

Justin Gilchrist

Announcer: Welcome to the Eventual Millionaire podcast – with your host, Jaime Tardy. Real talk and real advice from real millionaires, with a sharp focus on you – the Eventual Millionaire.

Jaime: Welcome to Eventual Millionaire. I'm Jaime Tardy and today on the show I have Justin Gilchrist. He is super cool, he's friends with a bunch of my other friends, he buys and sells businesses. His website is Centurica.com. He also authored the book 'Digitally Wed', which I think is a killer title. Thank you so much for coming on the show today, Justin.

Justin: Thank you for having me, Jaime.

Jaime: What I love is I checked out your website and it has a whole list of buying and selling businesses, which is perfect for what you do, which is due diligence on whether or not you should buy or sell a business, so tell me a little bit about Centurica and what you guys actually provide as a service.

Justin: Sure, so we effectively hold a buyer's hand through the whole process of finding, acquiring and then during the due diligence and also doing the deal on an internet business so we primarily focus on internet businesses between, I'll say, \$50,000 and \$2 million, although we do have things slightly larger than that. Rarely is it worthwhile for us to work on something smaller than that but we effectively help buyers through that process because it can be quite an intimidating, scary process if you've never done it before, or even if you are an experienced buyer, just having someone who does this every day, day in, day out, a total numbers geek to analyze that data for you and to make sure that you're really making the right decision is effectively what we do and what we do well so it can help just to have someone on side. It's a minor cost compared to the cost of spending your inheritance on something that doesn't quite work out. It's a service that we've had a lot of praise for and it's one of the only businesses that I've ever been in that I get a real feel-good factor about because we help people and people tell us that and I think that's pretty awesome.

Jaime: That's really awesome, especially because I had a client who bought a business but the numbers were a little fudged, it was just one of those ones. You just feel horrible because they spend a whole bunch of money and they have to deal with it so being in that position is huge. I know you're friends with Ace Chapman and everybody loved his interview here too so I love having you on so we can ask more. So let me ask you this - why buy, why not just start it yourself?

Justin: Well I am not the guy that will tell you that buying is the Holy Grail. Buying won't solve all of your problems, buying is never everybody's answer but actually, when you run the numbers, when you even look at it from an emotional point of view, buying often works out just far easier than building from scratch. I'll give you a few examples - say you were thinking of getting into ecommerce, if you were going to do it the manual way, you're effectively going to find someone to build the site, you're then going to test out various ads and keywords to get your paid marketing up and running, you're then going to pay somebody, more than likely, to input in thousands and thousands of SKUs, you're going to work out where your supply is coming from, you're going to work out what sells and what doesn't. I know, from having done this the hard, manual way, that it is a lot of hard work but it's not the hard work that is the difficult part because you can outsource all of that

- it's the uncertainty, because when you go into a new market, I think everybody who's an entrepreneur has this moment of realization where you realize that actually what makes a business successful is probably not the thing that you see on the surface. So if you have a diner or something and you see that place as this massive queue and I think everyone's had that moment where they've looked at the coffee shop and thought 'You know what? I'm totally going to start a coffee shop because just look at that queue, these guys are raking it in,' but what you don't see is the 9 o'clock in the morning when they're empty or the 4 o'clock in the afternoon when they're having to pay staff. It's the same with internet businesses - you can look at them on the surface and you think you know what it is that makes them successful but actually, having been in that business for long enough, you work out what the real keys to success are, so it might be reputation, it might be product quality, but with that comes a whole load of other things that make that business work, things like the marketing campaigns, things like the types of products, things like how the site is set up. When you buy, you bypass that whole learning curve and learning experience which you're ultimately doing on your time. If you're young and you have all the time in the world and you enjoy experimenting it's probably great. I don't feel so young anymore so, for me, it's kind of saving two years of my life, if not more, if I can just get to that point where I can say 'Yes, this business is successful,' from day one, and then every little thing that I do is like leverage because I am increasing a business that is already established by 5% or 10% or sometimes 2x or 3x, versus doing that with something that is £100 a month and your 5% improvement is just minor improvements for a long, long while. So that's a few of the reasons why I think buying is actually just so much better than building.

