

Five Proven Ways to Grow Your Business

An Interview with Entrepreneur's Circle CEO Nigel Botterill

First broadcast on 21st January 2015

About Nigel:

- Left Barclays when Managing Director
- Then worked as a consultant marketer.
- Set up Entrepreneur's Circle – a largely online resource to help small businesses grow (the business is now probably the largest of its kind in the UK, and also offers an extensive range of hands-on training resources).
- 13 years now as an entrepreneur.

Initial breakthrough:

- Worked with his wife setting up "My Magazine" (first of the local directory mags).
- Franchised the magazine very successfully on the back of PR from Red Magazine, which came about as a result of having a good website (this was early days!) and use of Google Adwords.

Selection and Maintenance of the Aim (the first Principle of War)

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- To make progress you must have FOCUS.
- Determine what you want to achieve and ensure that your business activity takes you in that direction.
- This is quite separate from how you do things/what you do.
- The aim can be lifestyle, finance, physical goods (eg new car).
- Goals (and progress towards them) should be reassessed regularly (annually isn't a bad idea)
- Once you know what you want to achieve, you can determine what you have to do to realize the goal.
- Booking holidays in advance (when you only have to pay the deposit!) is a really good driver to actually earning the cash.
- Think about what motivates you: wife, children, personal status...

Blame Kevin Costner*

- "If we build it, they will come" (*Field of Dreams*, 1989)
 - No they won't.

* One of Nigel's most successful email subject lines, incidentally!

- Quality alone is necessary, but rarely sufficient. People have to find out about you.
- Marketing is therefore needed – but there's no reason it can't be honest.

A Key Question

- Having determined your goals, and recognized what motivates you, you will probably realize that the most important thing in achieving your ambition (at least at first) is getting and keeping enough customers. So:

What have you done today to get and keep customers?

The 90 Minutes

- 2 • Setting aside time to do this is essential. Ideally on a daily basis – undisturbed time (60 – 90 minutes) to do things *solely related to making your business more successful*. Cover things like:
- Adwords (very effective, but you need to avoid the “Google Stupidity Tax”): writing copy, analyzing performance, refining keywords/negative keywords
 - Facebook advertising – hugely effective, cheap and well-targeted
 - Writing leaflets and fliers
 - Newsletters (hard or soft copy)
 - Organising follow-up campaigns
 - Creating (interesting) offers – not the boring “10% off” sort of offer
- This is even more important if you aren't good at marketing (because you'll instinctively do other things, just to avoid it - and that won't move the business on!)

Marketing Pillars

- Yellow Pages is pretty much dead – there's a tiny sector of the market that uses it, but not enough to grow a business
- Local papers much less important (but have an older demographic)
- Reaching internet users is very important (Adwords)
- Word of mouth remains important (but that now means social media – Facebook and Twitter)
- Business owners need to understand the greater variety of modern marketing methods
- Fliers work very well for businesses with a particularly local appeal (such as physical therapy), provided they are well thought out – copy on both sides, a strong offer (but make it imaginative and different from everyone else's!)
- Make all the marketing specific to a target group (could be the elderly, those with sciatica, headaches...)

Adwords

- 3 • It's not difficult, but you do have to learn about it
- Avoid the Stupidity Tax: make sure you set a sensible budget and monitor results. Initially check the campaign on a daily basis. £250 is a very healthy budget to start with (for a month).
 - Make sure your keywords are targeted: not “broad matched”.

- Make sure you have plenty of negative keywords.
- Make sure you test different adverts (different wording).
- Test different landing pages – DO NOT send people to your home page (unless the home page relates specifically to what they were searching for).
- Don't worry about competitors clicking on your adwords: Google is pretty good at spotting this and it is really unlikely to be an issue.

Your Most Valuable Asset

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- Your database of past clients or possible clients is extremely valuable
- Database can be a box of cards, an Excel spreadsheet, or a full-on CRM (Customer Relationship Management) system.
- In an existing business, start with reestablishing contact with old clients.
- Use the database to send out non-marketing material – the “patient of the month”, the human interest story...
- Harassing, hard-sell is not the name of the game, but ignoring them is also a bad idea.
- Growing the database (ie adding new prospects) can be done through adwords, eg. Not necessarily by selling – by offering a free info product, an offer, staging an event. This enables you to keep in touch with prospects (*good* prospects, because they've expressed their interest).
- Many businesses find a tombola system useful: names of all clients who provide contact details of a new referral go in the tombola, with the chance to win a substantial prize.
- When sending out emails, important to send stuff which is useful and relevant. Subject line is very important (“Our Newsletter” is a very bad subject line!). But make it very easy to unsubscribe.

