

Episode #63 - Transcript

Johnathan Dane on building a \$3.6mm/yr agency in two years

ANDY BALDACCI

Johnathan, thanks so much for coming on the show again.

JOHNATHAN DANE

I am so excited to be back. So many things to talk about and, like you told me last time, I think a lot of people got some value from the previous podcast. So my goal is to outdo myself this time.

ANDY BALDACCI

Ooh.

JOHNATHAN DANE

I'm excited.

ANDY BALDACCI

All right, you're setting the bar high, but I like that. When we did last talk, it was May of 2016, and you had just put out a post talking about how you built KlientBoost to up to over 100K MRR on the first year.

JOHNATHAN DANE

Yeah.

ANDY BALDACCI

Your team had about 14 people on it, which is honestly incredibly impressive, but you were also talking about some of the growing pains you had run into because you didn't realize how quickly you'd have to hire.

JOHNATHAN DANE

Right.

ANDY BALDACCI

How have things changed since we last talked?

JOHNATHAN DANE

Like we talked about last time, there's these momentum shifts, and this is with content marketing, where for some reason you can't turn the faucet on and off as easily as you would with, say, PPC traffic. Sometimes we don't know when things are coming through and things are happening as far as client acquisition, but since then I put that post out in March and then by today, which is January 31st 2017, we've hit 300,000 MRR, and our goal was to be at 250 by the end of year.

We just had our second year anniversary. So to answer your question, the more profit that we had, the more it allowed us to hire ahead of time, so that's what we're starting to do. Since we talked last time, we had nobody on the marketing and sales team. Now we're one, two, three, four, five, plus myself, so six total now.

ANDY BALDACCI

Wow.

JOHNATHAN DANE

We're adding more ammunition to the tank, I guess you can say.

ANDY BALDACCI

How big is your overall team right now?

JOHNATHAN DANE

Right now we're about 23 people.

ANDY BALDACCI

Okay. Where do you think most of that growth has come from?

JOHNATHAN DANE

I think it's a snowball effect, honestly, of our content. We planted the seed early in the days. That's how we got to the 100K mark. Now I think we've seen the volume of conversions come up higher. For some reason the lead quality is increased sometimes too, and a lot of times people have read our content, love what we put out, and then they will refer somebody to us and we've never spoken with either of them.

ANDY BALDACCI

Interesting.

JOHNATHAN DANE

So that's a pretty cool side effect in a good way that happens from content. I think building a brand takes time, and I think it amplifies over time as well. It's not the most scientific answer I can give you, but it's what I think is going on.

ANDY BALDACCI

Are all of your eggs still in the content basket or have you diversified in marketing channels?

JOHNATHAN DANE

Literally just yesterday we launched a case study portal, so we're gonna start using this for retargeting. We have a four-step proposal funnel that you go into, and if we see that you're in there but you didn't finish, you'll get hit with retargeting ads on Facebook now with case studies from cool companies like Mention Segment, Auto Pilot, and things like that. It's crazy. We had like a 70% conversion rate on it.

We're starting to do that. Now we have, again, more profit because we're a bigger company now. We have more revenue, and now we're gonna add more channels and more gas to the fire. We're still doubling down on the content and putting out more and more, like our gifographic that you saw back in December. Looking back at it, doing that was insane. That's still happening. That's our bread and butter, but I wouldn't be surprised if going to conferences or doing our own PPC or outbound, whatever it may be, can catch up, and that will be great.

ANDY BALDACCI

Yeah because last time you were on, you talked a lot about how you've really built a brand around content marketing, and over the holidays, like you just mentioned, you really took it to the next level with a 25-part gifographic serie. We talked before the call about the best way to pronounce that, and we both agree, hard G.

JOHNATHAN DANE

If anybody is listening to this on their way to work or on their drive, and they're like, "No. No, no, no, no, it's jifographics." I'm like, "Well first off, you sound silly, and two, it's not peanut butter. It's not Jif. It stands for graphics interchange format, so case closed."

ANDY BALDACCI

Yeah, I agree, I agree. So anyway, what was this 25-part series?

JOHNATHAN DANE

What we've figured out over time is if that we do everything that we're putting out there based on the equation, "Anything you do can do, I can do better," we'll be all right. What I mean by that is if somebody comes out with a blog post on a certain topic that's in our realm, our world, if we want to write about it, we're gonna make ours way better than theirs. How do you make it better? Well you make it bigger, longer, funnier, more visual, and then you do a better job promoting it.

It's the same thing when it came from the infographic side. Back in the day when I first started off, I was thinking to myself, the fastest way to grow is to partner with companies who have fans and prospects that are in line with what we offer. On the early side we partnered with Unbounce, the landing page platform, because we knew people would need PPC traffic.