Jaime: I love that because when you see people doing startups it's flat for a really long time and then they finally start getting and it's this curve. The question that I have, though, especially for people that are newer to business, because it's one thing if you're like 'Eh, I've got a business, I know what to do to increase once I get in,' but a lot of people who are newer to business have to go through all of these failings, trip ups and steps, and sometimes doing it when it's a brand new business is a little easier than doing it when your revenue counts and you have employees or something like that. Do you suggest people who are brand new in business buy a business and learn that way or should they get all of their trip ups on a startup? Give me your feedback on that.

Justin: That's a difficult one because it depends on how much of a trip up artist you happen to be. Some people are just not ready for online business, period, and I hate to say that and we have spoken to some buyers where it is not our job as somebody who does due diligence to advise them about investments but there have been situations where I just feel irresponsible knowing that person and knowing their complete lack of knowledge if I let them go ahead without at least attempting to scare them out of making a big mistake. Some buyers are just not ready and whether they buy or whether they build it's probably going to turn out the same way. However, I will say that if you are like the 80% of us where we will make mistakes - in fact probably 100% of us will make mistakes - that aren't complete fatal mistakes, then actually having something that is established rather than something that is brand new will often help you because the seller will have told you what all the big mistakes are because they would have already made them, they would have been there, they would have tried certain things, so you've already got some kind of shared knowledge, the same kind of shared knowledge that stops you from ruining an entire company. If you were to start a new job you wouldn't start a new job and start doing marketing, make a huge mistake and just kill the company because there are people there to say 'Whoa, whoa, stop. This is a bad idea, don't do this,' so I think you've got that kind of fallback, that structure, with buying an established

business that stops you from making the really, really big screw ups. It's not like you won't make any screw ups at all, it's just that when you make a screw up on a brand new business you've got no one to say to you 'This is just a minor setback, this is something you can recover from,' sometimes you'll screw up and you'll think 'Dammit, I think I've just completely ballsed it up.' Can I say balls?

Jaime: You just did! Go ahead.

Justin: You can bleep that one out. 'I've just completely messed up the business,' and some people think that's fatal and they give up because they don't realize that actually it's just a minor hiccup along the way. So I think when you've got that established framework it just makes it easier if you do mess up 1) to know how severe it is and whether or not you can recover from it and 2) not to make the really big screw ups because a lot of them have already been made.

Jaime: Do you have contact with the seller often? Is it one of those things where it's like 'Sold! See you later!' or can you ask them questions as you go? Because it's one thing to go 'Tell me everything that you messed up on before you leave me forever and then I'm on my own.' Because it's one of those things - to have someone to ask questions to later or not?

Justin: I know exactly where you're coming from and this is where we provide value because we do a lot of work on what we call the APA, the Asset Purchase Agreement, and what a lot of people make the mistake of doing is thinking that the deal is entirely based on price when it never really is, the deal is about all the other things that go with the acquisition you're about to make. I think the downside is you can't get that kind of advice from a traditional lawyer who will give you all the legal advice you need but they don't understand operating and running an internet business so I think one of the really important things, if you do buy a company or you buy an internet business, however small, is just to make sure that there is a stipulation in the agreement for that seller to help you out for a set period of time. Now you can't really expect this guy to be on call 24/7, especially if it's a \$100k business, because he's going to want to move on and his whole motive for selling that site is to move on and I think for everyone when they're selling a business they emotionally detach from that so often these sellers will be slightly reluctant but if you're quite respectful and you agree it upfront, most sellers will be happy to help you as much as you need for a limited period and there is no set period but it's often between one month and two years. Sometimes, if it's a complicated business, you might have what's called an earn out, where the seller will stay with you and they'll earn the remainder of the selling price based on that length of time with them consulting and helping out with the business, which can be quite useful, so it's all about how you negotiate it and how you get that deal done, but I think it's definitely wise, especially with a complicated business, to make some provision for that.

Jaime: I love how you have a perspective of many different businesses. That's why I love being a business coach - I've helped tons of really crazy different kinds of businesses. I mean business is business, there are lots of similarities between all of them, which you've probably seen, so I want to know what your commonalities are - when they buy businesses, what are some of the things that they're lacking that you can improve to make it better? I want to know what you're looking for in a business.

