

# SelfInformed

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*NASE Member*  
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# DEVELOPING QUALITY LEADS —→ FOR ←— YOUR BUSINESS

By Sallie Hyman

**Lead** | lēd | noun

A prospective consumer of a product or service who shows interest and provides contact information.

All businesses, big or small, need to generate leads in order to generate sales and profit. Without leads, a business will not grow and could fail. In larger companies, the marketing department is usually responsible for lead generation, but quality leads can be obtained by even solo entrepreneurs if they look in the right places.

The quality of a lead depends on whether the individual or business was incentivized to provide its contact information, or if the sales lead was aware of what he or she was signing up for.

Someone who signed up to “win a free vacation” but soon starts getting information about your business’s new product is not a quality lead. They were not interested in your product, but rather the chance for a prize. Quality leads can be expensive to acquire, but there are a number of ways to gather them at little to no cost.



The key to lead generation is using a variety of strategies simultaneously. This means taking all of the tools from your marketing department (even if the department is just you) and putting them to work.

Effective lead generation comes in both low-tech and high-tech forms. This means combining face-to-face interactions, print and snail mail, the web and social media. All of these draw attention to your business in multiple ways and reach multiple audiences.

Here are some ways to help you develop quality leads for your business:

### **Networking Groups**

Networking groups are plentiful and an excellent source of leads. Many businesspeople go to networking functions for trade associations, chambers of commerce and other organizations on a regular basis, but view them as a boring nuisance, instead of the excellent opportunity that they are. Networking events are an excellent lead generation strategy for businesses, because the other business people that attend them are consumers too and need products and services just like the rest of us. Even if you don't expect to do business with a particular business owner, let them know about your business so they can refer people to you (and you to them). Ask them if you can add their contact details to your database. You can also network virtually. For example, the [NASE Small Business Locator](#) (member directory) is a good way to generate leads and network with small businesses.

### **Referrals**

Referrals, or word of mouth, is the number-one most successful lead generation strategy. Studies show that a satisfied customer will tell 2-3 people about his experience with your company. (A dissatisfied consumer will share their lament with 8-10 people and some will push that number to 20.) People are more likely to become a customer of a business that they hear about from a friend.

The best part about referrals is that they are free, so it is important to seek out referrals from your clients. You can offer incentives to current clients such as free gifts, discounts, or public recognition for every referral they send your way.

### **Alliances**

Depending on your type of business, you may be able to work with other similar industries to build an alliance and expand your client base. Make sure to choose a reputable business that treats its customers well, engages in proactive marketing strategies, and is open to trying new things. Once you have built a relationship with this business and have come to an agreement, you can start targeting their clients with your own marketing. A great way to get the leads generating for alliance members is to hold a joint event where clients from all businesses are invited to attend. Have attendees sign in with their contact details and you have a whole new set of potential clients.

### **Brochures**

Brochures are an inexpensive and effective way to provide potential clients initial information on the product or service that you offer and encourage them to take the next step in the sales process. They can be distributed through mailings, at tradeshows, at your place of business, and at those of your alliances. Brochures should be eye-catching, precisely convey what you have to offer, and have a powerful call to action.

### **Trade shows**

Trade shows are an excellent way to promote your business and generate leads. They do take a significant amount of planning and time, however. You need to make sure that you or those running your booth are adequately prepared in terms of knowledge of your product/service. The payoff can be big if you choose the right trade shows. One drawback can be determining who is a real lead and who just came for the free pen or candy!

### **Get Involved**

Being involved in the community and with local organizations is way to put yourself and your business in front of many people at once. You can offer to be a guest speaker at local networking groups, business associations, or even charitable groups. Host seminars or special events. Invite current clients and ask them to bring a friend. You can showcase your product or service during the event. Finally, consider becoming a community volunteer. Not only will you be supporting a worthy cause, you will get visibility for your business.

## Buy a Sales List

A sales list will provide you with a targeted list of prospects for your business. There are many companies that can put together a list for you, from your local print shop if you are just looking to target a specific area code or local demographic, to large marketing firms that can pinpoint target exact demographic groups of consumers of products/services similar to yours. These lists will cost you, but can be worth it in terms of time saved and accurate targeting.

