

Ep #167: Roy H. Williams - The \$150,000 Podcast Interview



Full Episode Transcript

With Your Host

Dr. David Phelps

[Dentist Freedom Blueprint](#) with Dr. David Phelps and Evan Harris

Ep #167: Roy H. Williams - The \$150,000 Podcast Interview

David Phelps: Good day everyone, this is Dr. David Phelps of the Freedom Founders Mastermind Community and Dentist Freedom Blueprint Podcast. I have the extreme honor and privilege to be interviewing a gentleman, a major thought leader in marketing, advertising, communication, in business strategies, who I've been immersed in for, well, over the last decade and spent quite a bit of time with him. His name is Roy H. Williams. He is world-renowned as the wizard of ads.

Roy is the bestselling author and marketing consultant. He is the founder of the Wizard Academy Institute, just outside of Austin, Texas. I would call it a nonprofit educational organization. Or really, it's a compound of where great through leaders, who have been handpicked by Roy, and people like myself who are really what Roy would describe as misfits. Who are traditionally successful in life but consider themselves really not belonging to what that is that they are doing. They're misfits. There's something more in life that we're looking for. And when I found Roy Williams and the Wizard of Ads and Wizard Academy, I found my place. There's actually other people that are like me, I'm not abnormal. This interview is really fun to do today.

Let me give you a little bit more about Roy. Roy is a lifelong student of humanity. He spent a quarter century asking the question, what makes people do the things that they do? And he's been using the things he's learned to stimulate miraculous growth for his small business clients for more than 25 years. His books and his Monday Morning Memos, and you can get The Monday Morning Memo subscription by going to

[Dentist Freedom Blueprint](#) with Dr. David Phelps and Evan Harris

Ep #167: Roy H. Williams - The \$150,000 Podcast Interview

mondaymorningmemo.com, that's mondaymorningmemo.com, and subscribing. Through his books and Monday Morning Memos, he's a constant source of fascination and entertainment for his students and friends around the globe.

His first book, *The Wizard of Ads*, was voted Business Book of the Year in 1998. His second book, *Secret Formulas of the Wizard of Ads*, was named *The Wall Street Journal's* number one business book in America, in 1999, and became a New York Times bestseller. The third book in the trilogy, *Magical Worlds of the Wizard of Ads*, reached bestseller status again, in late 2001. His fascinating fourth book, *Accidental Magic*, is a highly condensed anthology of writing tips and insights, mixed with artistic examples provided by 106 of his amazing proteges. The wizard's first fiction book, *Destiny*, is a powerful allegory and directly at the heart of the reader. With 40 branch offices in the U.S., Canada, in Australia, Wizard of Ads Inc. is now serving the advertising and marketing needs of business owners around the globe. Their fees are tied to the growth of the business. The only way for them to make money is to increase the size of the business.

To get Roy for a day of consulting, it's 7,500 bucks, if you go to him. If he travels to you, it's 25,000 a day. I got Roy here for 30 minutes and I promise you this 30 minutes is worth at least \$150,000 if you utilize it. That's the big question, if you utilize it, and only if you will. So without further ado, let me bring on the wizard of ads, Mr. Roy H. Williams.

You are listening to the *Dentist Freedom Blueprint* podcast, with David Phelps. Navigating you through the uncharted waters of a turbulent

[Dentist Freedom Blueprint](#) with Dr. David Phelps and Evan Harris

Ep #167: Roy H. Williams - The \$150,000 Podcast Interview

economy with straight-forward advice to, transform your practice into a self-sufficient cash machine, compound your net worth assets, and multiply, multiply, multiply your passive cash flow streams.

David Phelps: Good day everyone, this is Dr. David Phelps of the Freedom Founders Mastermind Community and the Dentist Freedom Blueprint Podcast. With me today, is a gentleman that I've had the pleasure and privilege to know for a little bit over a decade. And that is Mr. Roy H. Williams. Roy, how are you sir?

Roy H. Williams: David it's fantastic to be here. Thank you for giving me the honor.