From there we said to ourselves, "Hey, we see that when companies vouch for us, it does us very well, and our competitors aren't doing it, especially at the age of how young we are, so we can get away with it." I was completely Yosemite Sam, like, "Hey, let's just go out there guns blazing, and let's ask 25 companies if they will partner with us on a gifographic."

We did all the legwork so it'd be easier for them to say yes, but then they would post it on their blog and have their logo next to ours, as if they were vouching for us. I took one yes from a couple companies, the first people we asked, and then took that as proof to ask for the yes from the next companies we asked. I just walked up the ladder, eventually asking Marketo and HubSpot and things like that.

Anyway, long story short, now there's a lot of webinar opportunities and all these things too. We had a killer December month, which is usually really slow in the agency B2B world, but it was one of the best sales months we ever had. Can we attribute it all to the gifographics? Definitely not. It's very gut-related sometimes.

ANDY BALDACCI

For people who aren't familiar, what is a gifographic?

JOHNATHAN DANE

It's basically an infographic with animation. Anything static on a infographic, like pictures, you animate it to, again, make it more enjoyable which kind of goes back to our law of "Anything you can do, we can do better." It's the same thing if you're doing an explainer video. If you want to kick it up a notch and you didn't want to just do a whiteboard video or an animated explainer video, you might consider papercrafting, which is cutting out beautiful illustrations you have in thin, thin cardboard, and then doing stop motion with it. We're working on that as well. We want to keep kicking it up a notch, and that's what we did with the gifographics.

ANDY BALDACCI

Where are these ideas coming from?

JOHNATHAN DANE

I spend a lot of time on Dribbble. It's like a designer portfolio, and these are amazing designers. They're ones that work for Dropbox, Facebook, a bunch of startups too. The things that they come out with and the way they're able to turn an idea into something visually appealing is so hard to do. But they do it right, and I think that's why a part of our growth has happened. We care about our design. We care about our illustrations. These small things matter, and so that's where I get a lot of my inspiration from actually.

ANDY BALDACCI

Because it's funny, when you think about design, immediately I think of Stripe.

JOHNATHAN DANE

We use Stripe. I was attracted to them because of their design. I trust them immediately.

ANDY BALDACCI

There's a few startups you think of, but it's very rare to think about agencies. They'll say we

take design seriously for our clients, but very rarely do they take it seriously for themselves in their own brand. Was that a conscious choice for you to place a priority on your design?

JOHNATHAN DANE

It was. It's actually one of the reasons why we have two full-time brand designers right now. They're just working on split-testing our pop-ups, split-testing our actual site, our proposal flow. Coming out with new marketing campaigns that we're launching and also doing more content upgrades. We're tied into goals with the marketing team, saying, "Hey we want to increase the amount of email subscribers we're getting per month and the amount of leads that we're getting. Let's brainstorm a list and let's prioritize together what we think takes the least amount of resources that can get us results the fastest and adjust from there." We're investing even more in-house to be able to do that, and I think we'll keep extrapolating that because now we can turn things out a lot quicker.

ANDY BALDACCI

I want to dive into the mechanics of how you made this series work. It takes a ton of coordination to get 25 of these ready, not just even on the design side but dealing with 25 different partners. What did that look like?

JOHNATHAN DANE

It was actually in October. We were actually pretty late to it. I knew the first thing we had to do was figure out a list of 25 potential partners. Some are gonna say no, some are gonna say yes, obviously. Then from there figuring out 25 topics that would appeal to the partners as well, and then from there write out the content and the sections of the gifographic. If they're cool with it, we'll share it with a Google Doc. They can give notes, we can adjust, and from there we'll have an outlined blog post, but then we also had to write a guest post and a post for ourselves first. We not only created the 25 gifographics, but we also wrote 25 blog posts in that time frame.

ANDY BALDACCI

Wow.

JOHNATHAN DANE

Yeah I don't think we saw our families for like a ... I'm just kidding, we did. We were insanely busy, but it was an amazing feat, and I think those gifographics planted the seeds for a lot of good things to come in the future too.

ANDY BALDACCI

When you're writing emails to these partners, how are you positioning it? Are you just saying like, "We'll do everything." What's in it for them?

JOHNATHAN DANE

Just the exposure I think. It was a novel idea. We're actually making an advent calendar for marketers. Nobody's ever done that before. It's funny because one of our partners did a 12

days of Christmas. It wasn't as extravagant as ours, but they said yes, and I didn't figure about it later that they already had their own thing running, so it was kind of funny.

