

PROCESSES FOR AGENCY PROFITABILITY

How Revenue River grew from a boot-strapped startup
to a profitable agency within the HubSpot ecosystem.

The background is a solid orange color. There are several abstract circular shapes in lighter shades of orange. One is a small solid circle on the left. Another is a larger solid circle at the bottom left. In the top right corner, there are three concentric circles of varying radii, all in a lighter shade of orange.

9 years in business

6 in HubSpot ecosystem

OUR PROGRESSION

2010: outsourced sales & boutique web design agency

2012: discovered HubSpot – began inbound agency transition

2014: all-in inbound agency selling retainers & web projects

2016: selling a single retainer for web, digital, sales enablement

2018: we sell a total-digital sales system from launch to goals

RESULTS OF OUR PROGRESSION

2012

Revenue: \$772,000

Margin: 4%

FTE: 3

Retainers: \$2,500

2017

Revenue: \$2,612,000

Margin: 19%

FTE: 27

Retainers: \$12,500

WHAT WE BELIEVE IN

We believe financial matters, a lot

- Your financials are the key to decision making

- You can't spend money you don't have

- Prioritization is critical, you can't buy everything

We believe in taking a lot chances

- Early adopters of everything

- Mindset to master so we can implement

We believe in constant iteration

- Painfully open beta, a growth-driven approach to agency development

- Launch fast, continual improvement, roll up our sleeves, and learn on ourselves



MORE OF WHAT WE BELIEVE

Selling a total solution

- We don't do point solutions or menus

- Everything ties to goals

Investing in our culture & people

- Environment and people matter

- Personal and professional development

Subscribing to systems

- Agencies need vision, structure, and alignment

WHAT WE DON'T BELIEVE IN

Outsourcing

- Continual mission to in-source all roles

- Takes time because outsourcing is necessary

The pursuit of perfection

- We never get bogged down by indecision

- We aren't afraid to live with 'em

Overspending on people

- Everything is earned

- 10 years of experience means less than the salary it commands

- We never hire for anything other than entry-level positions, regardless of experience

- Everyone lands small and proves themselves



MORE IDEAS WE REJECT

Overspending on client acquisition

We don't advertise or even have our own marketer

Industry Specialization

We'll evaluate any company that meets our parameters

Size, structure, mindset, and trend line are more important

Tiered or point-based pricing

Choice does not equal expertise

The Chinese menu is the path to failure

Minimum engagements

We never turn business away because they don't want a large retainer



Let's dig in.

4 Systems for Success

FINANCIAL SYSTEM

“NO ONE WINS IF YOU GO BROKE”

UNKNOWN OR ERIC PRATT

4 disciplines to master



master your projections

stay all over your receivables

reconcile your bank statement

manage to the bottom line

[illegible]

RULES FOR A TIGHT PROJECTION

Build your annual projection based on goals

Finalize the numbers before every month

Build feeder tabs for new hire and salary projections

Don't spend money you don't have

Invest the extra money back into the agency

The only thing without a hard cost is your time

MONTHLY DISCRETIONARY SPENDING



Training – \$2,500

Tech – \$4,000

Meals – \$3,000

Lead Gen – \$0

Marketing – \$500

Advertising – \$0

SALES SYSTEM

“A LINE GOES UP BECAUSE A SALE IS MADE”

STEPHEN T. WOOLLEY

WE'VE TRIED IT ALL

1. Tiered pricing doesn't work, it's a race to the bottom
2. Point pricing turns everything into a complicated negotiation
3. The right clients buy the bottom line
4. Build your proposals on value and goals
5. Anyone else isn't a good fit

SELL THE TOTAL INVESTMENT



SOFTWARE BUDGET

\$30,000



SERVICES BUDGET

\$150,000



ADVERTISING BUDGET

\$60,000



2081

SALES PROCESS & MINDSET

Dig deep on GPCTBACI

Brutally honest evaluation of existing assets

Lots of tips and ideas for improvement

Slow them down and go negative a lot

Demonstrate value and expertise

Set expectations for successful partnership

Proposal is a forgone conclusion

Proposal flow

Primary objective

Conversation recap

Our approach for success

Organizational value

Detailed plan for first sprint

Annual pricing for total spend

Style agreement & expectations

About our agency

Team set to execute

Terms and conditions



something worth buying takes time

ALIGNMENT SYSTEM

“SETBACKS ARE INEVITABLE, MISERY IS A CHOICE”

STEPHEN R. COVEY

YOU NEED A SYSTEM TO GUIDE THE AGENCY

Speed of Trust

The 4 Agreements

4 Disciplines of Execution

7 Habits of Highly Effective People

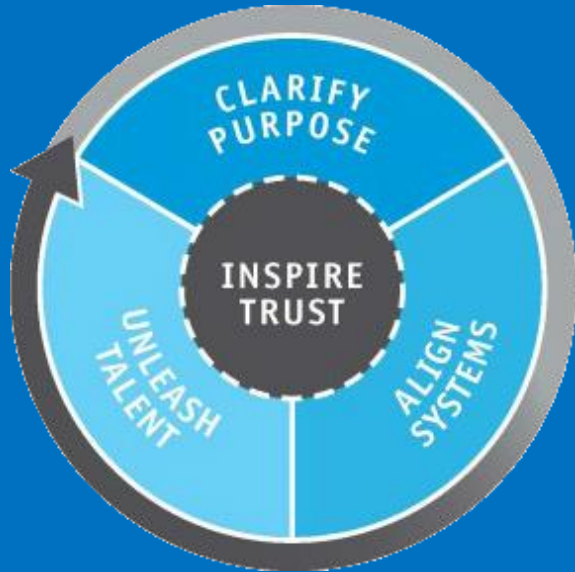
5 Choices to Extraordinary Production

The 6 Critical Practices for Leading a Team

Project Management for the Unofficial Project Manager



Team success requires your leadership



“Leadership is communicating to people their worth and potential so clearly that they come to see it in themselves.”

