

EntreLeadership® + Infusionsoft.

Gain Momentum

HOW AUTOMATION UNLOCKS HIDDEN ROI IN YOUR MARKETING BUDGET



Table of Contents

Starting Out	01
Marketing is Vital to Sales (but It's a Ton of Work)	05
Smart Marketing Can Actually Help You Avoid Business Debt	10
How Much Should You Budget for Marketing?	15
Wise Investment Tip: Use the Tool You Invested In	20
Conclusion	26



Momentum is what every marketer yearns for.
- Dave Ramsey

Budgeting can be one of the more cringe-worthy parts of running a business. And one of the most challenging areas to budget is marketing. How will my investment pay off? It's the basic question that every business in every stage of growth has to come to terms with.

But small businesses especially face the compounding challenge of tight resources and limited funds. You want to grow, but you have to invest in order to do that. This forces you to be creative. And for many, it means providing a heavy dose of sweat equity—but the payoff can be powerful.

There's something almost magical that happens when your brand gains traction and you start to see sales increase and the company grow. When you're in the early stages of business, this can be an elusive phenomenon. It's a make-or-break situation. If you hang in long enough for momentum to take effect, everything will start to go your way.

But it's not magic.

Dave Ramsey, CEO of Ramsey Solutions and founder of [EntreLeadership](#), defines it as the product of hard work, focused intensity as he calls it, over time. For some it can be a sprint, and for others it's a marathon, but that intensity has to be applied, undaunted, to the end. And there's some mystery to it, too. Many times, things seem to come together in an inexplicable way.

He calls it the Momentum Theorem: $Fi / T (G) = M$

Focused intensity over Time, multiplied by *God* equals Momentum. While Dave points to *God* in the equation, you can think of this as that unpredictable force that comes into play when a business suddenly resonates with the market and begins to see rapid success.

Whether you have momentum, or you're building toward it, you will always build more as you gain efficiency. You can put in *focused intensity*, but when you're so strapped working *in* your business that you don't have time to work *on* it, that hard work won't be as effective in building momentum. Inefficiency will dilute your intensity and increase the time it takes to get the momentum going the way you want it.

Add efficiency without sacrificing personality

Marketing, at its most fundamental, is the work you do to create awareness of your brand and promote sales. It's all about generating demand and following up on leads so you

can make the sale. In the digital age, people move at the speed of light. It can be challenging to keep up, and when you aren't keeping up, leads fall through the cracks—and you lose out on sales.

Marketing automation provides the power to follow up on interactions at every level: social, email, phone, and even in-person interactions. And while many people shy from automation because it sounds robotronic, it's actually most effective because it does the opposite: it provides personalized communications on your behalf.

Your messages can incorporate personalization details like name, preferences, purchase behavior, location and time zone, and much more. These kinds of details make your audience feel like their unique needs and individual experience was on your mind when you interacted with them. Automation is so powerful because you do the setup work one time, and the software does the work for you many times—and it talks to everyone exactly the way you want to talk to them. This way you can follow up on more opportunities and leads, guiding your potential customers closer to a sale without the burden of having to do it manually.

If you're interested in exploring just how personalization works with marketing automation, check out this interactive [marketing automation experience](#).

How does automation unlock hidden ROI?

In this interactive guide, we're going to show you how you can integrate marketing automation into your business without

breaking the bank. Automation brings a super sweet ROI boost, but you've got to do the "*Focused intensity*" part of Dave's formula, which boils down to a balancing act between effort and money. Tech can feel cost prohibitive, but there's only so much time in a day to make up the difference.

We're going to walk you through the importance of tech to your marketing strategy and how to find ways to budget responsibly for it. Because once you know how automation fits into your strategy and into your budget, you'll see a lift in your business, accelerating your momentum.



Marketing is Vital to Sales (but It's a Ton of Work)

It's a Catch-22. You need more revenue from sales so that you can invest in marketing, but you can't grow sales unless you spend more on marketing. For a small business owner, this can be a real challenge.