It was pretty direct. I was just saying, "Hey guys. We're launching this gifographic calendar for marketers, and we'd love to have you be part of it. We're not asking you to do any work, just making sure that we are aligned on the content. We'll do the design, we'll do the animation and the development, everything. Then we'll write a guest post for your blog to highlight that."

A lot of people did not understand at all to begin with. I wasn't good at explaining it either, so there was some back and forth. I actually reached out to Neil Patel and wanted to do one with him, and he was like, "I don't think it's going to go viral enough," and I'm like, "Well that's not the goal, Neil, I just want to have this and I want to have your name on it because it's cool," and he's like, "Yeah but I don't think it's gonna go viral." And then we started talking about things, and he was also busy and stuff like that. Those are examples where it didn't work out.

Other people were super excited because they'd already seen our content before, and they knew who we were. And then I also had an example of one we did a long time ago with Unbounce, the AdWords workout series. They understood it that way.

ANDY BALDACCI

It's funny you explain it that way. Just take a look at these [gifographics](#). They're going to take a bit of computer power, but it's definitely worth it.

JOHNATHAN DANE

It may crash.

ANDY BALDACCI

Yeah, but it's not even just the gifographic. There are multi-thousand word articles that go along with them that have a ton of value. I'm thinking about Neil Patel. Why wouldn't he just say yes if you're doing all of it for him?

JOHNATHAN DANE

I don't know. That's what I was thinking too, but he actually mentioned it on stage once a long, long time ago. However, the execution of what I saw him do wasn't at all close to what I was doing. And so he grew his metrics really well through infographics in the early days when it was very hot and not a lot of people were doing it. He has a good pulse on what it can do, and I don't blame him for it. We had an interesting call afterwards about potentially starting an agency together, so I would take that as being valuable, but he wasn't into the idea itself.

ANDY BALDACCI

Are there many other companies doing gifographics?

JOHNATHAN DANE

No. There are ones like hrcloud.com. They're actually an HR SaaS company. They do awesome stuff for their blog. The featured image is a gif. If you go to their Twitter, they're nothing but awesome illustrated animated gifs. But those are the only ones I see that can get close to the style and the execution of what we've done.

ANDY BALDACCI

That's interesting. I'm curious. Once you got this out there, you had a landing page set up for it where people could sign up. They could get notified of all them coming out. After these have all been released, how do things look? You said you had your biggest month, but did you see a big uptick in traffic and links? What actually happened?

JOHNATHAN DANE

We've seen steady growth month over month from our traffic as it is right now and in the back links as well. Funny enough, the biggest thing that I was bummed about was the people who would subscribe would then also unsubscribe because we emailed people every single day, and people were like, "Oh, this is quite a bit." So that was a bummer that we couldn't retain some of them. Looking back, would I do this again? Not to this extreme. I think I'd be more calculated. But I think long term the seeds that we planted today will become something that I can't even see if they're gonna pay off that well in the future. But I definitely think they will.

ANDY BALDACCI

A lot of this is honestly the reason why I think podcasting is such a strong channel, because of the connections that it helps you start and the relationships it helps you build. It seems like you're starting to see that with all these partners you've reached out to. Was that a deliberate part of what led you to go after the strategy, or was that just an unintended benefit?

JOHNATHAN DANE

That's a challenge. Again, when I look back at it it was such a gut, Yosemite Sam type of deal. I don't truly know to be honest.

ANDY BALDACCI

But now that it's happened, how impactful have those relationships been? You talked before about webinars. What has come from these relationships?

JOHNATHAN DANE

I think it's still too early to tell because it was just last month that we finished them up.

ANDY BALDACCI

Sure.

JOHNATHAN DANE

I think now we have our foot in the door with a lot of companies. Even some companies we didn't partner with saw it and have reached out to us since then, like Mention. We'll have to see but I'm not gonna shy away. Marketo was actually asking to do more stuff in the future. It's just a matter of who's gonna go after it and who's gonna roll back their sleeves, so we're gonna pursue that, but we'll see. I think there are gonna be some more bigger collaboration ideas coming down the pipeline, but we haven't planned it yet to be honest.

ANDY BALDACCI

Right, and it's because in the early days you built a lot of the reputation and brand by posting pretty heavily on Unbounce right?

JOHNATHAN DANE

It was a few guest posts. I think I had four on there. One of the posts has almost 400 comments, so that one has done extremely well. I think you have that one hit, and that helps out too. We can see that the referral source of our lead has come from guest posts so it's definitely a strategy that I would implement 100% again if we're starting out and also now.

