been to live events, you understand this, but a closed live event we call a symposium.

Mark S A Smith: Yes.

Mitch Russo: We charge people to show up for their symposium, but then we have several upsells all throughout the process. When we're done, they're thrilled because they've gotten enormous value for their time spent and their money spent, and

we've made a very tidy profit on every symposium because, after all, we've poured our lives into making it the best symposium it could be.

Mark S A Smith: Excellent.

Mitch Russo: The fourth one is literally sales revenue from your channel. Let's think about this, we have these folks out there and they are helping clients use the product, master the product, configure the product, train on the product, but guess what? These folks have the ability to upsell them, to sell them to the next level, to get them to buy support plans or other programs that you might offer. If you do this right and you're generous and you don't cause channel conflict, which I know you know about.

Mark S A Smith: I sure do.

Mitch Russo: Then that becomes an incredible revenue stream for the business as well. So there you go, that's four and I could keep going.

Mark S A Smith: Hey, if you've got them handy there, because I think this is really fascinating and I don't mind extending our conversation with killer content like you're providing us with, Mitch, go.

Mitch Russo: Sure. Here's another one, and this one is gonna be something that most people have never heard of before. It's called ascension, and what I mean by ascension is, how do you take somebody at one level and bring them to the next? Now we're familiar with that when it comes to customers, because we can ascend them up our product line if we will, but you could also ascend your certified consultants.

Mark S A Smith: Sure you can.

Mitch Russo: Right?

Mark S A Smith: There's multiple levels of capability, master consultant.

Mitch Russo: Exactly. Also understand that as you build your certification team, as you grow your group of people, the overhead for the company does increase, there's no doubt about it. You have to support these people, they're your lifeblood. But what would happen if you can get some of the more senior members of the certified consultants to support the more junior members coming along as they're coming into the program.

Mark S A Smith: That makes complete sense.

Mitch Russo: Well what happens if you could then charge \$50,000 for a mentorship slot that these folks can step into, and help all new people who are coming into the program and that \$50,000 gets paid back within 90 days of them working with their clients.

Mark S A Smith: Wow, what a fantastic idea. I love the way that you're aligning cash with motivation. Brilliant, absolutely brilliant.

Mitch Russo: There are people out there that offer certification, and some very smart companies, some very smart people. But most of these companies leave out one very, very crucial element: they leave out the business model for the certified consultants.

Mark S A Smith: Yeah, you're right about that.

Mitch Russo: If you look at some of these like Digital Marketer, I love those guys. In fact, Ryan Dice and Perry Belcher all these guys, they do such great work. They sell certification, and the only thing you need to do to qualify to be certified is have a credit card. If you have a credit card, you can buy certification; but once you have certification, what do you do with it? It's great to have the certificate hanging in your bedroom, but ultimately if you're not making money with it what was the point, right?

Mark S A Smith: Yes. That's the problem with most of the information systems.

Mitch Russo: Exactly. What we do when I work with a client, and this is what we call phase one, if we design the business model around how certified consultants fit in to all of the lead generation tactics that go on inside the company itself.

Mark S A Smith: We have to build that complete strategic and tactical model to make these folks going to be a success, they will be a success.

Mitch Russo: That's right. Now 15% of them won't want clients at all. They want to know it all, they are in house, they don't care about taking on clients they just love to be certified, they love that certificate and they love helping others. And that's fine, we love those folks.

Mark S A Smith: That makes sense for larger organizations that have in house help, sure.

Mitch Russo: Exactly. But the rest? We make sure that they make money, and here's one of the things that we can do. We can integrate them into our lead flow; let me show you how that works. Mark, let's say you're selling a product and it's a three to five thousand dollar product. A customer pays their money, they sign in now and they could watch all the content and they could participate in the online events and everything else. But what would happen to your sales if you were able to say, "And besides getting entry into our platform, we're gonna set you up with four free 30 minutes coaching calls as a bonus for signing on now." And these are one on one calls, Mark, they're not group coaching and all that other stuff. What would happen to your sales?

Mark S A Smith: Complete customization is the way to play. I have found that, without a doubt, conversations close deals, period.