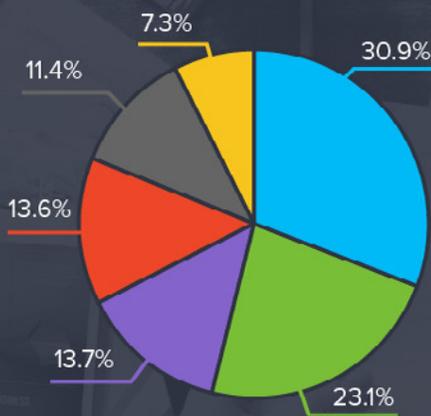
Based on Dave Ramsey's Momentum Theorem, the cure for this vicious cycle is *focused intensity*, i.e., hard work.

Entrepreneurs understand this well.

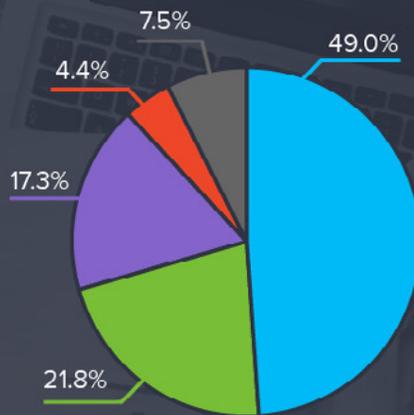
As revealed in Infusionsoft's 2017 Small Business Marketing Trends Report, small business owners face this problem everyday. Based on a poll of 1,000 small business owners the report analyzes how they approach their sales and marketing challenges, and it's clear that small businesses see it indeed as a challenge.

Small Business Sales and Marketing Trends

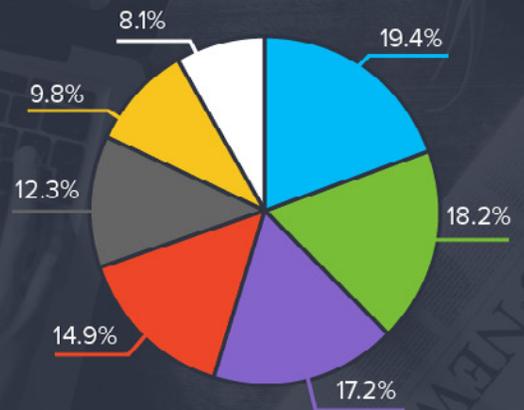
What is your top Marketing Goal?



Who does your marketing?



Biggest challenge you'll face in your digital marketing?



- Driving sales
- Retaining and re-engaging customers
- None of these
- Building brand awareness or conveying information
- Gaining efficiency and cost savings
- Collecting leads

- I do
- Someone on my team does
- We do some in-house and contract the rest
- We pay a contractor, agency or third party
- I don't know

- Finding time and resources for marketing
- Converting leads into customers
- I won't be using digital marketing in 2017
- Generating web traffic
- Retaining and reengaging customers
- Understanding marketing tactics and trends
- Capturing leads



Want to find out more about the current state of small business? Check out the entire **2017 Small Business Trends** report.

2017 SMALL BUSINESS
MARKETING TRENDS REPORT
AN INFUSIONSOFT RESEARCH PROJECT

Small business owners top goal for marketing? Sales.



Nearly 31 percent of small business owners identified driving sales as their number one goal in 2017, while 23 percent said they need to keep the customers they already have.

For businesses anxious to grow sales by gaining and retaining customers, marketing is essential. A modern marketing strategy takes into account the entire customer journey: Discovery, Consideration, Decision, Experience, and Loyalty. To do it right, you've got to be able to reach every person in every stage of the journey—often that's done through digital content, like blog posts, whitepapers, email newsletters, social media, etc. It's no small task.

Nearly half of small business owners are both the CEO and CMO



Nearly half of small business owners (49 percent) handle their marketing efforts on their own.

While growing sales is the priority, small business owners often have to cover many aspects of their business: from payroll to facilities maintenance to customer care, and everything in between. At any given moment, you've got numerous responsibilities competing for your time. It's no surprise, then, that marketing can fall down the priority list.

Many small businesses aren't ready for digital marketing



Almost one in six (17 percent) small businesses don't plan to use any digital marketing in 2017.

The world has gone digital. While the digital age has opened up more ways to connect and follow up with people, it's also layered on more responsibilities for marketers.