For now it's just a prioritization thing. Where do we think we get the most bang for our buck? Is it building it on our own piece of land, or do we go out and do it somewhere else? To begin with, we had to build on somebody else's because we had no followers. We had nothing going on for us just yet. But for now I think we're more keen on investing for our own stuff.

ANDY BALDACCI

And then going forward, what do those priorities look like now for content marketing?

JOHNATHAN DANE

We didn't have a content calendar for forever, but we just started doing that. Before, we'd be, like, "Oh crap, what are we gonna launch next week?" That was the challenge right? In the beginning of the year, one of the things we decided to do was from my own perspective the best way I've ever been able to learn anything is when I had to teach it to others, right? I had to sound eloquent enough that people believe me and don't call BS and that comes through writing. So now we're actually requiring everybody on the team to write four blog posts a year, just once a quarter, and then give a little internal presentation about it. Whatever topic they choose. We're now adding more fuel to the fire internally by what we're doing, and it will help train people at the same time. That's where we've been able to create that content calendar so we know six months out what we have going on.

ANDY BALDACCI

Will that be the sole source of your content on your blog?

JOHNATHAN DANE

No I don't think so. I think we're working on some other potential courses and guides and ebooks with other companies too. Big Commerce, for example, reached out when they saw our Ahrefs gifographic, which was actually supposed to be Neil Patel's. It's funny because they didn't see the Shopify one because we did one with Shopify too. If they saw that, they might have been pretty bummed. If that happens and we finish whatever partnership we're doing, then we'll probably just add that to the calendar list and not wait six months before it can go live. We'll say, "Hey this is a great piece of content. Let's get it out in front of as many people as possible." Then from there we'll continue our regular schedule that we have set up.

ANDY BALDACCI

And so you talked a little bit about the Yosemite Sam nature of the gifographic series. For the rest of the content that you have planned out, you said you're starting to get the content calendar in place and have more rigor behind all of that. How much is going into the planning of what to write about? When everyone from your team is writing their piece of content, is it truly anything they want to write about within reason? Where is the direction coming from?

JOHNATHAN DANE

Two aspects to this. One, we know what we want to rank for. Those are the focus pieces we're gonna write about. We found that competition levels and things that we can do with the keyword planner or research doesn't matter much. We want to make sure there's volume behind it. Two, we do have pretty strict guidelines for the team member to write around. They should have their own voice and their own humor, but we want to see their outline first so we know what the topic is. We're saying, "Hey, go do your research on all the competing blog posts that are currently ranking for this specific focused keyword and then take all the good things that they have and then add more levels to it so that you can make it basically longer, deeper, funnier, more actionable." Then we say that they have to write at least 3,000 words as well, which is a lot per blog post. Depending on the topic, it'll be less but you know we'll take that as we go along because that's obvious.

And so those are the key metrics, right? We want to make sure that one, it encompasses all the blog posts of our competitors and what they're writing about and it adds more to them. Consider a list of cool types of blog posts. If everybody says they have nine things, we have 17 things. That's our measuring stick, basically. We just want to be like Texas. Everything's bigger over where we're from. It sounds silly, but that's it. Then we just do a good job promoting it and then people see it. They give us back links. That part is very organic. The promotion itself is not. That's a lot of performance enhancing drugs that were due to be unfair.

ANDY BALDACCI

Are we able to talk about any of the promotional effects? It's just so important. It's crucial, but nobody in the promotional marketing world gets into the details. I don't know how many

emails I get every week of someone just spamming me some random URL.

JOHNATHAN DANE

Oh, I hate it. I hate it so much.

ANDY BALDACCI

So I'm sure that's not what you're doing.

JOHNATHAN DANE

No.

ANDY BALDACCI

So what are you doing to promote the content?

JOHNATHAN DANE

Two things. Go straight for the jugular. It's funny enough. People have gotten those bullshit emails for so long now. They're like, "Hey, I noticed blah blah blah, you're linking to it, but we just came out with this that you should consider." I'm, like, "No, I'm not gonna do that." Scratch my back first. One of the biggest things that we've done is scratching a ton of backs first. Then we're actually able to create private Slack groups so that when other companies have content they're coming out with, we'll promote it for them. Then by source, we expect them to promote it for us when we do that as well.

If we find that we're the only agency doing what we do marketing-wise in that group, then we're gonna do pretty well, because we have an army behind us that can help promote our stuff, of influencers. As we help level each other up with our own content promotion, their snowball gets bigger as well. So when they tweet or when they share, it means more and more for us in the future too. That's the biggest thing. The second thing is being able to use that and also using PPC as a catalyst. All content is great, but if you can, speed up the process.

