## Software License FAQs

The most practical question to ask is, "How is GMP different than other SEO firms; how will I be different if I decide to do this?" We are 100% successful in obtaining new front-page placement in the major search engines for our clients. Our pricing is published for all to see and we don't require a 12 (or 24) month commitment like most firms do. We offer a money-back guarantee for multiple front-page placements -- and we have never failed, so we've never had to refund a client. If it's not GMP or a GMP affiliate, no one else can make all of these claims!

- > How many licenses have been sold?
  96 to-date. Roughly 40 of them currently sell SEO, 40 are semi-retired and 15 do SEO in-house for their own websites.
- > How many new licenses are you planning to sell?
  Approximately 4 per month for the next 12 months. Affiliate saturation is not an issue, nor do we anticipate this happening. However, the Affiliate program will either be capped or suspended in that geographic area if it does become an issue.
- > How long is the training period?
  Initial training is held over 2-3 days depending on class size. Hands-on tech training, mentoring and support thereafter for one year. Sales assistance for one year.
- > How many sales should we expect to see as an affiliate?

  That varies with effort and personnel. GMP sold 2.6 sales per person per week for many years. Other affiliates have sold 3 per week for months at a time while others have sold 100 clients in 120 days with 4 top sales reps. Your mileage may vary!
- > What is the cost to upgrade my license?
  100% of what you spend on your license will be applied to the next level license. Upgrade pricing is reflected in your agreement.
- > What happens if the President & Founder (Todd McCally) becomes unavailable for any reason?

  Justin McCally, Cassie Feo and Jeff Nelson are 16-20 year employee/owners and will continue the business in the event that Todd is not available. Justin, Cassie, Jeff and Team have and continue to train and run day-to-day operations.
- > Can you tell me more about the SEO leads that are provided?

  The leads consist of people already paying at least \$8000/mo for Google Adwords (PPC). They already have a budget for online marketing, as well as an understanding and appreciation of what front page visibility does for their business.
- > What is your client retention rate?
  GMP's client retention rate is approximately 90% year-to-year and about 80% of GMP's clients upgrade to a higher level of service. Currently, if someone signs up for our service, there is a 93% chance they will still be with us in five years.
- > How many clients pre-pay for the year? 60% of GMP's clients pre-pay the year.
- What is the average starting level of service for a new client?
  Our Corporate Level 5 Plan is the most common.; it's also our entry level plan of service. It is \$6,000.00 initially and \$599.00 per month; or the annual prepay amount is \$11,400.00.
- > If we decide to become an affiliate, will we be given a sales script or do we have to create our own?

  During the SEO sales training, you will be given a leather-bound booklet that contains the sales script along with detailed information we have accumulated since 1998.
- > Will we receive a template for the agreements you have used to send out to your clients?

  Yes! We will provide sample agreements. All you have to do is put your name and contact information on them.
- > *Is the license transferrable?*Yes. You can transfer the business at any time, after all, it's your business. However, if you need us to perform SEO sales training for the new owner, there will be a charge as outlined in your existing agreement.
- > If I purchase a license, initially I won't have any references to offer if someone asks. Can GMP help me with that? Yes, for the first few sales, you are welcome to use GMP references and state that your tech team has optimized over 42,000 websites (over 11,000 clients served) since 2001.

- Extended Q&A with the President & Founder, Todd McCally-

> I am not even close to being technical minded, can I be successful in this business? Do you have any examples of this currently?

It's actually preferred that you NOT be technical; your learning curve is shorter and you'll sell more clients if you aren't. Those that are technical tend to complicate the sale process with unnecessary information and talk over people's heads and lose the sale.

- > Why are you choosing to license this business vs. growing organically yourself?
  - We already have a large client base. I would rather train 2-4 new Affiliates per month for \$150K/each than manage a call center. Having done that for years, the pom poms and cheerleading uniform was hung up years ago.
- > Did you start the business from nothing and grow it to today's level yourself?
  We started from scratch yes, but I didn't do this alone. I have a fantastic team of 18 people that run the day-to-day operation.
  We've had the same head tech since 1998 and our VP of operations has worked with me since 2001.
- > What does the average Affiliate look like in terms of revenues, profit, time in business, etc.? What is their profile?

  Typically, they are tired of corporate America and want their own business and be in control of their own schedule. They are likely \$150K-\$180K/year when they leave their current job to start this business. In two years, their income is usually around \$350K per year. Some get to that point during year one, but that's a good average based on their sales. Since this isn't a franchise, we don't monitor the exact revenue of our Affiliates, we are not receiving royalties so it's none of our business.
- > Are there any significant and/or potentially industry damaging changes, or rumors of changes coming in the SEO industry that you know about or anticipate over the next 5 years?