Mitch Russo: Well at this point you're about to close the deal. Now you're offering four free coaching sessions; the coaching sessions don't cost you, as a company a penny, because your certified consultants are thrilled to have the chance to build report over four 30 minute sessions with a potential new client.

Mark S A Smith: A ha, brilliant, so the free coaching comes from the certified consultants, beautiful.

Mitch Russo: Yeah. Now you're watching how all of these things play together. The synergy is sort of like a ballet in a sense, everything dances together and everything is interwoven so it appears as this beautiful, orchestrated artwork of business systems. And that, in a sense, is really what this is about.

Mark S A Smith: What you're creating here is an extraordinarily powerful funnel strategy with multiple funnels feeding multiple streams into the business pool, guaranteeing success. It's fantastic.

Mitch Russo: And everybody wins who's involved.

Mark S A Smith: Naturally. I've gotta get the other three revenue streams out of you or I'm gonna get hate mail. The last one we talked about was ascension.

Mitch Russo: Right. Ascension, again, is what we do when we take our certified consultants, after they're experienced and seasoned, and we give them the title of mentor. There's multiple levels of ascension, and each one of those can become a separate, recurring revenue stream as well. But I want to get to a different one, because this is another very cool one; and this is one that I picked up from the old MLM days when I used to be involved in an MLM. It's called co-op, and here's how it works: We go to the certified consultants and we say, "Hey, you guys really want more clients, even more than we're helping you get with our lead flow. We are running a program where you could buy a share of the leads that come from this program for \$281 a week. And what we're gonna do is we're gonna pool all the money that we get from you certified consultants, and what we're gonna do is then advertise on your behalf and send those leads to you. We're gonna split them up evenly, as they come in, sort of round robin. You can buy into this program anytime you want and you could drop out of this program anytime you want. We charge a small 20% fee to manage the program, and this program generally just grows and grows and grows."

Mark S A Smith: It's a brilliant idea. Co-op advertising's been around for a very long time, yet a lot of people haven't done it for their own businesses. I really love that idea, it's very disruptive.

Mitch Russo: What's cool about it is that there is so many ways that it benefits the host company. One of the tools that I love to use for co-op advertising is radio. What does radio do? Well, unlike Facebook, radio reaches 95% of the American population every week. What you have is the ability to touch people while



they're driving in their car with an audio message and, for the most part, you are going to receive their attention if you're talking about something that they want, need, or desire.

Mark S A Smith: Absolutely, the relevance is gonna count. The great thing about radio is we can pick audiences with that relevance.

Mitch Russo: Exactly. And you could pick stations and you could genres and you could pick time slots and day slots and all these things. Not quite as refined as something like Facebook, but you'd be surprised how close you can get.

Mark S A Smith: Radio these days is very cost effective, done right. You've gotta do it right, but it's very cost effective because of all of the competition, including things like the Selling Disruption Show, which people listen to as they drive instead of listening to the radio, thanks for listening my friends.

Mitch Russo: Absolutely. I have some experience there, I've spent several million dollars a year generating radio leads for Business Breakthroughs International for Chet and Tony. I know it works on the radio and I know, once you get to the right size, you can make radio very, very effective. We use that, and that's another revenue stream.

Mark S A Smith: Great, what's the next revenue stream?

Mitch Russo: The next revenue stream, which is absolutely incredible, selling product in a different way than they do today, and I'll explain what that is. Now you have, think about it, three, four hundred people out there, they're certified consultants, they love you for sending them leads every week and they're making money, at least a majority of them are; imagine if you can put them in front of audiences in their local towns and cities and communities. Do you think they'd like that?

Mark S A Smith: They've love that.

Mitch Russo: Exactly. For the cost of one PR intern, you get that person to work every single day, day in, day out and book local events for your certified consultants.

Mark S A Smith: Love it, love the idea. I think that speaking at local events is one of the fastest ways to grow your business and is an extraordinary way to talk to lots of people very quickly. What type of events to you book them in to?

Mitch Russo: Our favorite events are Bar association meetings, for lawyers.

Mark S A Smith: Oh, interesting. Association meetings is a great way of doing it.

Mitch Russo: Well they're dying to get people to talk and they bore each other to death with legal stuff, and having a new face come in and talking about something exciting

or talking about a way that they could potentially work with their clients to make more money, I mean they love that stuff.