Relationships are Key

- Building strong relationships with your clients will be the big, defining factor.
- Giving a “bit of yourself” is essential to do this.

A Very Quick Way of Increasing Profits

- Offer a premium product.
- In clinic, pricing certain hours at a premium (typically 15 – 20%) makes sense (early morning, lunch hours, later in the day).
- Generally will not result in lost clients, because standard rate slots remain available.

Know Your Numbers

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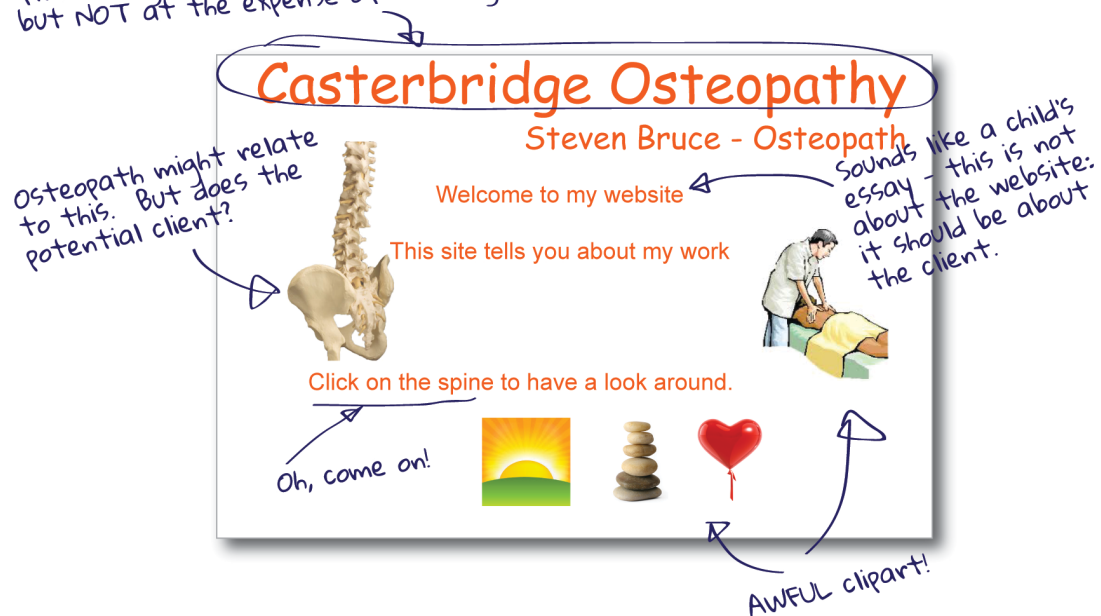
- You have to know the average value of a client (preferably over several years with the clinic) – this tells you how much you can afford to spend to acquire a new customer.
- There is no such thing as a “marketing budget” - the only thing that matters is *Return on Investment*
- Many people try to get customers as cheaply as possible – it's a mistake.
- Generally, the more it costs to get a customer, the better that customer turns out to be.
- Turnover of Capital: allocate a chunk of cash for marketing (as much as you can reasonably afford) – every time it brings in cash, it replenishes the pot.

- But you have to know how to measure the return:
 - use call tracking numbers and allocate to each marketing pillars;
 - track which offers are redeemed;
 - use different landing pages on the website.