A modern marketing strategy, therefore, is incomplete without including at least some aspect of digital marketing. Whether it be a website, email, social media, e-commerce, or some combination thereof, digital interactions are one of the most powerful ways you can reach your potential customers, and continue engaging with them to drive repeat sales.

Making the shift to digital marketing

Typically, businesses that look to begin marketing online start by building out their tech stack piece-by-piece. They often adopt an email marketing platform. Then they realize that to personalize emails properly, they'll need something better than spreadsheets to track what they know about their interactions with their customers, so they adopt Customer Relationship Management (CRM) software. They realize that this will give them the ability to create more targeted ads on social media, so they adopt tools to help them with social.

Pretty soon, they have a complicated stack of point solutions that require a lot of effort to manage. Integrations get complicated and don't always work well. This requires the small business owner to move things around manually. Not only does this become time consuming, but suddenly, important interactions are getting lost in the mix, costing potential sales.

It's no wonder that 19 percent of small businesses report that finding time and resources to devote to marketing is their biggest concern.

The answer to all this system chaos is to incorporate an all-in-one sales and marketing solution, like Infusionsoft, that works seamlessly to manage all the key aspects of digital marketing in one place.



Smart Marketing Can Actually Help You Avoid Business Debt

Making the leap into digital marketing means investing in technology, which is often an unexpected expense that many businesses feel they need to borrow money to implement. After all, everyone knows you can't grow your business without debt, right? You need a loan or line of credit to expand or as a cushion for all those slow times and unexpected financial bumps along the way. It's just a natural part of doing business.

Well, actually, nothing can be further from the truth.

You can take your company to the next level without borrowing a cent. Just ask Dave Ramsey. He built his business from a card table in his living room to a multi-million-dollar company that employs more than 600 people—all without borrowing a dime.

3 myths about business debt

Let's discuss some falsehoods about business debt, and how a smart marketing strategy can help you stay out of the red. It begins with addressing three common myths about borrowing for your business:

Myth 1: You need a line of credit to cover cash-flow fluctuations

With good accounting and budgeting practices, any business—even those that are seasonal or unpredictable—can forecast their cash flow and be ready for leaner times throughout the year. Plus, having cash saved (retained earnings) allows you to become your own line of credit.

Myth 2: Large purchases require debt

It's relatively easy to pay cash for smaller, miscellaneous items, but what about purchasing those big-ticket items, like real estate or expensive equipment that can cost thousands of dollars? You have to borrow, right? Absolutely not. The same theory holds true for the big-dollar buys. You don't need to borrow. Instead, make a plan, save up, and pay cash. Systematically save toward a purchase goal and put a very specific amount as a line item in the monthly accounting, almost as if it were an expense.

In the meantime:

- Rent until you can pay cash
- Outsource to avoid going into debt
- Buy used instead of new at a significantly lower cost

Myth 3: Credit cards are necessary to run a business

Nope. It's not true. Anything you can do with a credit card, a debit card will do the same. Rent a car? Yep. Hotel reservations? Absolutely. One question Dave often gets from business owners is, "Can we trust our employees with a debit card?" If you can't trust them with a debit card, why are they on your payroll in the first place? In addition, you're just as liable if they misuse your credit card, right?



Listen in as Chris Hogan of EntreLeadership and Scott Stagg, Infusionsoft Controller, talk about running your business debt free on [episode 58 of the Small Business Success Podcast](#).

How digital marketing can help you grow without adding debt

Digital marketing can be more effective and less expensive than other forms of advertising. Businesses in every stage of growth rely on it. In fact, according to a study by [Forbes](#)

Insights, more than half of marketers surveyed (60 percent) are redoing the way they do advertising to make the most of technology. Moreover, **Ad Age reported** there are now more digital ads than televised ones.

According to minewhat.com, 81 percent of shoppers research online before buying, which means if you don't have a website, you need to get one. It's well worth the effort. Just like anything else, you can start small with just some basic information and then add on or revamp as you go.

Unlike traditional marketing, digital marketing allows you to target, measure, and refine with real-time results, which helps you adjust your strategy more quickly so that you can be more effective.

Most importantly, digital marketing scales with your business. You can start small, so you don't have to go into debt to market your products or services. As your business grows, you can improve your approach and expand your digital marketing strategy.

Follow up is critical

If you're getting leads, but not following up, you're missing opportunities.