Justin: You're getting into the juicy stuff now. There's just this myriad of things you can do when you buy a new business and what I often tell people to do is, rather than buy the business and think

'Right, I'm going to pursue this stagey,' you're really looking for a business that is efficient in that particular area because that's where that value comes from and you know that cliché, you make the money when you buy, that really is true of internet businesses because you can often see what the areas of improvement are before you buy the business, especially because with a web as opposed to an offline business, you've got all of your stats and your numbers and your analytics and you can see them long before you buy. The classic example is a business that currently relies on something like social or SEO for its traffic. Everyone thinks SEO is amazing, SEO is witchcraft - if people were practicing SEO in England 100 years ago, they literally would have been burned at the stake because SEO is the only thing where you pay somebody money for something that gives you no guarantees, has no duration set to it - it might last a month, it might last a year - and then the people you give money to can blame competition, they can blame Google, they can blame you.

Jaime: Best business ever!

Justin: It's witchcraft - you're basically crossing your fingers and hoping for the best with SEO. I'm trivializing a whole industry but there are a lot of variables, whereas with paid traffic you get what you pay for. There is competition with paid traffic so your costs may fluctuate slightly but with one of the ecommerce businesses I've got I've had the same campaigns running for years and, out of laziness, I rarely go in and do anything, I've had one agency work on it, but it's profitable and it continues to be profitable. The thing I love about SEO is, as long as you have this relationship with Google where you are paying them money, they're probably not going to screw you over - unless you stop paying them money, then they're going to screw you over royally, but it's generally in your best interest to keep paying them that money because they are delivering traffic - well that can work for Facebook and social ads as well so it's a really good opportunity and one thing that I find in common across a lot of the businesses that people buy is to take these businesses that are taking traffic through SEO and effectively have quite weak defenses against something happening and implement a paid campaign because not only can you scale that traffic overnight you've got something that's already converting so you know exactly, if you have 100 visitors, how many of those are likely to buy, and also then you've just increased the value of what you've bought, sometimes four or five fold in a matter of no time. It's never that easy because you have to tweak your campaign but I see, in a lot of these businesses, it's just low hanging fruit ready to be taken. So I'd say that's probably the biggest one.

Jaime: I love that. Are you a paid traffic expert or do you pay somebody?

Justin: Absolutely not. I'm paid traffic capable. The thing with paid traffic, especially with Facebook marketing, is that it moves every month, so for me to stay abreast as to what's going on and to keep up with that, it's easier for me to pay someone and then catch up every six months. So I have a basic understanding of what's going on and I'll occasionally tweak my own campaign because I find it interesting, it's science, but it's really, really hard to find a good company to do it for you but when you do find one I find it to be more cost effective to pay them to manage the campaigns.

Jaime: I love that because most people will be like 'Well of course it's easier for him because he knows how to do that.' Do you have your go-to paid traffic people? Because that's the other thing, you could hire someone for paid traffic and they might not be very good at it either so is there a way that you found somebody that was good? Do you do any tests or anything like that?

Justin: It's funny what you said a second ago because my general attitude to anything is ill speak to people and I think sometimes we all do it, we make excuses in that 'Well, it's easy for that person.' I do a very mediocre job at everything except for advising people on buying and selling internet businesses because that just happens to be the thing that I've focused on the longest. I've been doing this for so long now I can't help but have a lot of knowledge - I've worked with so many companies and seen so many different scenarios but everything else, the things that I do for my own companies, the ecommerce companies, I'm an okay developer because I've been writing code for that long and I do really enjoy it so I've become better but in terms of PPC I am average, in terms of content I am average, in terms of the operational logistics of it all I am average. you don't need to be excellent in order to get ahead, to succeed, you just need to be average enough to understand what's going on and, once you do understand what's going on, work out what is the point when you can outsource it if you really hate it that much or you just don't have time to do it, but I think it is more about execution and consistency - you've got to get it done, no matter how much you hate it, and you've got to do it consistently if it's important. Providing you do that, even a mediocre execution is better than no execution at all.

Jaime: So tell me this - somebody coming in that doesn't know anything - you're average, which people love hearing, I'm sure - 'Yes, I'm average!', 'Yes, great. Me too!' - but what I want to know is if someone is brand new to it and doesn't know that stuff, I've seen this happen a lot where people are like 'Well, just hired it out.' Here you take care of it and they walk away and they come back and they're like 'How much money did you spend?' So how much knowledge should people have before they go into buying a business for paid traffic or doing paid traffic at all?