Let's say that we are boosting our post on Facebook. Then if anybody clicks through on it and they read it for 30 or 60 seconds and we know that there's intent, well they're now cookied to be another audience with a different offer. We're trying to push them down our marketing funnel because anything content-related, it doesn't matter if you can't get results from it, right? That's the two-pronged approach that we use pretty well.

ANDY BALDACCI

I remember when we last talked, you weren't doing much actual PPC yourselves. Now you've built a Facebook retargeting funnel around it?

JOHNATHAN DANE

Yep, exactly. That's what we're slowly doing. For a long time it was just nothing but an actual idea. Now that we have more and more traffic, we can take advantage because we can move audiences quicker from one place to the next. This is where we're gonna figure out,

“Hey, do we have webinars that we're gonna create?” Things like that.

Let's say they've read a blog post, they downloaded a white paper or an eBook. They then asked for some case studies, and then we asked them to join a webinar. If they actually go from that step to step, well, the last thing we'd have to ask them is, “Do you want a proposal?” Now we know that they're a warm lead. We can still unqualify them, obviously, but we're building that out right now.

ANDY BALDACCI

And what did that? Originally, that was one thing I asked you about. Your call to action on the website is just “Get my free proposal.” Looking at it now, that has changed a bit since then. I think you said earlier that it's now a four step funnel or something like that?

JOHNATHAN DANE

It's funny you ask, it's the exact same as last time we talked.

ANDY BALDACCI

It is?

JOHNATHAN DANE

I think it's a three-step. The only fourth step I'm mentioning is if they click on the button to open the lightbox. That's the first step. Then there's an additional three steps after that. In the entire growth that we've seen, sadly enough we haven't even tested anything on our own website or on our own proposal popup layout. It's been pretty sad, but kind of cool at the same time. Now we have a lot of potential.

ANDY BALDACCI

Right. Where have you been focusing those testing resources? Where has the priority been?

JOHNATHAN DANE

We didn't have any resources. Myself, it was still all me, right? If we had designers on staff that weren't filled up with clients, maybe they could come over and help out here and there for one day a week. But we would fill them up so quickly that that just wasn't sustainable long term. Now that we actually have two designers on brand, one of them, Shane, is actually focusing solely on increasing conversion rates on the proposal form and also on just email subscribers.

ANDY BALDACCI

At what point were you comfortable hiring someone to work exclusively on the brand?

JOHNATHAN DANE

Where were we? Well, at that time, we overhired a bit to be honest. I wasn't quite comfortable with it. We had some moving around internally in the company, where it was clear that two people were actually gonna be given the job. One was gonna be really good

that we could use for the brand side, and then one was gonna be really good to lead the CRO team.

And then we also had another person that we were bringing on board as the designer but he was part time. All of a sudden we had two designers to do that. It wasn't the usual way I like to go about it, but looking back at it, it worked out, and I'm glad we kinda took that jump. We actually were at the 200,000 mark in MRR when that happened.

ANDY BALDACCI

Because I think, talking to so many different agency owners, the way you described it before, having those resources, is the default for a lot of them. If someone has some free time, they'll pull them off whatever it is and say, "All right now it's time to tackle this one thing on the site." Something else will come up, they'll get pulled off, and it's really hard to make progress. Do you have any advice for them on when it makes sense for them to start investing, whether it's in a full-time employee or just dedicating time to the brand?

JOHNATHAN DANE

Well, from day one we started doing that. The first hire I had, before we even had any clients, was our lead designer that actually took another opportunity. He was no longer with us, hence why we had to move people around. That was my goal. I knew from an agency perspective, so many marketing agencies suck at marketing themselves because a lot of people are given the key to the castle when a client signs up with them because their brand's already established.

It's not gonna be that hard to mess things up or potentially get results right? But if you're building thought leadership, you're trying to build brand equity yourself, well, you want to take a close look at yourself and make sure that hey you don't look like everybody else, cookie cutter, meaning your stock photos. You don't have professional pictures of yourself. You have no personality. From day one I decided to make that investment because I knew that was what was gonna set us apart long term. Because people see our design.

We have people who have ripped us off our design completely, and we'll soon get a cease and desist. I just don't have time to do it. They say that copying is the highest form of flattery. These things are happening, and it's because I'm like, "Hey, let's make sure that people can see that we care about that." We've invested, and we care about those details. It's hard to measure and it's so subjective, but I can see again and again that people come to us out of the woodwork and say, "Hey, we love your content, we love your design. It's incredible."

I feel like, again, if I'm judging myself against another agency, I can tell, "Hey, these guys are doing this really well, and we need to do better than that." And we'll adjust ourselves, but a lot of people can't see that. A lot of people are analytical. They're not the creative side, and that's where they fall short.