Whether they reach out to you by phone, attend your webinar, or download your e-book, you need to follow up each interaction with communication that will help them proceed along their journey toward purchase. Digital marketing works so well because you can learn about each lead through

their interactions with your brand. For example, when a lead downloads your whitepaper on how to pick the perfect hiking boot, you can follow up with an email for a discount offer to your online camping supply store.

Given all the areas of possible interaction that can occur across the customer journey and all the channels where interaction can happen—whether offline, like phone, print ad, or TV; or digital like social, email, or blog—it’s nearly impossible to follow up on every interaction manually. The problem is that for humans to do all the following up, it’s enormously time consuming (and expensive). If you don’t have the time and resources to follow up manually, you’ll drop leads and miss out on potential sales.

Automation multiplies your efforts

Digital marketing tools—**like CRM, sales and marketing automation, and e-commerce**—enable you to be more effective with less time investment, because you are able to generate personalized follow up automatically. Paired with a good marketing strategy, you’ll be able to measure your effectiveness so that you can make smart adjustments that pay off.



How Much Should You Budget for Marketing?

By far, the most frequent question EntreLeadership hears is how much to spend on marketing.

The answer? Well, if you do some research, you'll quickly see that opinions abound. The U.S. Small Business Administration, for example, recommends that companies with revenues less than \$5 million budget 7 to 8 percent of their gross revenues for marketing. Others recommend 4 to 6 percent.

Ramsey Solutions, parent company of EntreLeadership, advises taking a different approach, especially for small businesses in the early growth stages.

The 90-10 rule for new businesses

Most small businesses that are just starting out can make up for their limited cash flow with “bootstrapping.” This refers to reinvesting a large portion of profits into growth. In the early days, Ramsey Solutions, had to make every dollar spent work

hard. They used the ratio of 10 percent dollars, 90 percent sweat equity.

Sweat equity refers to doing something physically that pushes the message around. Dave Ramsey recalls having spoken to nearly every Rotary club, Kiwanis club, and Sunday school class out there, and none of them paid him a cent for his time. Wherever someone would let Dave talk, he would go. Ultimately, it did the trick—it got his name out there. Even though these little speaking gigs didn't create a direct income, they provided opportunities to get the word out about who they were and what they offered.

It's been 25 years since Dave started his company, and sweat equity continues to work. But as your business grows, less "sweat" will be required. In an article in Inc. magazine, Peter Geisheker, chief executive of The Geisheker Group, recommended budgeting up to 15 percent of sales toward marketing for new companies in those first few years.

For businesses that have been around for five-plus years, the percentage can vary. Laurel Mintz, founder and CEO of Elevate My Brand, suggests 6 to 12 percent of gross revenue.

Your company's growth stage

Every business is unique. So, to determine your marketing budget, you need to pinpoint which stage of growth you're in and determine how you'll balance your cash investment with your sweat investment. The five stages of small business growth are:

1. Solopreneur: Talk about wearing all the hats. More than likely, as a solopreneur, you're spending your marketing efforts on networking, building your brand; social media, though time consuming, is a great, low cost, way to get your name out there.
2. New employer: You're still in the bootstrapping phase, but you likely have some budget for marketing, which can allow you to outsource some of the effort and hone in on your message.
3. Steady operation: You're reaching cruising altitude, and you have at least one staff person who oversees your marketing efforts directly. You have a clear idea of your target audience, and you consistently reach them with appropriate messaging.
4. 7-figure business: At this stage, you're growing out your sales and marketing operation, which allows you to extend your marketing reach even wider.
5. Growth company: You have built out a sophisticated marketing department with a mature marketing strategy.

5 QUESTIONS

Small Business Growth Stage Assessment

How exactly do you define "small business?" If you ask 10 different people, you'll get 10 different answers. This assessment can help you find out just where your business lands on the scale.

START

“What growth stage am I?”

This quick assessment will allow you to understand your business' stage of growth and offers additional insights into your business.

Where should you spend your dollars?

Whether you're just starting out as a Stage 1 business, or you're Stage 5, the marketing budget question is a perennial one.