Justin: I think a good rule of thumb is, even if you don't plan on doing it yourself, download a course on it. There are plenty of free courses that people give just to get you to buy the full course but the free course is usually enough to get you up and going so in terms of Facebook ads there's a guy called John Loomer who has a blog and all his information is free, he's pretty damn awesome, he knows his stuff. You can get yourself to average pretty quickly just by reading eight or nine of his posts over a weekend. I think you need to experiment at some point - you need to accept that you're going to have to spend \$100 and waste all of it because you don't know what you're doing but you just need to test just to get an idea of the mechanics of it and from there I'd usually go to Elance. I would post on Elance and just look at what companies are good at communication, as opposed to companies that claim they can deliver the Earth for you because they rarely will. More importantly, what I've found with PPC guys is who are the guys who will correct something when they screw up. To give you an example, one of the companies I have sells supplements and I hired a company to do PPC and PPC in this industry is notoriously hard because Google is tightening up regulation and rules around what you can sell through AdWords so I had these guys who made these relatively bold promises about what they would achieve and they ended up getting a higher cost per acquisition than when we started, so they ended up doing worse than I did, but actually rather than tell these guys to tell a running jump they explained to me why that was the case, they explained to me what they were going to experiment with to fix it and it was a gamble but I left them on and they eventually ended up halving my CPA. These were good guys, they were willing to not accept any money until they had made an improvement, which is really important to me, and they were willing to show their thought process and show that they would stick this out and see it through and I think that, sometimes, is more important than finding a hotshot company that promises the earth and

then fails to deliver and doesn't know how to fix it. If you can find someone who will stick around and really put in the time and effort to make this a success for you it should work out.

Jaime: So how do you do that? Especially on Elance. I get a lot of people asking me and I give referrals - I give referrals to so many people - because I know the people that we've worked with and that we really know, like and trust but on Elance or oDesk it can be really difficult so what's your process for finding somebody that does do that?

Justin: I'd be lying if I said there wasn't an element of luck in there. I've found some really terrible people on Elance and I've found some really good people on Elance. I looked at my Elance history and I've had over 200 hires through Elance for various things so I've become quite good at hiring through Elance, just knowing the various tricks. I won't give you the Elance basics but I think if you're looking for a marketing person on Elance, finding somebody who is in your locality is actually pretty important - and I say your locality, I mean someone who speaks your language as a first language. A lot of people are scared to say that for fear of being attacked as discriminatory but it is what it is. I would rather deal with someone in Australia, the UK or the US, simple because I know there's going to be better communication between us. That excludes the people that have outstanding communication skills who live in Singapore, for example, or in South America, but I'm willing to take that chance just to save time and having to find those needles in a haystack. So I think, first of all, hire someone who speaks the same language who is great at communication. You're looking for someone who has attention to detail in the way they speak to you, someone who capitalizes their sentences properly, because that's generally a person who will take pride in their work. If they can't spell things right in an IM session between you then they're probably either lacking detail or they just don't care enough. From there, I would ask them what they've previously done and this is somewhat misleading because anyone can tell you that they increased a company's earnings tenfold but there are probably a myriad of other factors why that company's earnings increased that maybe they weren't responsible for, but from there I'd just get them started. I'd make them agree to not charge me unless they exceed what I'm currently doing, so set targets in terms of CPA, in terms of total revenue maybe, in terms of total clicks and the cost for those clicks, and once they've exceeded those targets you'll be happy to pay them out but just make sure the amount you're paying them out makes sense from a profit point of view. Make sure that if they've exceed your targets by \$1 you're not going to pay them \$1,000 because obviously you're \$999 out of pocket at that point. So there is no real formula or real hot secret for hiring someone great on Elance to do your marketing. I think a lot of it is just down to common sense and working with good people first and experts second.

Jaime: How do you know what to pay them, then? On Elance especially there's such a myriad of different prices and experience levels and all that fun stuff so how do you make that hire and determine how much you pay them?

Justin: When I'm starting from scratch I never really do. What I'll do is I'll go on Elance and I'll browse existing jobs on there and I will look at what people are asking for and I will just look at the averages of the bids on those jobs and that will give me a there or thereabouts figure. I'm usually looking to pay just a little bit over the average because I think the great thing about Elance is that if you have bids - I don't know if this still works now because they've changed the system slightly - but what I'll usually do is accept five or six bids from places where I wouldn't necessarily hire people from but I know the bids are coming in really, really cheap and that keeps the average bid of the

people who are bidding really, really low. It's just psychology - even the best company in the world, when they see the average bid is a certain price, they will price themselves just above average or a lot above average but it's still based around that average that they currently see. I think it's just a case of looking at what's already on there and looking at what people are already bidding on and getting your baseline figure from there.