David Phelps: Well, Roy, you talk a lot about engaging in repartee. And there's nobody that's probably better to do that than you. I just have to do my part today. So with that, we'll dig in and see if I can be witty. But I think the most important thing for me to do is ask maybe a few salient questions and let you run with it. So I'm going to give you that privilege to do that and go down any rabbit hole you wish to. But let's start out at the beginning here Roy. And you're known as the wizard of ads, the Wizard Academy, Austin, Texas, starter of nonprofit, a business compound very nontraditional. Where did that come from? Where did the Wizard Academy come from Roy? And give us a little bit of that context.

Roy H. Williams: Okay. David, golly, when I was 19 years old, I dropped out of college because I went two days and decided this wasn't for me. I had a full scholarship and I said, "You know what, I thought when you got to college you get the real teachers." And I got there and went to my class and noticed these were the same people I've been trying to get away from for 12 years. And then I said, "Heck with it,

Ep #167: Roy H. Williams - The \$150,000 Podcast Interview

I'll figure this out on my own." So I dropped out and then ... It was actually a guy named Phillip Dusenberry who said, "The second most profitable form of writing is the writing of advertising. The first, of course, is ransom notes." And I wanted to be a writer. I wanted to be a writer and I said, "You know what, I don't want to write ransom notes so I'll go to the second most profitable form of writing." If I can make a living out of it, I would have written poetry, poetry and short stories. But I couldn't, that's a pretty risky game to play.

So I started writing ads. And whenever I got involved in ad writing, I realized that everything they taught was wrong. And I said, "This is so obviously wrong." That's when I realized that traditional wisdom, David, is usually more tradition than wisdom. And I said, "You know what, I'm going to have to figure out how this works and how it doesn't." And I had the extreme advantage of being 19 years old and being able to walk into a business and say, "Hey, I'm studying advertising." But that was true but they always assumed I was in college. "I'm studying advertising. If you could tell me stories of the stuff you've did, that you know worked, the stuff that absolutely worked amazingly well. Then tell me stories of things you did that you really, really thought would work but they failed miserably." And I would find out that people would tell me these stories.

And so, after several months, I was just a walking encyclopedia of tens and literally hundreds of millions of dollars, of other people's experience. And I began to realize the commonalities of the things that worked and the commonalities of the things that didn't. And the things that worked for a while and then quit working. And the other things that worked better and better and better, the

Ep #167: Roy H. Williams - The \$150,000 Podcast Interview

longer you did them. And I began to realize, "Oh gee, this is all beginning to make sense." But it's only because I was walking into very, very small owner-operated businesses. And then letting them talk, and I just listened and took notes.

And so, time went by, I became incredibly famous and very highly sort-after as the guy who could write ads, that would just rocket you to the top of your category. And I began just to make as much money as anybody needs to make. It's embarrassing how much I'm paid for this. And I said, "You know, I need to teach other people how to do this because they don't teach it in college." And that became Wizard Academy. We have 32 acres and 12 huge buildings, and it was all paid for by donations from students who were extremely happy and appreciative that we taught them how to multiply the size of their business by literally, multiples, not percentages. So that's my story.

David Phelps: And so, Roy, who would you say, if you could define the alumni, those of us who keep coming back over and over and over again. Because you're not casting a wide, huge net to bring just anybody and everybody. How would you define or describe the people who are really part of the community of the Wizard Academy?

Roy H. Williams: David, that's really a comical question, and I'll tell you why. Is because we're a school that, at its really core, teaches advertising and marketing but yet we don't advertise. And we stay sold out, 52 weeks a year, by self-selected insiders, people like yourself. And what it really comes down to is, for you to put it in the shortest possible language, it is artists and entrepreneurs. Now, artists and entrepreneurs fall into the following categories: owner-operated business people, brand managers for

Ep #167: Roy H. Williams - The \$150,000 Podcast Interview

multinational companies, musicians, politicians, ministers, songwriters, painters, sculptures and poets. And we've had a number of scientists including some Nobel Prize-winning scientists along with the Pulitzer Prize-winning journalists, a number of college professors and university presidents. But these are always the misguided misfits.