ANDY BALDACCI

It's funny because a lot of the advice I hear when it comes to starting a growing agency is to really niche down because then you almost solve the differentiation problem without needing to do as much. If you just say, "I work with X, and I help them with Y," you're differentiating yourself, and you don't need to do as much of the creative work on branding because you're not competing with anybody else, or at least that's the goal. But you from the beginning have said you don't want to niche down. You wanted to PPC almost for anybody and everybody. Is that still true?

JOHNATHAN DANE

It's still true, and it's so funny. There's three levels to it. There's one: when you decide to go out on your own, if you want to build an agency, if you want to be solo, well, you can do that. You can have a decent client size yourself because you're guest blogging, and that's how you're building your own name, not your company name, but your own name, right? But at some point you're, like, "Can I get more?" For me that's where I got pretty selfish, and I'm like, "Hey, I've already built an agency before in Utah."

I know I can do it, and I know I can do it in a different way. I can do it with content. So from there, I wanted to keep building and scaling this up. If I pigeonholed myself and went niche, then I don't appeal to a lot of people. Again, my two goals in life were make a lot of money and be the Michael Jordan in what I do, which is in the sense of being famous.

I can't do that if I niche myself. If I'm only for medical doctors or if I'm for plumbers or whatever, I'm not gonna go speak at Inbound or Moz or UnBalance or whatnot. That's what I want to do. I'll just be honest, that's my selfish goal. That's the main driver for it. I'm like, "Hey, a lot of people are saying the opposite. The world doesn't need a PPC blog. The world doesn't need another landing page post," or whatever it may be. And I'm like, "Sure they do. They just haven't seen it done this way." So that's where we're at now.

ANDY BALDACCI

It's interesting. A lot of times the objections I hear to niching down are people who are afraid of turning away clients. They don't think they'll be able to reach their goals, but when you dig deeper, if their goals are a few million dollars a year, niching honestly isn't a bad strategy. But when your goals are to absolutely dominate an industry, to become one of the thought leaders in something, if you don't want to just go to the pediatric dentist conference of New England, then you do have to go a little bit bigger.

JOHNATHAN DANE

Yeah, exactly. I think, like you said, a lot of companies decide to go down that rabbit hole, but the other funny thing is, when you niche down, you say you are the PPC agency for ecommerce shops or PPC agency for plumbers, the way you execute your work, if you pop

the hood and let me take a look for a quick second, I know everything you're doing.

If I inherit a client account from an agency that was niche, your entire value proposition is crap. You can see that you have a lot of case studies around plumbers that you can use to attract other plumbers, that's great. But the actual work that you're doing, your secret sauce, isn't secret at all, and that's the problem too. I think when it comes to niching down in a marketing side, with PPC, a lot of the same best practices work well for all verticals. It doesn't really matter. But if you're a PR agency and you're good at dental stuff and you have the connections, that's a different story to me. But we don't have to have those connections when we're PPC in the PPC world.

ANDY BALDACCI

And what does it ultimately come down to a lot of the time? Is it just gonna be targeting? Is it copywriting? I would still assume that there is some expertise from industry to industry, but are you saying that effectively there might be some differentiation between working with client A and client B, but you can figure it out?

JOHNATHAN DANE

Yeah. I'm gonna sound really cocky right now and say, again, the example is you're a PPC agency that does work for plumbers. I can use SpyFu and look at your landing pages and I can immediately see how I can outperform you. The two biggest things when it comes to lead gen and SaaS for PPC to work is one, granularity, and two, multi-step landing pages. I think we might have talked about this last time. Those are the two biggest things that move the needle. Then everything else is just cherries and sprinkles on top. They still matter, and they make everything taste better, but they're not the main ingredient.

Another thing I found is people try to fix the sink when the well is broken. We focus on the well. We focus on the sales side or the conversion rate side first. When we improve that, it unlocks so much more wiggle room on the PPC side. Everybody else kind of does it the opposite. They start within PPC, and they're like, "Oh yeah we'll look at the landing page side eventually," or, "We don't have a CRO team so we'll just give you some ideas that you can run yourself." That's a challenge for a lot of companies.

ANDY BALDACCI

And I had forgotten about that differentiation between you and other PPC agencies. You're not just driving traffic. You're making sure that traffic does convert. Is that still something that is relatively rare in the industry?