Jaime: I want to talk about budgets for just a second too. I want to finish this piece out because a lot of people are like 'I can't do paid traffic right now because I don't have \$5,000 or \$10,000 to invest,' and I know a lot of bigger Facebook agencies or agencies in general are like 'Okay, we need \$10,000 to start testing,' and a lot of people are like 'Okay, no.' So tell me what you see as a first step for a budget and what we can actually start seeing results on for paid advertising.

Justin: Sorry, Jaime, can you just repeat that last part? I was playing it really cool but I actually lost you for around ten seconds.

Jaime: What's a typical budget that isn't \$5,000 or \$10,000 that someone can actually see results in but isn't ridiculously off the charts? Because I think people end up staying away from paid traffic because they're just afraid it's going to be so much money.

Justin: Obviously if budget is a concern you're trying to stay away from using this for any kind of business where there is a long delay in between someone clicking and someone buying. So this works great for ecommerce because generally, with PPC, the time when someone Googles 'Blue Yeti microphone', if they click on a page result they're probably looking to buy a Blue Yeti microphone. There's going to be a day or two in between and you also don't pay your AdWords bill until the end of the month so you will always get your money there or thereabouts before you have to pay out to either your provider or to Google. I think a good budget varies depending on the product. I have had campaigns where I have paid providers, excluding the cost for the clicks, to manage a campaign for as little as \$400 or \$500 a month and it just depends on the providers. I'll take a chance on a one-man band if it's something that's low budget and this is why Elance is great - you'll find plenty of people who are sometimes college students. Pay per click doesn't require the greatest minds history has ever built. I'm not saying it's simple, it requires someone who has attention to detail, someone who can figure things out, someone who can work things out for themselves and look where the patterns and look where the signs are so I think, yeah, you can start with a budget of anything from \$400. On an average sized campaign, though, I'd say I expect to spend around \$2,000 a month on the management side of it and then the rest would be your cost for clicks and that would be a campaign that's generating maybe \$20,000 or \$30,000 a month in revenue for you.

Jaime: That's helpful. How much are you spending on ads on \$20,000 or \$30,000 in revenue?

Justin: \$20,000 or \$30,000 in revenue I'd expect to spend around \$4,000 in ads, which is why this isn't great for things where you have a really low margin. So my general rule of thumb, when I'm looking at buying a business and I want to or I know I'll eventually put paid traffic in there, I'm looking for a minimum margin of 50%, especially with ecommerce, it needs to have a minimum margin of 50%. That's never a guarantee that paid traffic will work and you can do further sums to know whether or not paid traffic will work if you know what the conversion is but generally if you've got a margin less than 50% then there's probably not enough money in the transaction.

Jaime: Nice. Can you give me some examples of either you buying a business or your clients buying a business and what you thought the problems were and then how you fixed them and what the results were after that?

Justin: I think one of the classic examples - and this is both for myself and what I've seen with clients - is when people buy a business and they think the problem is traffic and they think they just need more traffic and this is almost contradictor to the last point about increasing traffic but increasing traffic is not always the answer. As you probably know, some businesses are broken from a conversion point of view - so you can throw thousands and thousands of visitors there but actually they're not converting. My vision of this is that you have various stages of an online business and you need to complete each one of those stages before you can move onto the next one. So one of those stages is this idea of product market fit so if you have, for example, a blog - I'm trying to think examples and I'm constantly scanning the room behind you, I can see a Buddha and I'm like 'If you have a marketplace for buying Buddha statues.'

Jaime: That's awesome.

Justin: So if you, for example, have an ecommerce site where people can buy Thai Buddha statues and you realize that you're getting thousands of visits a month but you're actually not selling that much you could end up generating another 2-3,000 visits a month and not sell any extra if actually all of those people searching for Buddhas happen to be searching for Chinese Buddhas and you've got the wrong kind of Buddha. Or a more realistic example would be they're actually looking for religious information, there's no buying intent, they're not looking to buy something, they're looking for information on Buddhas. Sometimes understanding who the current audience who are going to that site are and who they need to be is one of the most important things you can do upfront and that can be solved sometimes by changing the audience, so maybe you'll change the kind of articles that are on there so you'll rank for different keywords, or what I find easier sometimes is just to change the products. so if you've got a certain set of people on there, why not sell them something that they are looking for if what you're currently selling is not what they're looking for - don't get emotionally tied to what the site currently does because if it doesn't work it doesn't work, you've just got to get rid of it and move on. So if I have all of these people who are looking for religious information on Buddhas then I'm going to turn that site into a religious tour that takes them on religious pilgrimages to Thailand and shows them where these Buddhas originated from, as an example.

