

All right.

Quick break to tell you about another podcast that we're interested in right now.

HubSpot just launched a Shark Tank rewatch podcast called Another Bite.

Every week, the hosts relive the latest and greatest pitches from Shark Tank, from Squatty Potty to the Mench on a Bench to Ring Doorbell.

And they break down why these pitches were winners or losers.

And each company's go-to-market strategy, branding, pricing, valuation, everything.

Basically all the things you want to know about how to survive the tank and scale your company on your own.

If you want to give it a listen, you can find another bite on whatever podcast app you listen to, like Apple or Spotify or whatever you're using right now.

All right.

Back to the show.

This is Neil Dukta from Toronto, Ontario, Canada.

My question for you is, what are your first three actionable steps to creating a lead gen business?

And what are the three industries you would go after in small communities?

Okay.

We can do that.

It's hard to come up with three, but I think we can just talk about it in general.

Well, I got into this business a little bit.

I was testing on a lead gen site.

What I did was I emailed another lead gen site and I just said, would you buy leads for me?

How much?

And they said, if your leads were qualified using these parameters, we will pay you \$100 per lead.

It's for a trucking website that I was working on.

And they said, if they are long commercial driver license folks and you are able to verify that by getting a picture of their license, we will give you \$100.

And so I assumed \$100 was the cheapest it would cost.

And then I also went on LinkedIn and I emailed the marketing and growth managers at the actual trucking companies and I said, how much do you guys pay?

And they said \$150.

And that kind of gave me that range of I can acquire it for \$100 to \$150.

And then what I did was I went and drove ads and traffic to a website that got this information and I was able to get leads for \$250 and I thought, huh, okay, if I just fold around and got it for \$250 and they're willing to pay \$150, like, I think there's something there that I can actually make this profitable.

That's what I did.

Yeah.

I think my first step would be because I don't know a ton about lead gen.

I'd be like, okay, well, who's killing it with lead gen?

And so I would just, my first step would be like, find a blueprint of success.

So who is a newish lead gen site?

So I wouldn't be looking for one that like started in 1998 and has just been cranking since then.

I'd be like, all right, what's a newish lead gen site?

So something that started maybe the last two, three years.

And I would go look at their stuff.

I'd go read an article about them and then I would contact them and be like, hey, really interested in your business.

And I'd either be like, I'm interested in buying your business.

Can you tell me a little about it?

Would you be open at the right price?

Would you be open to selling your business?

And they say, oh, yes or no.

Or I would say, hey, I'm really trying to learn about the lead gen business for a different category.

Would you be down to talk to me for 15, 20 minutes or whatever?

And they might say, yes.

They might say no.

If I wanted to make it juicier, I could say, hey, I'm doing an article on my favorite five truck driver lead gen businesses or truck driver recruiting businesses.

I want to feature you guys.

Just need to hop on a call, 30 minutes, I'll ask you a few questions and I'll use it in the article.

And then in that article, while doing that call about the article, I would ask them how they started, how they get it, how they get the leads, what's the hardest part, blah, blah.

And I would try to figure out a blueprint to figure out, is this even the business I want to be in?

And is there a common formula that these businesses use?

Like, oh, they all use Facebook ads as their traffic source or they all use Google keywords as their traffic source.

Then they take you to a landing page with a quick email capture and then three question qualifier right after that.

And then their business models that they sell those leads to whoever at certain price.

And this only works if the leads are worth \$100 or more, the ones that are below that seem to struggle.

And I would try to figure out how much money they make and how they do it.

And that'd be my first thing is I'd be searching for a blueprint, essentially, that I can remix.

It's like, all right, 80% is going to be the same and 20% is going to be different.

So the 20% that's different might be I'm in a different category or I do it from a slightly different like, you know, I put a greater emphasis on copywriting or newsletters or whatever in order to generate those leads.

That would be my first, first step.

And which industry?

[Transcript] My First Million / One Question Friday: How To Start A Lead Gen Business

So we have a couple of examples here.

So you did, you did trucking on your own.

Before that you've shown me an apartment one, whether it was apartment or what was the lead gen for?