JOHNATHAN DANE

I think more and more people are doing it, but again it depends because copywriting is important. All the factors are important. The way that you have your layout is important, but a lot of it is subjective until you start getting the data back. So many companies, or many

agencies right now, they'll be using templates, which can still work. There's nothing wrong with that. The end goal is to get results, so it doesn't matter how you get there. There's a million paths to get from point A to point B. I see an uptick about it, but again I see that people don't. The execution is wrong.

A lot of people will ask us, "What's the difference between you guys and Agency X?" I'm like, "You know what? It's gonna sound really stupid. They do PPC, they do landing pages, but their execution is crap compared to ours," and then I show them our Dribbble portfolio. I've shown them some case studies. The people that don't understand design or user experience have a hard time getting past that bump and how much it impacts your overall performance. So many times when we design a landing page for our client, we will ask them eventually, "Hey, are you okay if we go off the cuff here and do a different type of redesign, maybe some brand adjustments? Is that okay with you?" And we'll do that. We'll test the landing page. It'll perform better, and they come to us and want us to redesign their entire site because of that, right? That happens quite often. Then we just say, "Hey, yeah it's \$40 to \$50,000," and they're like, "Okay never mind," and we don't do it.

ANDY BALDACCI

Would you redesign the entire site?

JOHNATHAN DANE

We would, yeah. We charge more because we don't want to do it, though, to be honest. It's a great chunk of change to have, but I've also realized that as we've grown our own agency, the power of saying no is so valuable, and I still suck at it. So it's something that I have to test myself over and over again until I learn. I haven't learned yet.

ANDY BALDACCI

While it's not really a niche because it's so massive of a market, you're committed to staying with inside the PPC world rather than try to be a full service agency? Is that accurate?

JOHNATHAN DANE

Yeah, if I would do anything, I would create a brand new brand and say, "Hey, we do SEO or we do social," whatever. I've considered that before. Just partnering with the right people. There could be a lot of cool stuff there. I feel like we have the blueprint on creating an agency and doing it really well. We can even do it faster now because we've learned a lot.

But I would never do it within the same brand. After you establish a thought leadership so quickly, once you start going outside of your realm, people are like, "Eh, really?" You know At Espresso right, the blog and the company? They write everything about Facebook advertising. But then they started writing content about content marketing. Even though that's the main driver of their business, I'm like, "I don't want to hear this from you guys. Keep the focus on what you guys are doing really well with. It made me devalue them, and I

told them that, too, because we actually work with them. So that's what I'm really afraid of. I don't want to start going out and talking about PR tactics or SEO stuff when it's not something that I want to build a thought leadership around.

ANDY BALDACCI

Interesting. And did you?

JOHNATHAN DANE

I think it could work, but I'd rather double down on what I know is already working because it'll let me "become the Michael Jordan" much quicker. Now I don't have to learn another sport and also be a pro at baseball, for example.

ANDY BALDACCI

Right. How big do you think a PPC only agency could get?

JOHNATHAN DANE

We're eyeballing to be at \$600,000 MRR by the end of the year, so I take it year by year. So far there's no slowing down. Look at the bigger ones, but then you look at Merkle and actual international agencies that are kind of gobbling up other agencies. They do a wide range of different services, obviously, so who knows? Maybe we start acquiring PPC divisions at agencies that aren't PPC-focused, but they have those extra clients that they are not good at. That could be the first step. Then eventually we might become the bigger fish in the pond itself. I just take it kind of year by year and day by day.

ANDY BALDACCI

And then for this year what is your biggest challenge that you're trying to tackle?

JOHNATHAN DANE

I think it's just making sure, and I think we talked about this last time, is that I want all department heads that are leading certain charges to be able to own it. That's the biggest challenge. I'm still very much involved, and I think I'm good at a lot of things, but eventually I want to say, "Hey, you're focused on this 100% of the time. I only can dedicate 10% of my time or 20% of my time, so don't let me outperform you. That doesn't make any sense. You're being paid very well to do this." I think that's the biggest challenge right now. Once that happens, I will feel more at ease building around them as if they're a franchise player, giving them the team that they need, the resources that they need, so that I can go out and be more of an evangelist. I want to be Rand Fishkin. I eventually don't want to be the CEO. I'd rather be a founder and have somebody else run it because I want to dabble into the SaaS site. Maybe we create products and tools ourselves internally that can be spun to be something much bigger than the agency itself, which happened to Moz, too. Those are

things I'm working on and figuring out, but the first thing is infrastructure. Making sure that's super solid.

ANDY BALDACCI

Obviously these things are hard to predict, but are you hoping to be comfortable with this goal at the end of the year? At the end of a couple of quarters? When do you think you'll be able to shift your focus towards more of the PR, publicity type of stuff?