Mark S A Smith: Mm-hmm, they sure do. It's a magnificent way of doing it. Now our listener might be thinking, "I really don't like getting up and making public speeches." I have two pieces of advice for you: number one, get over it. And number two, these are other people that are making the speech.

Mitch Russo: That's right, that's exactly right. What you're really doing, in everything that we talk about here, these are all holistic moves.

Mark S A Smith: Yes, there has to be a system.

Mitch Russo: Yes, and they help the company, they help the certified consultants, and they help the people that we're serving. Here's the way we approach this when we talk about serving our clients, and this is something that I've done for many, many years and it's something that Chet did, of course, understanding the relationship of what you sell, what you offer, to the people that you're selling it to. If what you offer it truly life changing, will truly benefit the people who are receiving it, then you have a moral obligation to get them to buy it. That changes the game when somebody understands the value and importance of them making sure that the prospect acquires that product.

Mark S A Smith: Absolutely. One of my clients, long term client who's a holistic dentist, I said to him, "If your patient walks in and leaves without getting the treatment they came for, you ripped them off." Changed his life, because then your job is to do everything you can to help them get what they came to get and then some.

Mitch Russo: Exactly. I think we're about to get to the last of the recurring revenue streams. Everything I've described, by the way, is staged, meaning you start with the first thing and then you move to the second. You don't try to do them all at once.

Mark S A Smith: Yeah, this is a sequence.

Mitch Russo: Exactly.

Mark S A Smith: It's a system.

Mitch Russo: Well here's the master stroke. When most any company out there who has a product has found success, typically in a market segment or a vertical market. They've done well, they have a name, they have particularly established themselves, they have testimonials in that market. But then there's this adjacent market that they haven't quite touched just yet.

Mark S A Smith: Yes.

Mitch Russo: This is where the certified consultant team, the group, our tribe of certified consultants, later, three years into your program can have the largest impact of all. You can deeply them to begin building your adjacent markets for you.

Mark S A Smith: What a brilliant idea to use the skills, the vision, the motivation and the contact of others to create your adjacent markets. That's fantastic, brilliant idea, highly disruptive, thank you Mitch.

Mitch Russo: My pleasure.

Mark S A Smith: You have provided us with such extraordinary information. What a magnificent series of insights, I am just delighted to share these with my audience on the selling disruption show. If people want to learn more about how to create their certified consultancy, how should they start?

Mitch Russo: I would start by going to my webpage. It's called MyPowerTribe.com

Mark S A Smith: And of course it'll be on the show page, MyPowerTribe.com.

Mitch Russo: On that page there's a quick cartoon video that describes what you just heard about in painful detail, but on the page there is a series of questions and a bunch of information about what happens when you do it. One of the things I didn't mention is that, just for my clients, I provide the entire culture course so that they never run into the same problems I did. I also provide the legal documents to make sure that they don't violent either franchise law or they violate labor law, or independent contractor status.

Mark S A Smith: You do not want to break any of those three, it is extremely expensive if you do.

Mitch Russo: Oh my goodness, it sure is. I have to say, unfortunately, I don't generally learn things the easy way.

Mark S A Smith: You like to make mistakes three, four, five times.

Mitch Russo: If I could; that's how I learn best.

Mark S A Smith: Wow, that's fantastic. Go to MyPowerTribe.com and fill out the form to see if this is something that even makes sense for your business, and if it does, the next step is you will have a conversation with them.

Mitch Russo: Yes, exactly, exactly.

Mark S A Smith: And as my listener can tell, you're very easy to have a conversation with, and so free with the information and insights. What a delight, what a treat.

Mitch Russo: If I have a strategy session with you, I'm telling you that you will come away with a plan even if we don't do business together, because I just love to help people.

If I could find a way to help somebody really see the future through a system like I've designed, then it's really been worth my time.

Mark S A Smith: Excellent. Obviously, the fees will be in alignment with the type of money that people can make for this, although I think that based on the ideas and model that you provided us, this could be a massive way of increasing product sales, market share and disruptive penetration into the market, brilliant. Thank you so much, Mitch, for joining us and sharing with us your disruptive approach to the marketplace.

Mitch Russo: My pleasure Mark, thanks again for having me.