Jaime: See, I see that a lot when people come to me too. Some people are like 'I have 100,000 visitors to my website a month and I'm not selling anything,' or 500,000, and it's like 'Well something's not working there.' When you can break it down and figure that out it's hugely important. It's business 101, which sounds so simple but it really is, it's just going 'Okay, what do they want?' and give them what they want instead of trying to fit something that doesn't actually fit. Does that happen a lot? Especially when businesses are making something - if you're buying a business they've got to be making something - do you find a lot of issues with product/market fit?

Justin: I think the SaaS community obsess over it.

Jaime: Yes.

Justin: They've got this whole agile development, lean development and you have people like Steve Blank - if anybody, by the way, is thinking of starting a company, regardless of whether it's a startup in the conventional sense or not, I would check out Steve Blank's Udacity course because I think it's an awesome way of framing how to get a business built right in the first place and I think you can apply a lot of the whole business model canvas idea retrospectively to an existing business to work out how to make that business better and how to diagnose what's broken. I think it's more common with SaaS businesses to not have this product/market or at least to know that you don't have this product/market fit but people forget that with content. A good example is a lot of people buy content sites, AdSense sites, it's one of the most popular types of site being sold because people think it's this great, automatic ATM, so they've got all of this content that someone else has written and there are ads which are shown automatically by Google, all they have to do is own this and they're just going to get money in their bank account every month, they've got visions of making it rain and there's champagne and it looks like some hip-hop video - it never works out like that, unfortunately. Ironically, if you want a low maintenance investment, ecommerce is actually one of the lowest maintenance, overall, types of investment that you can get in terms of internet business because with content you usually don't have enough money in an average transaction to use paid traffic. I mean ultimately, what you're showing is other people's paid traffic so you'd have to be really good at arbitrage. Do you say arbitrage or arbitrage?

Jaime: Arbitrage.

Justin: It's that British/American thing, like niche and niche. You'd have to be really good at traffic arbitrage in order to make that work. You can't use paid traffic which means you're relying on social, you're relying on content, but it means you have to constantly create new content and the classic bad product market fit is where the content that you have on a content site is effectively only showing poorly paid ads because of the keywords that are in that article, where really if you can change the kind of content that is on that site you start to attract better advertisers and when you have better advertisers you can paid more money per click. So that's an example, even with the most basic of sites. It doesn't have to be SaaS, you need product/market fit, you need to understand who your customers are, how they make your money and how you attract more of the ones that make you more money.

Jaime: It's so funny, when somebody's getting into this, I mean you've done this so often you have that mindset of going 'This is the issue with that site, this is the issue with that site, This is the issue with that site,' and for somebody either starting their own or buying a business it's totally different - a lot of people don't have that. Of course that's why they hire you, I totally get that, but if they want to learn some of that stuff on their own it sounds a little overwhelming to be like 'Okay, that's a lot of stuff.' Where do you suggest people start?

Justin: That Udacity course is definitely a really good idea.

Jaime: Let's put a link to it - make sure we get a link from you.

Justin: The Udacity course is free as well. It's a great course, it's by a guy who's a top professor - this is what I love about the internet, you've got this whole democracy of education. You can get the equivalent of a Harvard MBA if you care to stitch it together yourself. You don't get the contacts but you do get good information for free if you know where to look. So I'd start with that, I'd probably

take a look at the Business Model Canvas - it's on my bookshelf somewhere, 'Business Model Generation' by Alexander Osterwalder.

Jaime: We'll put a link to that too. That's actually my agent - my book agent represents them also so I know how much they do, they do really well with that book, it's a great book.

Justin: So you're in the big leagues, clearly. Here's a funny thing - when I published my book I had loads of people give me a text, going 'Hey, I heard you got a book out. Congratulations on becoming a published author,' and I then had that embarrassing moment of telling them that I'm a self-published author, I'm not actually a published author and everyone's face just kind of drops when you tell them that, like 'Oh, right. How's the kids?'