These are people, David, that have succeeded. Usually, they've succeeded in a very major way in mainstream business. But they've never really felt like they belonged. They've always known that down deep, they didn't really believe this traditional wisdom. They succeeded but they never really felt like they were part of the mainstream. They always knew they were kind of a strange outsider. And when they come here for the first time, they always find out, it's like, "Oh my gosh, I have a tribe. I have a family. I have people that are just like me." And so, in the Myers-Briggs Type Indicator, they tend, overwhelmingly, to be the 30% of the population that are intuitives. And the intuitives, they know the right answer without understanding immediately why it's the right answer. But they're able to make the right decisions even though they have insufficient information. And so, a lot of people are like that, about 30% of the population. They know the right answer, they're just not sure why it's the right answer. But they know the right answer.

And they kind of struggle to figure out how to explain it to other people. And so, they're brilliant people, but they're not able to articulate their beliefs as well as they would like to. Then they come here, and they go, "Oh wait a minute, I'm perfectly normal. I'm a perfectly normal intuitive." And it's a known phenomenon. And I very rarely share this but at the core, that tends to be the people that come here.

Ep #167: Roy H. Williams - The \$150,000 Podcast Interview

David Phelps: I totally believe that. And you just described me to a tee. Being one who went through the traditional formal education, going to professional practice and feeling for many, many years that even though I aspired and reached a "high level of success", that wasn't in my heart, that wasn't me. And yet everybody around me was telling me-

Roy H. Williams: Exactly.

David Phelps: Yeah, everybody around me was telling me, "Yeah, but this is what you are. This is who you should be. So stay on that path." Part of your beginnings, early in life, even before age 19 when you dropped out of college, you kind of had that epiphany when you were 14 because you grew up without "privilege". You'll just say, you were poor but you became very resourceful and you've got over that fear factor of following the majority or following the traditional pathway. There are so many people listening to us today that I know are in that same place where I was, just a little more than a day ago. Feeling like I was the misfit, and why am I still here and giving myself permission to step away? But the fear, the guilt, its all stays with us. I know you can go a long way to this, but give us a little context about where you came from and why Wizard Academy attracts these misfits of successful and traditional sense but know that's not where they need to be.

Roy H. Williams: Okay. Now, thank you for asking that David, I really appreciate this. It's one of my very favorite things to talk about. But the simple truth is that when we're having an adventure, we wish we were safe at home. But when we're safe at home, we wish we were having an adventure. Now, adventure, David, is marked stress and

Ep #167: Roy H. Williams - The \$150,000 Podcast Interview

trouble. If you have no stress and no trouble, you will be profoundly and deeply bored within six months. You can only stand the perfect, peaceful, relaxed, recreational environment. You think you can play golf forever, or whatever it is you like to do, forever. The fact is, you probably can't do it for six months, and you absolutely can't do it for 12 months.

And so this idea of anybody that's capable of becoming even momentarily successful, is incapable of abandoning adventure. And adventure is always marked by stress and trouble. And how am I going to overcome this? How am I going to survive? How am I going to win? How am I going to move forward to the next level? That's why people play video games, David. They're looking for stress and trouble and crisis and opportunity. And here's the encouragement I want to give your audience. The single biggest thing I've ever realized in my entire life, it hit me one day at a very young age, that failure is a temporary condition. And anybody that ever said, "Oh, she ruined her life. He ruined his life with that decision." Those are the dumbest, dumbest, mouth breathing idiots that ever walked the earth. There's no possibility you can ruin your life with one decision, forget it.

Failure, horrible, horrible, tragic, failure is very, very, very temporary. And so is success. Success is not a permanent condition, it is temporary. Failure is not a permanent condition, it is very, very temporary. And the only way you achieve success is to get all the failures behind you. If there's 179 different mistakes that you're going to have to make before you finally get it right, just get those 179 mistakes behind you as quickly as you can. You need to survive, you need to stay in the game, you need to figure it out how to have enough emotional

Ep #167: Roy H. Williams - The \$150,000 Podcast Interview

capacity and financial capacity to survive, to fight one more week. But as long as you protect your survival, emotional survival and financial survival, you will figure it out. You will.

Now, the only thing you don't know, is you don't know whether it's 179 mistakes you have to make or 321 mistakes, or only 83 mistakes. But there's this certain number of mistakes you're going to have to make to learn your lesson. Get those behind you as quickly as you can. Celebrate the failures, celebrate the mistakes 'cause now you know one more thing never to do again.