  No changes that will affect our program, no. What we do and how we do it is not impacted by the latest search engine algorithm changes. If you take shortcuts with your work, your existence in this business is short lived.
- > Where are you listed in Bing and Google organic SEO Organic search listings? I don't see GMP on page 1, why not?
  We simply do not want to be on the front page, it's a nuisance to be honest. First, we don't make outbound calls any longer and when we did, when we turned our talent onto our own site it was a disaster. Sales reps who had sold 3-4 deals per week for YEARS, struggled to get ONE sale per week. They fielded calls all day from people that were broke. Focusing your efforts on businesses that have a budget, know they need front page placement, that's where the money is. Plus, I would rather show a potential client examples of our work for our clients and what they can get for their money. If we can do this for others, we can certainly do it for ourselves and have. That's not what I would want to see if it was MY money hiring the service. Educate the people you are speaking with and this becomes a non-issue.
- > Are you included in sites that review SEO firms? If so, do you have negative or bad reviews on these review sites? If yes, can they be overcome (and how) and why the bad reviews in your opinion?

  We are not, not that I am aware of because we haven't submitted ourselves and/or paid the fee to do so which is typically how it works. It's not much different than paying the BBB \$2K to list you! If we took someone's \$150K and didn't deliver, you'd read all about online. If we took someone's \$6K for that matter and didn't deliver placement, you would read all about that too. Our
- > To what strategic advantage / difference in the market would you credit your success and your Affiliate's success?
  We are uniquely qualified with our track record, time in business, published competitive pricing, no contract commitment and guaranteed placement. We aren't aware of any other firms, other than our Affiliates', that can claim this.
- > How much do you charge a client for your SEO services?

The Level 5 is the most popular starting level of service, \$6K to start plus \$599/mo ongoing. Next most popular is the Level 15, \$15K to start and \$1,499/mo ongoing.

> What is the lowest entry point package cost?

online reputation is impeccable.

- Pricing is published on our website but \$6,000.00 to start and \$599 monthly is our new entry plan. We use to offer plans for \$3,300.00 to start and \$399 per month but haven't sold that plan in many years so we dropped it.
- > Are Affiliates provided protected / exclusive territory to increase the barriers to entry for competition?
  No because you can sell all over North America and Canada.
- > If not, what is the plan to keep Affiliates profitable and not cannibalizing each other ... see Subway?
  With only adding a few, all over the country and giving you 5K exclusive leads, this won't be a problem. Most Affiliates stop selling when they reach 30 or so clients, after having received about 1,200-1500 leads. We haven't found an Affiliate really take this to its potential. It's hard for people to stay motivated to sell if they make \$350K-\$500K/year and do nothing.
- > What are your/the business' biggest challenges now to maintain the revenue and profit level?

We don't have any challenges, seriously. Customer service has always been the absolute minimum with this business. Your clients were accustomed to paying Google monthly for traffic and hearing nothing from them. Now they pay you, less than what they were paying Google and you are providing more traffic, more opportunities for more sales!

### > Is this a franchise?

No – it's a license agreement – Affiliates do not pay royalties to GMP. They keep 100% of their monthly revenue and operate under their own business name and have 100% control over their business decisions. We provide a structure and offer proven guidelines but ultimately, it's up to the Affiliate on how they want to run their business.

#### > How many do you want to have eventually?

No limit has been set, no particular goal set, just continue to add a few per month until we see any issues.

## > What restrictions are placed on Affiliates regarding adding new products to sell, etc. that might not be through the franchiser?

It's not a franchise so you can sell anything you want, for whatever you want to charge. We simply teach you the business and give you the tools you need. It's important to note there are no royalties to pay GMP, you keep 100% of the recurring income.

### > How did you arrive at your asking price?

Time is money equation and ROI for the Affiliate. What we teach Affiliates is extremely unique. In fact, we do not know of any other SEO firms that can replicate our results 100% of the time. We think it's fantastic most affiliates get their money back in less than 12 months.

### > If I purchase a license can I sell outside of the US?

Yes, you can. Anything outside of the US and Canada is an untapped market; go for it!

### > Will GMP (affiliates of GMP, etc.) compete with franchises?

No, but you can help franchises help their franchisees!

# > Are there any law suits against the company now? Any knowledge or rumors of law suits to be filed in the future? No, none!

### > What's the contingency plan should Google or Bing or ... take on this space themselves?

Three words: class action lawsuit. If Google placed their own clients ahead of the natural results, people would stop using them. They already do what they can in this arena by placing their ads at the top of the page. It is the largest, by far, revenue generator.