Jaime: Change the subject! That's funny. Let me ask you about that really quick. I traditionally published just because I wanted to be like 'Well my publisher is...' I wanted more speaking gigs and it sets me apart because especially there's self-published, I would probably self-publish now, so tell me how marketing and self-publishing your book went? What was the reason for you to do it to begin with?

Justin: I would be lying if I said it was anything more than bucket list. I've always wanted to have a book out there. Part of it was business - I get, on a good day, 20-30 e-mails, on a bad day over 100 e-mails, and a lot of those e-mails are people asking for advice, and I have a personal goal to answer everybody, providing that e-mail is composed well enough, providing I can read it - I get some three word e-mails I just don't understand. The book was an easy way of getting a lot of that information that I was repeating time and time again out to people who couldn't afford consulting - because not everybody can afford consulting but I want people to see the information. For me it was a way of putting my money where my mouth is - rather than just telling people 'I am good at this,' showing them 'Look, this is specifically what I've learned. This is what you need to do and you can have the same result,' and I think it's also putting the information out there so that people can critique it and then come back to me, as many people have done. I've had solicitors, I've had MBA guys come back and say 'This part here, where you're talking about the deal, this could be done better if you did this,' and I think that kind of open source attitude to things is invaluable so rather than having this locked process on how to buy businesses it gets better, it gets improved, but I think one of the best decisions I made was not putting it on Amazon. I think, putting it on Amazon, I probably would have had more sales overall but keeping the book for myself, keeping it on my own platform, I operate in a really tiny market and the market for people wanting to buy an internet business is not that big and I have access to a lot of that audience because I've been in this niche for so long so being able to charge \$79 for a book package as opposed to selling on Amazon for \$19.95 and then only receiving 35-60% of that, I think long term I've kept a lot more money and still reached a significant amount of the audience, versus hoping for sales on Amazon, so I think that's worked for me personally in the market that I'm in.

Jaime: You don't hear that very much. I think that's awesome. I get why you chose not to do Amazon, where most people are gung-ho and crazy, but you had to have marketed it some way, especially if you're getting as many e-mails as you're getting. That's really impressive, I just assumed it was on Amazon because of that. So tell me how you marketed the book in general if you didn't have the massive distribution network of Amazon.

Justin: I would be lying if I said those e-mails I get are from the book. I've been in this niche for so long now - I had a SaaS app called Flip Filter back in 2009, 2010, I've always blogged and I think people have followed my journey. I started out buying really small sites and I got to the point where I had a dilemma, where I had this platform, the platform attracts people who are looking for action purchases and I felt like I was being dishonest because I was no longer buying action purchases, I was buying \$300,000, \$400,000, \$500,000 businesses, so that's where Centurica came in, to some extent, it was wanting to stay in the industry and in part acknowledge and experience without feeling like I'm just giving out information that wouldn't be relevant to the audience that I had. So at that point I just made a decision to stop blogging completely on Flip Filter and move on to Centurica, move on to Digitally Wed, I speak at conferences and seminars around the US so I'm quite active. I also publish something called the Website Buyers' Report which has had a good few downloads and we get a lot of enquires and questions from that.

Jaime: So it's a whole marketing package, not just 'Hey, I put this book out, I marketed the heck out of it and now I'm getting 30-100 e-mails a day.' Okay.

Justin: Sure.

Jaime: So you've been in this for a long time.

Justin: Yeah, the book is on the back of what was already built up. I would have been able to do what I did with the book if I had just written this book and decided 'Right, I am going to get out there and market this.' I think, unfortunately, a lot of the advice you read online, I would say probably 60% of it will work in some situations but you're never told which situations it won't work in and I read so many people telling you to just go on Twitter and build a following on there, go on Facebook and you can build a following and you can launch your book - it never works that way, you won't sell anything. I think you have to put in a lot of hard graft and you have to understand the reality and you can do that by listening to shows like this, where people talk honestly about what has worked for them, it may not work for you but this is at least an insight into something they did and how that worked or didn't.

Jaime: I think that's the whole thing in business in general - every business is different so even if you're like 'Paid traffic works for most,' you're like 'Oh, does it work for this one?' It's all a test anyway and that's why you're saying buying a business is a little bit better, because they've tested the heck out of it beforehand and they know some of the things that are working, because testing marketing is a pain in the butt. I work with clients all the time and it's like 'Okay, let's do this test, let's do this test,' especially when there are so many options, like you said, and you're like a chicken with your head cut off, running around, going 'I don't know what the best option is.' How do you mitigate that? How do you figure that out? Which marketing tests to start to run at all.