David Phelps: Now, there's ways that we can mitigate those...

Roy H. Williams: Yeah, tuning in to this podcast is one of them. I mean, listen. Forgive me this. They say a smart man makes a mistake, learns from that mistake and never makes that mistake again. But a wise man finds a smart man and learns from him, how to avoid that mistake altogether. Now you're playing the part of the smart man, I am playing this part of the smart man so that all of your listeners can be the wise men. They don't have to make the mistakes that you made. They don't have to make the mistakes that I made, they can avoid those mistakes altogether. That's why they're listening right now.

David Phelps: Well said. So Roy, my audience, as you know, is primarily professional practice owners. Many dentists, chiropractors, physicians, lot of indoctrination, formal education.

Roy H. Williams: Don't forget the veterinarians.

David Phelps: Don't forget the vet ... Oh we've got standing vets for sure. And we know the problems that they are facing in

[Dentist Freedom Blueprint](#) with Dr. David Phelps and Evan Harris

Ep #167: Roy H. Williams - The \$150,000 Podcast Interview

their industry. The marginalization, the commoditization, the overtake of healthcare by the government, the public sector. And many are really, really straining and stressing to figure out, number one, was this even the right thing for me to do? And I've come out of school with lots of day-to-day, the younger graduates. And finding that path to a lifestyle of freedom seems like it's a long, long ways away, if it's even there anymore. You're not just a great marketer and advertiser and communicator Roy, but you're also a great business strategist. You read, preferably, you study things. What would you say about healthcare industry? And again, speak to my audience about where they are and how they can differentiate ... Should they look for a different model? I'd just love to hear your take on some of the things that I laid out.

Roy H. Williams: David, I said earlier that I am paid literally embarrassing amounts of money for guidance like this. And the reason I frame it that way is because, I want to tell you without any reservation whatsoever. This is like nothing held back, this is not a fail speech. I'm going to tell your audience the real true answer. And whenever big companies are paying me for guidance, this is the kind of answer that I give them for about \$150,000. Now, the reason I frame it that way, David, is because of this. As everyone knows, when you give somebody something for free, they don't really value it. But if they understand ...

Hey, wait a second, I want to tell you the same thing I pay incredibly, frustrated big companies. I charge them like 150 grand for what I'm about to tell you. And they're thrilled to pay it and it works amazingly well and they think it's the best investment they ever made. I want everybody to understand this is not just a guy talking that doesn't know what he's talking about. So I'm happy to give your

Ep #167: Roy H. Williams - The \$150,000 Podcast Interview

audience today, your members, the real true answer. Are you ready for this?

David Phelps: I'm ready.

Roy H. Williams: We need a drum roll. We almost need a drum roll, don't we?

David Phelps: I think we do. I think we do.

Roy H. Williams: So here's the thing, every purchase can fall into three different categories. There are customers who are nonswitchable. In other words, there's nothing you can do or say that's going to switch this customer from their current product or service provider. They're just nonswitchable. They're committed to the people they're committed to and they're not in play. You're not going to win them. And then there are people who are switchable for reasons of price alone. Now, the people who are switchable for reasons of price alone, they will frustrate you to the core of your being 'cause most people want to convince them that they shouldn't switch for reasons of price alone. I mean, it's a bad idea to switch for reasons of price alone. But you're never going to win that, you're not going to win it. If people are switchable for reasons of price alone, get over it. They're really not available to you any more than the person who is nonswitchable.

But there's a meaningful group of people that are switchable. They are switchable from their current product or service provider, if you connect with them. If you say the right things and you keep saying the right things, and you identify with them and you mirror their perspective. We are attracted to people who believe what we believe. We're attracted to people who feel the way that we do. And you can build a tribe, you can build a following by

[Dentist Freedom Blueprint](#) with Dr. David Phelps and Evan Harris

Ep #167: Roy H. Williams - The \$150,000 Podcast Interview

letting people get to know you. But this is the opposite of direct response marketing. In the world of the world wide web, in the day of the internet, most people are taught the principles, David, of direct response marketing. We run an ad, it's online, it's trackable, it's measurable, you have the metrics, you're reaching the right people blah, blah, blah. And you're paying this huge amount of money. And they think, if I run the ad and immediately get a phone call and an appointment, then that was a good ad. That was a good dollar amount spent.