If you're starting out, thanks to the internet, you can begin digital marketing without dropping a lot of cash. To get started on social media, of course, is free and a website can be very low cost at first. Early on, you can do it yourself with a healthy dose of sweat equity. But very quickly, you'll need to start investing in technology that can multiply your effectiveness and relieve the burden of manual effort.

The up-front costs of software solutions are relatively low. You don't need to drop a bundle on a huge software purchase;

instead, you can subscribe to software as a service (SaaS), which makes budgeting easier because you can treat it in the same way you would treat a rental: one consistent monthly cost.

In some cases, you'll need to look at some initial start up costs for training on the software or implementation. For those, you'll want to be clear on the total cost so you can save up the cash ahead of time.

Be sure to strategize carefully as you build out your tech stack. A powerful way to keep your monthly SaaS costs down is to spend money on applications that offer more than just a single point solution. An all-in-one sales and marketing platform can be more cost effective than trying to juggle several different applications that don't work seamlessly together. When you adopt multiple tech solutions and cobble them together, the monthly cost will add up, as will the aggravation. And you may not save as much time as you'd hoped because you're stuck working around applications that don't communicate with each other.

Your marketing strategy will evolve as your business grows, as will the way you invest in marketing technology. However, no matter what stage of growth your business, there is one rule that applies to everyone: You just can't throw money at something and hope it sticks. Whether it's adding efficiency and saving your time, or it's boosting your sales, every investment should help you grow your business.



Wise Investment Tip: Use the Tool You Invested In

There's nothing worse than signing up for a tool only to leave it idle.

Imagine a small construction contractor who takes a job in which he'll dig a foundation, so he rents a backhoe for the day. But rather than taking it to the jobsite, he leaves the backhoe on the lot and instead shows up with 10 workers holding shovels. Not only will the work be harder and more expensive—the contractor gets none of the value from the tool he's paying good money to rent.

Believe it or not, many small businesses do this very thing. They add to their marketing tech stack and then fail to use it. On one hand, it's understandable: you're busy, and you signed up for something that you need to learn, but you won't be able to implement the new tool until you've figured it out. Setting up integrations can be a pain, so it could be easier (in the short run) to just continue what you've been doing all along.

Unfortunately, wasteful spending is something you can't afford, and it won't contribute to your growth. As you get ready to purchase marketing tech tools, you've got to factor in the time and energy it will take to learn them so that you can start using them right away.

At Infusionsoft, we found from looking at our own customer data, that businesses are nearly twice as likely to quit using marketing automation software than ones that launched just one campaign, and over three times more likely to quit than businesses that have launched two campaigns. On top of that, if you have just 100 contacts to reach out to, you're 93 percent more likely to continue using marketing automation than businesses with 99 or fewer contacts.

So what does this data point to, exactly? It's this: if you want to successfully adopt sales and marketing software to help grow your business, you need to actually use it. Simple as that. Make the commitment up front to dive right in and learn how to use it. Reach out to at least 100 people, and you'll begin seeing the value you're looking for.

But numbers are a one-dimensional way of recognizing the power that a sales and marketing automation platform can add to your business. That's why we'd like to share the stories of three entrepreneurs who applied Infusionsoft's all-in-one sales and marketing platform to their small businesses and discovered how quickly and radically it helped to grow their business.

Mathplus Academy



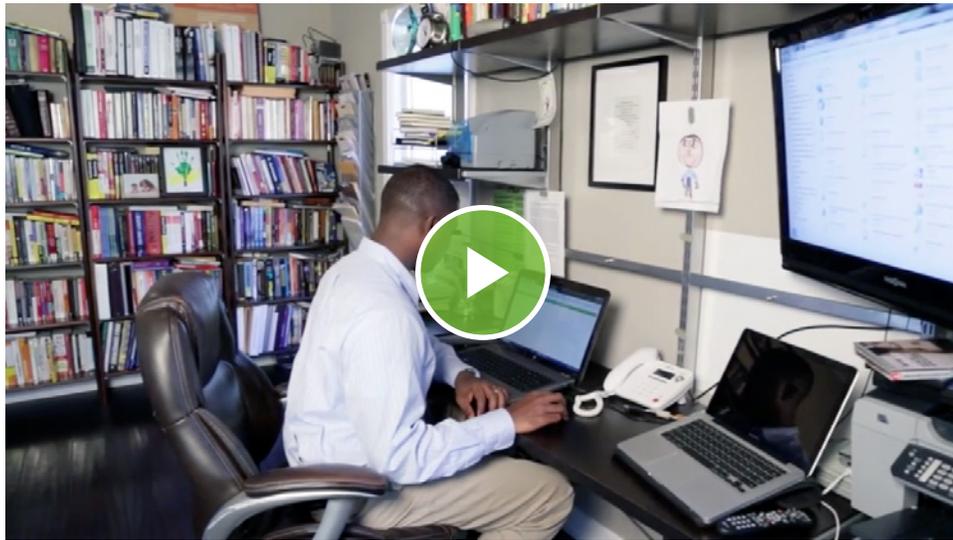
Business details: In 2009, Raj Shah founded MathPlus Academy, a tutoring company that aimed to make education, especially math, science, and technology, more exciting for children.