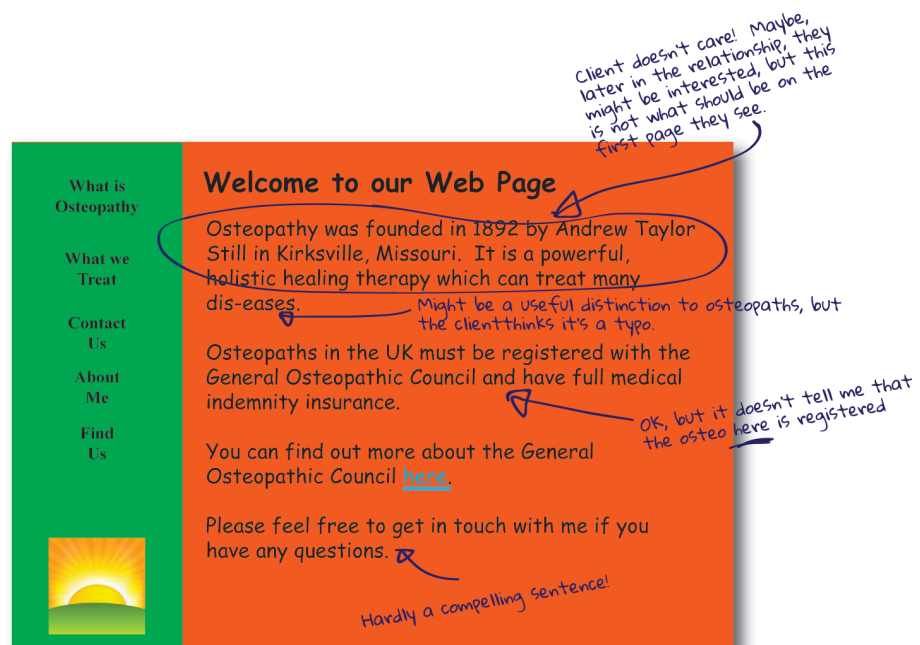
A Few Points on Websites

- I sprang a “website” on Nigel, for him to critique. It was genuinely based on a real, and current, osteopaths website, but the names as they say, have been changed to protect the guilty party (and protect me from all sorts of flak!). The 3 pages I produced are below, together with Nigel’s comments.

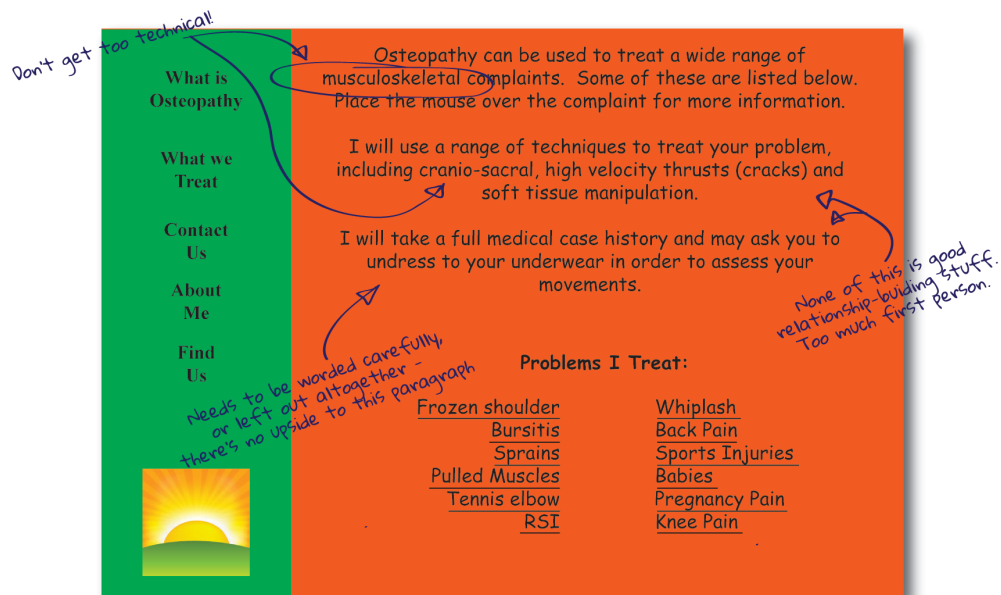
Dreadful headline - visitors need to relate to first thing they see. Branding is important but NOT at the expense of relating to the client



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Nothing on this page tells the client why they should visit this osteopath, as opposed to any other practitioner. Why should any client come to see you? What sets you apart?



Overall, this site is uninteresting and dreadfully dated - it won't attract clients

- Proportion of first person (“I”/”We”) to second (“You”/”Your”), needs to be about one third.
- How much is it worth spending on a website? Difficult to be precise but:
 - Every business needs an effective website if it is to thrive.
 - Website needs to look nice (clean, modern, easy to navigate) – this may be what sways the potential client towards you, as opposed to your competition.
 - Need not cost thousands. Wordpress can be used for relatively small outlay to create high quality site (best to use expert help to set it up)
 - Video has become really important – a great asset in building a relationship with the client. Ninety seconds is adequate.

References:

1. “Rich Dad, Poor Dad”, Robert T. Kiyosaki, 2000: the author is an American businessman, author and investor. In this book he advocates financial independence and building wealth through investing, real estate investing, starting and owning businesses, as well as increasing one's financial intelligence to improve one's business and financial aptitude. The book is written in the style of a set of parables, ostensibly based on Kiyosaki's life. And stresses the ownership of high value assets to produce cash flow, rather than being an employee.
2. “The Ultimate Guide to Google Adwords”, Perry Marshall, 2014: Marshall is an American entrepreneur, online marketing strategist and author of several books, most notably the bestsellers *80/20 Sales and Marketing*, *Ultimate Guide to Google AdWords*, and *Ultimate Guide to Facebook Advertising*.