Now, check this out. In the heating and air conditioning business ... Why do I mention heating and air conditioning? It's because heating and air conditioning has a long purchase cycle, as do engagement rings, as does dentistry. We're in a market to buy food every day. I can start an ad this morning and have a two-hour line in front of a restaurant tonight because the purchase cycle for food and for entertainment is unbelievably short. But what about engagement rings or dentistry, or heating and air conditioning repair? It's a long purchase cycle. And you have to be the company or the dentist, or the veterinarian, or the physician that people think of immediately, and feel the best about, when they finally need what you do. And so this takes patience, it takes investment. It's like planting a crop. You put the seed in the ground, you don't come back a week later to say, "Well, this isn't working. Where's that salesman. I was promised a crop." No, no, no. There's stuff happening but you can't see it yet. You have to believe that this seed will sprout.

And so, the problem with the medical professions, they have a long purchase cycle. And most dentists, most veterinarians, most doctors, most CPAs, most

Ep #167: Roy H. Williams - The \$150,000 Podcast Interview

professionals in any of the categories, they think they're going to win with direct response marketing. They think you're to advertise according to the principles of people with a short purchase cycle. But if you wait until what Google likes to call the zero moment of truth, which is when the customer needs what you do and they go online and they google the category and then your name pops up and then ... Yeah, that assumes, David, that assumes the customer has no preferences whatsoever. But I've been able to reduce the cost per click by more than 90%. In other words, I get a 10 times better return on investment by making the provider a familiar name that people feel good about.

Now, weirdly, they still go to the internet. But when your name pops up, and they've heard of you and they feel good about you, you get the click, you get the call, you get the customer. And so, understanding ... The one thing that your audience needs to understand, they have a long purchase cycle. And they cannot win, and they will not win, unless they ignore the people who are willing to switch for reasons of price alone.

David, would it surprise you if I told you that my entire career has been built on serving the business owners who are the kings of the high cost category? In other words, all of my clients charge way more money for a similar product or service than anyone one else in their category. You never ever, ever want to be the guy who writes ads for the low cost provider because they cannot deliver an amazing experience, they can't. The laws of math don't allow for the low cost provider to really rock your world with an amazing experience. But the high cost provider, the dentist, the veterinarian, the physician, who charges more than anyone else for a very similar product

Ep #167: Roy H. Williams - The \$150,000 Podcast Interview

or service, 50% more in most cases, you can make them huge. You can make them a household word if they have the patience, and if they have the commitment to not becoming afraid and caving in and doing the same idiot things that everyone else is doing.

David Phelps: That last piece was huge. The patience and commitment. Because what I see so often today Roy, is there's a niche of providers who want to stay in what we call your fee-for-service, push aside the people who are looking for, what my insurance pays for example. And they want to be there but because they don't have the sustainability and the patience, they have not put in position a way to survive to fight another day, they cave. They cave, as you said. And once you cave, once you take that first sip of the insurance provision, which is really doing the marketing for them, if you will, then the game's over. I mean, gave over.

Roy H. Williams: Whenever you say, "I choose to be the generic, interchangeably widget. I choose to be dentist number 423 out of 40,000 dentists. I choose to be dentist number 9,169. I'm an interchangeable widget with everyone else." Yeah, what that means is you sold out and you made a really bad decision when you decided to become a dentist, that's what it means. I don't need to be harsh here but it's what it means.

If you don't believe that you have the capacity to win people and make them prefer you and make them feel like they already know you, and to make them like you before they ever call. They already feel like they know you, they already know why they like you, and they already know they would rather pay you 50% more money, than get the same treatment from anybody else in town.

Ep #167: Roy H. Williams - The \$150,000 Podcast Interview

Now, remember, when we're here together later this year, I think we're getting together in May. But when we're together, I'll give you countless examples with names, cities, dollar amounts, percentages of growth, the companies that we have built to more than 100 million dollars from nothing in one town. Not like nationwide but in one community.

