

*“The world’s highest paid, highest grossing online video marketing expert.”*

## **Mike Koenigs**

*Interview with an Entrepreneur*

Entrepreneurship Professor Steven Mednick

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### **Introduction**

Mike lives and breathes ideas – he says, “a minimum of ten new ideas a day.” Mike Koenigs is the founder and owner of multiple businesses. After more than twenty-five years of entrepreneurial experience, he found his niche. With a strong background in software development and computer technology and a knack for professional development, Mike’s companies fall into two categories: software tools and professional development training.

Mike owns two software companies called *Traffic Geyser*, a system that distributes content and videos over the Internet and *Instant Customer*, an auto-response system for salespeople who use customer relationship management (CRM) to capture leads and follow-up with email and mobile text communication.

Mike also delivers professional development training in four primary areas. His team operates large “marketing-focused” conference events covering: 1) How to become a highly paid marketing consultant with social media and video marketing for small businesses, 2) How to promote, brand or market yourself online using Mike’s product, *Author Expert Marketing Machine*, 3) How to create a product business using Mike’s product, *Make Market Launch IT* and 4) How to brand yourself and your products or services using audio and video.

### **Personal Background & Launching First Company**

Mike was raised in a small town called Eagle Lake, Minnesota (population 763) in a lower middle-class family, and never had the means to go to college. Mike’s dad was a great musician and taught Mike the ability to look someone in the eye and build

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rapport; a trait that has served him well in business.

Mike always had big dreams. He was one of four children who lived off his father’s humble earnings as a barber. At 14 years old, a neighbor loaned him an Apple II computer during Christmas vacation. Over a weekend, he taught himself how to program. Over the next few years, he mastered computing, which led him into a niche field that eventually became his ticket out of Eagle Lake and into Southern California.

Mike’s first company, Digital Cafe, founded in 1989, was one of the first interactive marketing agencies. Their specialty was making “promotional entertainment” products—CD-ROMs, custom music, animations, video games, and screen savers for big brands. In his late 20s, he and his business partner secured 20th Century Fox and Sony Entertainment as clients, and started developing video games and screen savers to promote their movies. In 1999, Mike sold Digital Cafe.

### **Why Entrepreneurship?**

Mike finds great satisfaction in entrepreneurial ventures because, in his own words, he “is unemployable and would rather be dead than work for someone else. [He] has no respect for authority and likes to do things one way, his way.” Mike says he did poorly in school and had difficulty paying attention in a classroom. After high school, he found success in his own business. It was exciting and addicting and to this day, pursuing new business ventures gives Mike the flexibility and variability he needs. He says he loves what he does. At this stage of his career, he knows how to capitalize on his strengths and weaknesses.

### **Finding Opportunities & Secret to Success**

Mike has a very clear sense of self. Mike carefully targets opportunities that apply to his strengths. He is a kinesthetic learner (learns when able to carry out a physical activity). Three of Mike’s strengths include: 1) inventing (fixing things), 2) selling

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(telling a story and influencing buyers) and 2) teaching (teaching others who seek knowledge and information).

Mike has the personality and “scrappiness” to be a successful entrepreneur. He does not take “no” for an answer. When he moved to San Diego, he noted a large number of online marketers live in San Diego. He saw others earning a million dollars online and knew he could follow suit. Mike’s first online marketing product was an Internet Infomercial Toolkit (how to sell stuff through video on the Internet). He interviewed television infomercial producers to determine how they sold merchandise on TV. Mike inferred if the formula worked on TV, it would work on the Internet. It’s Mike’s tenacity, persistence and years of experience, which have made him successful.

Mike believes experience is paramount for an entrepreneur. There is not a school or course to complete, entrepreneurship is learned through trial and error and rote experience. That is how great entrepreneurs are made. Mike envisions a new market for capturing and transferring experience between mentors and protégés. In five-years, Mike says he will be offering cutting-edge training through an “experience-transfer” model. He envisions a new laboratory for entrepreneurship training being delivered over the Internet.

### **Common Mistakes**

Mike says he sees many entrepreneurs who don’t understand their customer. They make the mistake of not understanding the psychology of the market and customer. Mike speaks with founders of products and services no one wants to buy because of a lack of testing and feasibility analysis. In Mike’s words, if a founder does not understand how to “access the influencer or control the buyer,” their business will fail. You must go after buyers and target and focus on your customer and audience. Customers want to feel unique and customers want to feel that the product they buy was sold directly to them. This aligns with Professor Mednick’s teachings, “have you

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reached out to your customer today?” A successful entrepreneur has a deep and thorough understanding of the marketplace and the ideology of their customer.

## **Challenges & Financing**

Initially, one of Mike’s greatest challenges was gaining credibility until he learned how to access or borrow credibility. When Mike secured his first celebrity client, it built an allure of “exclusivity” around his products and services. Building exclusivity around his brand has been a powerful sales agent. Mike leverages his celebrity sales by promoting the message, if he is able to sell information to celebrities and the same information to the average Joe, the average Joe is getting considerable value and exclusive access to “celebrity-vetted” information.

As for financing, Mike started his companies without debt. He never borrowed money, except occasionally on a credit card. Instead, Mike secured clients and applied client advances to buy equipment and software – all the while, creating products as he learned how to use the new equipment and software. Mike made his life and business a laboratory. This approach has served him well. He could expand his menu of services and products while his clients financed his learning curve and company’s growth. Now, Mike has a team of highly skilled professionals to support accounting, operations and promotions, which leaves Mike the ability to do what he does best: invent, sell and teach.

## **Help & Guidance Along the Way**

Mike is candid about finding support in advisory groups, such as The Masterminds Group. One member is Darren Hardy, editor of Success Magazine and a personal friend. Mike picks up the phone to call peers when he is faced with a problem or unresolved issue. What have they done? What could he do better? How could he learn from their mistakes or successes? Mike also uses another networking group who he says lives and breathes “TED videos.” Mike’s networking groups offer him a laboratory of shared experiences and information.

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## **Exit Strategy**

Could Mike let the company go if he sold it?

Mike has no problem selling his companies. He has already sold a few. He enjoys the work, but like a CEO focused on increasing shareholder value or a broadcaster concerned about the “take away” for the viewer, Mike is focused on decisions to grow his company in ways that make it desirable and saleable to a buyer. He is an expert at the psychology of a buyer. Therefore, Mike ensures any growth decisions are based in acquiring highly saleable assets. Ultimately, he is interested in commanding a premium for his company, which is only achievable through a strategic asset mix.

Mike has a family, a wife and a son. Most recently, Mike faced a serious health issue fighting cancer, which has given him greater focus and ability to delegate to his team. While Mike’s health has improved after treatment and therapy, he attests that his focus and balance won’t change. Finally, Mike has found the right role, which motivates and drives him – he says forever.