### > Are Affiliate references provided?

We have provided four video testimonials to get an idea on what it's like doing business with GMP and our Affiliate program. One Affiliate reference will be provided to ask any question you please. We rotate through Affiliate references and limit them to respect their time. We do ask that this be done as the very last piece of due diligence before signing up and moving forward.

### > Why are you so selective in selling someone a license?

It is very important to us at GMP that only those that 'have what it takes' to be successful be accepted into the Affiliate program. This is a proven business model and the vast majority of Affiliates have been highly successful. We are selective not just selfishly, but for the candidate as well. If we don't feel someone is a good fit, we will tell them!

#### > What does it take to become a successful Affiliate?

Hard work and dedication until you reach an income level that you are happy with. Some You have to go get your clients; you can't sit by the phone and take orders. Affiliates get very comfortable with \$200k+/- residual annual income and gradually stop actively striving to acquire new clients. Other Affiliates will reach this stage of contentment at higher residual incomes. The potential of this business is limited only by the ability and drive of the Affiliate.

## > How many clients do I need to sell in order to reach 'x' cash flow?

It depends as the revenue generated per new client varies greatly depending on the level(s) of optimization(s) they need. The Corporate Level 5 is the most common starting level which generates approximately \$12,000 per year for an Affiliate. Using this conservative example, selling only one Level 5 optimization per month would generate approximately \$140,000 of revenue in year one and \$60,000 in residual annual revenue. A Level 150 optimization is \$125,000 upfront and \$9,000 per month for an Affiliate. (refer to the ROI spreadsheet)

## > What keeps you awake at night worrying about the business and/or your Affiliates? Nothing at all, I sleep like a baby! We are doing well and the Affiliates are doing well.

# > Is there anything special, proprietary or exclusive that is owned by the company that protects it from current competition and deters future competition from starting up?

Just our reputation, pricing and guarantee, that is something that can't be matched.

### > How do you/Affiliates beat the competition?

See above, I don't we have any true competitors. Sure, other people perform SEO but not like we do.

## > Are you aware of any competition that would/will sell against you that is being introduced or planned for in the next 3 years?

No, even if they did they can't say they've helped 11K+ clients (as of 2018) since 1998 with 100% success, with a money back guarantee...

## > Are you aware of any plans or rumors for any large and/or influential entity entering or consolidating this market space? No.

### > How do you generate new leads for Affiliates?

We research & acquire them from Google Ads.

### > How are the 5,000 leads generated and qualified? Are they names or really have interest?

We provide business names, phone numbers and how much they are currently paying Google.

### > Can Affiliates generate their own leads as well?

Of course, it's your business!

### > Are the new leads increasing, decreasing or flat over the past 3 years on average?

We've never reached the end of the Internet, every day hundreds, thousands of new businesses set up new AdWords accounts.

### > How do Affiliates generate new leads - in general (SEO, PPC, etc.)?

We provide thousands of leads for business using PPC or Ads. They already have a budget and have established a need to be found on the front page of Google. Affiliates are encouraged to join a local networking group such as BNI and leverage relationships with business owners and those that know business owners for referrals. Referral fees can be paid (GMP pay's a 10-20% referral fee). Affiliates are encouraged to seek out online marketing agencies, web development and IT firms that don't offer SEO services to send you their referrals.

## > How many employees does the average Affiliate employ and in what capacity?

Under sales, 1-2 average; some have more. We do encourage those not skilled at being on the phone all day to hire an appointment setter to make the initial calls.

### > Do you have a consistent marketing plan that you employ for Affiliates?

We provide leads and teach you to sell. We have been doing this for 20 years and have tried all forms of advertising, print, email, SEO, etc and nothing works better than seeking out your clients yourself, those that are paying per click with budgets already set aside for search engine placement.

### > What percentage of your/Affiliates annual sales is repeat customer revenue?

Honestly, it's not our business to monitor someone else's business but theirs should be like ours, around 90%.

#### > What is the average length before clients stop paying?

We have over a 90% client retention rate over a 60-month period. Around 80% of clients upgrade after 18 months.

#### > What percentage of clients is lost on average in a year?

Very few. Once they become a client, reaping the benefits of natural front-page placement – it would only hurt them to cancel the service; therefore, losing placement/traffic/business. They stay a client for years and years.

# > Is client pricing flexible for the Affiliates? Meaning, do you have a required minimum dollar amount (paid by Affiliate) per sale - or - is your cut a percentage of the sale price?

This is not a franchise, you can charge whatever you want and keep 100% of the ongoing revenue. If you choose to use GMP to do all of the backend SEO work, it's a flat one-time fee per new client based on the level of optimization sold. You can charge whatever you want.