It's insane how easy it is when you understand this is how you do it and these are the temptations that you have to resist. But once it's clear in your head this is the right thing to do, these are the temptations you have to resist, this is how long it's probably going to take. But if you have the emotional staying power and if you have the financial staying power ... And by the way, financial staying power isn't measured by how much money you have in reserve, financial staying power is measured by how little money it takes you to stay in the game. If you don't live in the big house and you don't have lots of fancy cars and you're not living right at the maximum capacity of your income, you have staying power. And man, if you've got a spouse with a pretty good job, you have especially powerful staying power.

So there's lots and lots of ways that people can acquire or stay in power. They can stay in the game financially and emotionally. And it's not because they have a bunch of money in the bank, it's because it takes relatively little for them to survive. And when I find somebody who meets those criteria, and I feel like they have the patience, it's heartbreakingly easy, David, to make people just amazingly successful, even though they're charging 50% more than everybody else in their category for a very similar product or treatment.

Ep #167: Roy H. Williams - The \$150,000 Podcast Interview

David Phelps: These are principles that you learned at a very young age.

Roy H. Williams: Listen, the one thing I've never ever, ever done, I realized really early the person who is the low cost provider cannot, it is a mathematical impossibility, they cannot rock the customer's world with a really memorable experience. They're only going to appeal to the people who are switchable for reasons of price alone. And you're going to live in a very special kind of hell if you target people who are switchable for reasons of price alone. And then the people that are nonswitchable, you're going to drive yourself crazy trying to get those people to switch to you 'cause you're not going to get it done.

But there's plenty, plenty, plenty, plenty of people that are switchable if you say the right thing and do the right thing, and then wait for them to need you. And then they're going to come to you and they're going to recommend you to their friends. And their friends are going to come to you and pretty soon, you have a closed cash practice. You don't even take insurance. Everybody pays you, you'll help them file their insurance claims but they pay you cash and then they wait for their insurance company to reimburse them some percentage of what they paid you. And it's a closed practice 'cause you don't have room for any more patients. It just isn't that hard to do.

David Phelps: Well, it's especially not that hard to do because very few people will do what it takes to do that.

Roy H. Williams: Yeah. But what I'm saying is it always works. It works in every category, David, where there is a long purchase cycle. And the goal is, you want to make people choose you before they ever need what it is you do. They've

Ep #167: Roy H. Williams - The \$150,000 Podcast Interview

already chosen you, they don't even need your product yet, they don't need your service yet, but they've already chosen you. "When I do need this, that's who I'm going to call." And it has to do with bonding, not branding, bonding. Bonding with that future customer about shared values, shared beliefs, shared preferences, shared perspectives. You let people know who and what you really are, and they go, "Yeah, I'm just like that guy. I like this person. I want that to be my guy."

And if you win the heart, David, if you win the heart, the mind will follow because the mind can always create logic to justify what the heart has already decided. And so, win the heart, that's what marketing is all about. Win the heart, make people like you. You can do this with social media, you can do with advertising, you can do it with direct mail or e-mail, it doesn't matter. There's a million ways to deliver this. But if you win the perspective customer's heart, and you make them like you and you make them feel like they know you, they will begin recommending you before they have ever even used you. It's staggeringly easy to do.

David Phelps: Roy that's extremely powerful and I feel like I'm going to title this podcast, the 150,000 dollar podcast interview, how's that?

Roy H. Williams: I'm in favor of it.

David Phelps: You delivered some really, really top-tier concepts and I appreciate your time today. I appreciate your revealings. You said what you give to high ranking companies that are looking for your help. As it's something that can apply to anybody who has the desire and commitment and patience to build that business, that practice that no one

Ep #167: Roy H. Williams - The \$150,000 Podcast Interview

else feels like they can do. Roy, thank you so much for your time, I look so forward to seeing you again soon. And you have a great week sir.

Roy H. Williams: I had a marvelous time. Thank you for letting me get to know your audience.

David Phelps: Yes sir.

You've been listening to another episode of the *Dentist Freedom Blueprint* podcast with David Phelps. The place to be to create your freedom lifestyle with more time off, security and peace of mind. Please subscribe, download the podcast, and share it with others who want to create real freedom in their lives and practices.