Well, what leads did they want?

The company that bought my company years ago was called apartment list.

Originally they were called vertical brands and they just owned lead gen sites for senior living.

They owned a lead gen site for a rent to own housing, which was like, they bootstrapped I think like six or seven million in revenue.

Then they owned apartment list, which eventually became the main company, but that was lead gen for apartments and then they owned it for cars called auto list.com, which was acquired by car gurus like \$30 million.

And so that was really effective.

But I would, the math is basically like how valuable of a purchase price is the product multiplied by the frequency that they, one person buys the product multiplied by the number of people who have that need.

So for example, if it's lead gen for CEOs of large, of like small to medium sized businesses, so it's like a job board for potential CEOs, a small business would be one to spend like \$50,000 on that.

But they're only going to hire once every eight years.

So like that kind of gives you like, and there's like not that many people who are into that, that kind of gives you like the math behind the opportunity.

Does you know what I mean?

Yeah, exactly.

I'd be looking for high ticket price things.

So I was going to say senior living, my father-in-law does senior living and I see that like he wants customers, a customer to him is going to pay maybe six grand a month for a room.

So they're a customer and they'll last on average, two years at the place, right?

So you're getting 24 months times \$6,000, so their customers are very valuable.

They're willing to give you \$6,000 for a customer if you can send them one.

So their leads might be a few hundred bucks that they're willing to pay for if you're qualified, right, if you're in the area and whatever else.

So senior living was one I was going to say.

And then the other ones are like, I see this with like moving companies or construction companies or like pool construction companies, like, oh, that's a \$50,000 project to build a pool in this area.

And maybe the pool construction companies are not the best at SEO like optimization.

So I'm going to go after that category because I think that that's one where I can beat them at their own game and sell them back those customer leads.

So I would look for really high ticket price things like moving pool construction, senior, you know, senior care.

There's one more that I was thinking of that's, all right, slipped my mind, but yes, things like that.

I think those are great categories to go after.

Can I share one that I just heard about that I actually think would be pretty valuable here is because it's related to what you were saying about senior care facilities, there's this new kind of facility that's coming online that's essentially like mental health triage, I think is the way to think of it, which is essentially like you walk in and there's a bunch of lazy boys and they've got TVs in front of them.

And if you're having like an episode, a mental breakdown, you go in there and they might help medicate you if you need that, and they'll set you up with a therapist on this big TV and just like, make sure you're okay while people figure out what's going on because mental health issues are becoming more and more prevalent.

Okay, so this is like actually just coming online.

And these are like a new type of care facility.

And I feel like there's probably not a lot of competition yet for finding those types of leads.

So there might be some, some opportunities.

I think that, you know, the general principle is you want a high ticket, you know, buyer of your leads.

So you need them to be making a ton of money off of the thing.

You want to have low competition if possible.

The other thing is, can you use content as like your lead gen?

So you're not just playing a Google keywords bidding game or a Facebook ads keyword bidding game.

But like if you are educating people about something, so like, I don't know, let's call it like, what's that like surgery that a bunch of people are getting like Brazilian booty lifts or something like that.

It's like, there's some surgery, some new thing that a bunch of people are curious about.

Right.

And the topic itself, like kind of lends itself to content or ratings or reviews or like, you know, pros and cons and stuff like that.

Like, can you create YouTube or TikTok content that's just talking about, you know, the pros, the cons, the good stories, the horror stories, the whatever else.

And then basically, if people, and then you capture interested parties who are like, they were Googling to try to learn more about it and you as the educational source become like, you know, slightly trusted, you never need to operate the underlying business.

You just sell that lead, you know, farm them to a partner who's basically like, you know, your vetted partner to do that, that procedure or do that, whatever it is in a given geography. Sick.

Did we answer that Ben?

I think it's a good answer.

That's it.

One question Friday.

All right.

And if you want your question read live on the show, go to mfmpod.com and click on the

microphone.

Ask us questions.

Bye.

I feel like I can rule the world.

I know I could be what I want to put my all in it like no days off on a road let's travel
never looking back.