JOHNATHAN DANE

That's a good question. We just started this year putting goals behind everybody's department. Our director of PPC and our director of design, their goal is retention rate and being able to keep at a certain level or improve it, right? For our marketing side, their goals are lead volume and email subscriber volume. Then for our sales side it's the outbound. How predictable can you get this to be? How many appointments can you set? Because once they show me that they work, we're gonna hire sales development reps for them because they now have the blueprint because they tested it out themselves. We actually have that first goal deadline coming up, April 15th. We have these little leadership half day getaways. We haven't had one yet. I just talk about business. We go and treat ourselves and have fun.

ANDY BALDACCI

Nice. What else is on the calendar? Do you have any speaking engagements coming up?

JOHNATHAN DANE

I'm speaking at Stat Search in March for one of the conferences there. It's about agency growth, funny enough, and I'm one of the keynote speakers here in March. Then I'm going to Vancouver again. Got asked to come back to the Unbounce Conference in June and then I would love to speak at Inbound in November and the Moz Conference. Those are the ones I've eyeballed. I set a goal for myself of doing four because I don't think that speaking is that great of an ROI. It's just more building thought leadership and building a name for yourself and your own brand.

ANDY BALDACCI

I was going to wrap up, but most of the guests I talk to who do a lot of speaking, that's their primary driver to grow their agency. Why do you view it differently?

JOHNATHAN DANE

The first thing is I don't ask for anything. I try to get as much value, obviously. I know depending on the conference, a lot of people allow a sales opportunity at the end. "Hey, I just launched my course. You guys should all buy it." I don't know if that's a main driver for people, but I speak to a lot of marketing people and marketing professional folk that take the knowledge I'm sharing to use it themselves, not necessarily to hire us. I'm going for the bigger conferences if I can and then take it from there. We have had clients and leads come through from conferences, but I don't think prep for the slides, practicing to speak, having the team come out, is worth it. I could write 10 blog posts instead and then spread them out

as guest posts. That would perform better than speaking at an event.

ANDY BALDACCI

It seems like the targeting could be off again. I feel like if your goal is authority, thought leadership, what you're doing makes 100% sense. Go in front of your peers, speak in front of them, share your ideas, so they can lend you the credibility that you're looking for. But if you are trying to drive ROI, most speakers are going to the events where the clients are at. They might be going to a SaaS conference and talking about how to set up a PPC campaign for your SaaS start up or something like that.

JOHNATHAN DANE

I completely agree with that, and I think it's one of the things we talked about earlier too. We want to start doing our own PPC. Ironically, we wanted to go to conferences and have a team. It doesn't mean that I'll be speaking at them, but maybe there's a booth. But if it's a double, that would be awesome as well. And I think that's super smart, and it's something that I have low down on the priority list because I think it takes a lot of effort and time to do it right. I think SaaStr would be pretty rad to go to, but we'll see, we'll see.

ANDY BALDACCI

It's funny to see how big SaaStr has grown over just the past couple of years.

JOHNATHAN DANE

Yeah. We have a client in New Zealand that's going to it to just have their booth.

ANDY BALDACCI

That's insane.

JOHNATHAN DANE

It is huge.

ANDY BALDACCI

To wrap up, Jonathan, you have given us a ton. You talk fast. You jammed a ton of tips in there, so there's a ton for readers to digest. For readers who do want to hear more from you to see what you're up to at KlientBoost, where is the best place for them to go?

JOHNATHAN DANE

Our website has a lot of information. Again, it's KlientBoost with a *K*. Actually, if you spell it with a *C*, you'll still get to the same place. Subscribe to our blog if you want to. I think the biggest thing too, just to touch really briefly on this, is that you're listening to this podcast right now. One of the things I learned over time is learn by doing. A lot of people read, consume, watch and things like that, which is great. Gary Vaynerchuk has been my idol for a long time. I went to go see him in November of last year, and after that I stopped following his podcast. I'm not saying you guys should stop listening to Andy, but start doing more.

That's been the true measure of success for us. We are not afraid to test things out and do and think big. I think we sold ourselves short by the growth we've already achieved. Go to our website and subscribe if you want to.

ANDY BALDACCI

Well I can now see why speaking might not be the highest ROI activity you could do if that's how you pitch everything.

JOHNATHAN DANE

I'm like, "Listen to what I say, but don't buy anything I'm saying and then just go do it yourself."

ANDY BALDACCI

But honestly, there is a ton of great content out there, so I would strongly recommend checking that out. Jonathan, it's been a blast as always chatting with you. Thanks so much for your time today. I really appreciate it.

JOHNATHAN DANE

Thank you guys. Thank you so much.