Justin: I don't think I'm alone in this but my biggest problem is focus - like I'm 32 now, it worries me when I think about it.

Jaime: Oh my gosh, you're so old. Don't even - I'm older than you.

Justin: You sure I'm 32? I think I'm 32. So I've kind of been working for myself forever, for as long as I can remember, and if I look at the various things that I did over the years, if I just focused, it's like investing in stocks, if you invest in one stock and just kind of run that stock out over 30 years, you're

probably going to do better than if you're just playing the market - you're never really going to outperform the market as the average person. but yeah, I think focus is one of the most important things, which is also one of the reasons why I like buying something that is established because you've kind of got a blueprint as to 'This is what I should focus on' already. In terms of deciding what to focus on by way of marketing or which channels or which platforms, I would just focus on what already works. The problem with that is that it doesn't really seem sexy - a lot of people want to come on board and they want to do this homerun where they start LinkedIn ads and just totally change the game and now their site is doing seven times what it was doing before. The reality is there's a reason why LinkedIn ads aren't working - it could just be that the owner has never gone onto that - so the first thing I will always do is make sure I am maxing out what already works, with the exception of SEO - that is a black hole of time. I will do some SEO if the previous owner has done SEO, I'll outsource some parts of that, but I think you have to put some restrictions on that because it's very, very difficult to measure but I think from there, if they're already doing social marketing and you can see that you'll get a return on social marketing, look at what the potential is for social marketing - are there a lot more people that I can attract? And if there are, just rehash that same formula over and over and over - why not? You've paid for that advantage of knowing what works so why not use it?

Jaime: Thank you, thank you, thank you for saying that. It's so funny, half of my calls with anybody I work with are about focus, which is so silly. All of these interviews that I do, the one thing that shines like a beacon is focus. Most entrepreneur minds are all over the place and if you can actually focus, you see results, it's kind of crazy how that works so I love that you're saying 'What's already working, just do more of that,' because most people just assume it's the newest, hottest, coolest marketing tactic, 'Now I have to be over here and learn all about this,' and they bounce around and don't see any results. We could talk forever, I realized how late it is, so let me ask you the final question - it's what's one action listeners can take this week to help move them forward towards their goal of \$1 million?

Justin: You've already taken away the focus one.

Jaime: I know, too late! You're welcome to use it again but we just heard it.

Justin: It's related to what I said previously. This sounds really lame but identifying what will make a huge, huge impact and pursuing that, rather than pursuing something because it's money. I think we've all fallen into the trap, when we've started out, of going off to something because we need to pay the bills and you do, you get that, and then you've got the basics to live and to pay your bills but for some reason, because it's making money, you don't want to give that up, even if happens to be dead end in terms of the market, in terms of the potential, and I think none of us get into this just to pay the bills - we get into this because we believe that we are exceptional, because we believe that we can create value and because we really enjoy it, so I think if you're doing this, do it on a grand scale, don't end up in a situation where you are spending your life chasing small businesses once you've got past that point of being able to pay the bills. Once you've got past that point, the next thing that you look at should be something that will 10x, 20x what you're doing, something that's a big idea that will make you feel like you're fulfilled and you're being challenged every day.

Jaime: Think bigger - so many people need to do that. Thank you so much. Where can we find out more about your site? Tell us how to spell it, just in case people don't know how, and where we can get in contact with you online.

Justin: Sure, if you want to check out the book, that's over at ExitPlan.co. If you want to check out Centurica that is at Centurica.com. I'm usually on Twitter which is @flipfilter, which is a horrible name I now can't get rid of but I'm stuck with it in the industry so, hey, let's do this.

Jaime: I love that! So make sure you follow and check out Centurica. I was going through it and you can actually look at businesses to buy and how much their revenue is and what they're doing so, even if you're starting something on your own, check it out, because you can see what businesses are actually making for revenue. It's really interesting in general, just for a quick look. Thank you so much, Justin. I really, really appreciate it. You've been awesome. Have an amazing, awesome day.

Justin: Thank you, Jaime. You too.

Announcer: Thanks for listening. You can find out more great information like this on EventualMillionaire.com.