Key business challenge: They needed to broadcast messages to the people who would actually care about them, without overspending on advertising. In addition, as MathPlus Academy expanded, customers needed a way to educate themselves about new products and easily make a purchase online.

Without the right tools in place, Raj was spending hours every week trying to manage communications instead of developing his curriculum and his business.

ROI: The time that Raj spent on billing dropped 85 percent from 20 hours a week to less than three. CRM replaced their clunky spreadsheet, allowing them to track everything from interests and interactions to purchase history, helping them target the right people with the right messages.

Hear and Play



Business details: Since he was 17 years old, Jermaine Griggs has been teaching his music students how to learn to play music by ear. As his business has grown, he's expanded to books, video, and online learning.

Key business challenge: Very quickly, system chaos became a real hindrance to successfully running his business. For a company that was helping its customers replace physical sheet music with digital learning, Hear and Play was lagging behind in its own digital strategy.

ROI: Jermaine has increased repeat sales by 80 percent. Now that he can automatically send personal messages to customers and has streamlined his fulfillment process, he's reduced his workload by 60 percent.

Cleancorp



Business details: Today, Cleancorp is a successful commercial cleaning company based in Sydney, Australia. Founded more than 20 years ago, the company grew to the best of its ability in the early stages, but over the years found that it lacked the organization and processes to reliably attract, convert, and retain customers.

Key business challenge: Without a budget for advertising staff, owners, Lisa and Hamish Macqueen were stuck working late nights and early mornings to hit their sales goals. Their list of contacts was a jumbled mess of paper contacts. They had no metrics or information on prospects and no way to measure ROI.

The company had ambitious goals, but potential revenue was continually slipping through the cracks. Cleancorp needed a way to establish sustainable, scalable growth.

ROI: Since implementing the Infusionsoft platform, they were able to segment prospects to create highly targeted, location-specific messaging to speak to their needs. This led to a 275 percent revenue increase and 145 percent increase in customer lifetime value.

Conclusion

As an entrepreneur, you have to battle so many enemies of your business: the market, changing trends, evolving tech, competitors, even naysayers at family picnics. Then there's inefficiency in your business. That's one enemy you really don't need.

Your job as an entrepreneur is to make your enemies into your allies. Start that process by working on the first place you have control: your business. Crush inefficiency, and watch your business gain momentum.

Marketing automation is designed to add efficiency, and Infusionsoft goes one level up by combining several key software components of the typical small business sales and marketing tech stack into one central platform:

- Customer Relationship Management (CRM)
- Marketing automation
- Sales automation
- Email marketing
- E-commerce

All-in-one sales and marketing software from Infusionsoft can cut system chaos and add efficiency to your business without breaking the bank. [Explore the possibilities here.](#)

An essential characteristic of any great leader is a willingness to learn. And one of the easiest ways is through **EntreLeadership**. [Learn more now.](#)



About Infusionsoft

Unlike other software companies, **Infusionsoft** is solely focused on small business. Our powerful, integrated sales and marketing software solution combines CRM, marketing automation, e-commerce, and payments solutions with a vibrant marketplace of apps, integrations, and partners.



About EntreLeadership

EntreLeadership helps business owners become better leaders. Their membership community equips you to grow yourself, your team, and your profits. An essential characteristic of any great leader is a willingness to learn. And one of the easiest ways is through EntreLeadership.

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