- Stephen R. Covey

Our culture isn't ping pong & whiskey



DRIVEN TO SUCCEED

We're more determined to be successful than anyone we'll ever run into. No one wants it more than us.

INTEGRITY MATTERS

There are two ways to do business and we choose to act with integrity and honesty at every turn.

EVERYTHING IS EARNED

We will never rest on our success or think that we don't have to work hard and earn everything in front of us.

LOVE FOR EACH OTHER

We're a family and we'll act like it. Unconditional love and appreciation for each other with a touch of grace.

LOVE FOR COMMUNITY

We recognize how blessed we are and will do what we can to make our community stronger.

WE WORK AS A TEAM

We'll always work better together than as individuals and will strive for synergy with everyone we work with.

WE EXTEND TRUST

Because the first step in building relationships is trust, we'll extend it without expectation in return.

WE'RE DEDICATED TO GETTING BETTER

We will be passionate and driven to learn continually as our industry will forever change and evolve and so will we.

WE SHALL CELEBRATE

Success isn't easy. When we achieve, we shall celebrate aggressively and recognize achievement properly.

WE'RE RESPECTFUL

We will respect everyone, from everywhere, at all times while celebrating the diversity that makes us great.

WE'LL PRIORITIZE THE IMPORTANT

We will be flexible to the needs of our clients and team members to maintain a healthy work-life balance.

WE'LL ALWAYS CHALLENGE THE NORM

Our disruptive mindset will never stop asking questions and challenging ourselves to innovate and explore.

EXECUTION SYSTEM

“IF YOU’RE NOT KEEPING SCORE, YOU’RE JUST PRACTICING”

CHRIS MCCHESENEY

Urgent



**Whirlwind
(The Day Job)**

VS

Important



**Goals
(New Activities)**

FOUR DISCIPLINES OF EXECUTION

Discipline 1 – Focus on Wildly Important Goals (WIG)

- When you focus on 2-3 goals you generally achieve them

Discipline 2 – Act on Lead Measures

- Leads are disciplines or levers that generate results

Discipline 3 – Keep a Compelling Scoreboard

- People need to see and feel like they're winning

Discipline 4 – Create a Cadence of Accountability

- Recap last week and make commitments for next week



YOU HAVE TO LEAN ON A SYSTEM

Pick an execution system

Traction, Rockefeller Habits, 4DX

Spend time learning it

Know it enough to lead implementation

Implement it with your team

Your team has to own it to buy in

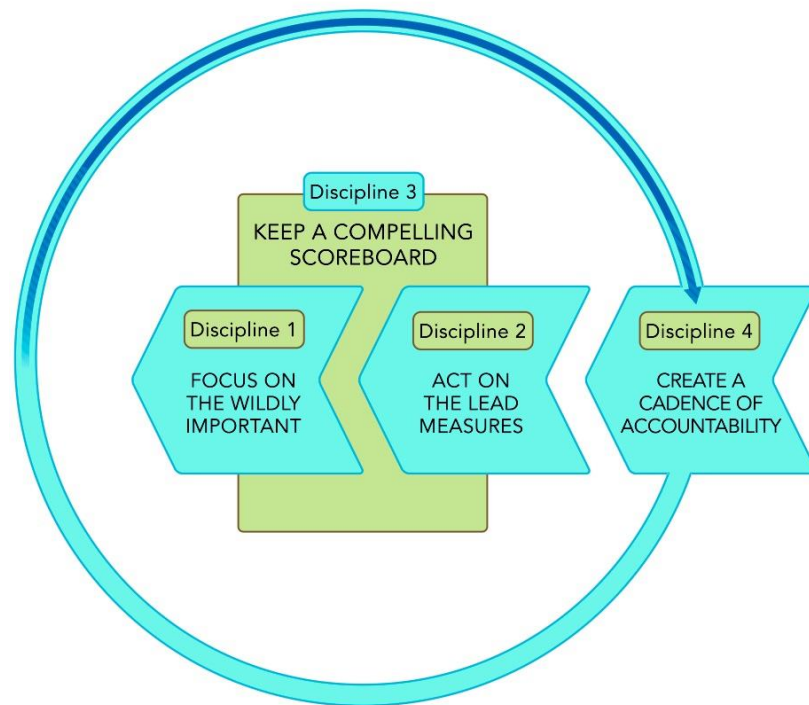
Lead by example

The discipline has to be demonstrated

Accountability is easy

They built it, so they're self-accountable

THE 4 DISCIPLINES OF EXECUTION



call to action

it's time to grow up

THE INDUSTRY NEEDS US TO GET BETTER

THERE'S MORE DEMAND THAN SUPPLY

HUBSPOT NEEDS AGENCIES THAT CAN SOLVE

THOUSANDS OF COMPANIES NEED MORE THAN INBOUND

WE ALL BENEFIT FROM OUR COLLECTIVE GROWTH

THANK YOU

REVENUERIVER.CO/PARTNER-DAY-2018

THIS DECK
PROJECTIONS WORKBOOK
4DX GATES

#PARTNERDAY18