## Website

Use your website to its fullest potential. **NASE** offers web services to help your business. Put a lead form on your webpage. This will allow interested consumers to receive more information from your business and help you go develop a database. You can also put a referral form on the website that will allow current customers to put in a friend's information. You can use incentives such as discounts or gifts to encourage people to fill in their information.

## Search Engine Optimization

You want to be as visible online as possible and that means making sure that your website is on the first page of any search result. You can improve your SEO by altering the copy on your website to use some of the top words and phrases that customers use to find the types of products and services you offer. When you use these words and

phrases on your site, it helps it get ranked in the search engines, which means the site appears when customers are searching using these terms.

## Call to Action

Develop a call to action for your product/service. A good call to action never assumes the customer will know what to do. If you have an information or referral form, don't assume that the customer will know that the button on the bottom of your page is where to click. Be very explicit. Put a bright-colored button that says "SUBMIT FORM." Whatever you decide, remember that boldness on your end will be rewarded with action on your customers' end.

## Facebook Advertising

Use **Facebook** advertising in conjunction with a Facebook business page in order to generate more leads. Promoted posts highlight content in the newsfeed of your target audience. To help you capitalize on the click-through of a Facebook user, use a signup form that reveals the content on your website or Facebook tab only after the user fills out any required information that you define. This could be an email address, demographic data or geographic location information. The more information your business has about a Facebook user, the better you can personalize your future messaging to match their interests, making it more likely that they will convert from lead to customer in the future.

# Marketing for **B2B** vs. **B2C**

The type of business you have will influence which methods you choose to generate leads. There are distinct differences in effective lead generation between business-to-business (**B2B**) companies versus business-to-consumer (**B2C**) companies.

A 2013 State of Inbound Marketing Report found the average cost of a **B2C** lead of \$15. That is significantly less than the average **B2B** cost of \$43. The cost difference comes from the relatively complicated and multifaceted decision process involved in **B2B** transactions.

Other significant statistics found in the report include:

- **B2B** companies get twice as many leads from telemarketing than **B2C** companies do (8% versus 4%).
- **B2C** companies get 3X more leads than **B2B** companies do through traditional advertising (9% versus 4%).
- The best three lead sources for **B2B** companies are SEO (14%), email marketing, (13%), and social media (12%).
- The best three lead sources for **B2C** companies are social media (17%), SEO (16%), and email marketing (15%).
- The worst three lead sources for **B2B** companies are traditional advertising (3%), pay-per-click (6%), and direct mail (6%).
- The worst three lead sources for **B2C** companies are telemarketing (3%), trade shows (6%), and PPC (6%).
- **B2B** companies are allocating 12% of their budget to trade shows but only getting 9% of their leads from that source.
- **B2B** companies are getting 14% of their leads from SEO but only allocating 12% of their budget to that source.
- **B2B** companies are allocating 8% of their budget to PPC but only getting 6% of their leads from that source.
- **B2C** companies are getting 15% of their leads from SEO but only allocating 13% of their budget to that source.
- **B2C** companies are allocating 13% of their budget to traditional advertising but only getting 9% of their leads from that source.
- With direct mail, trade shows, telemarketing, and traditional advertising, the bigger the company, the more likely they are to get leads from the aforementioned tactics.
- Small companies are more than twice as likely to get leads from social media than large companies (18% versus 7%).
- Large companies are almost three times as likely to get leads from traditional advertising than small companies (11% versus 4%).
- 9% of small business leads are from blogging, and they are allocating 12% of their budget toward this lead source.
- 15% of leads from medium-sized companies are from SEO, but they are only allocating 12% of their budget to this source.
- 12% of leads from large companies are from SEO, but they are only allocating 9% of their budget towards this source. 11% of their leads are from traditional advertising, but they are allocating 15% of their budget to this lead source.



## **Twitter Chats**

Twitter chats are frequently scheduled discussions hosted by a Twitter account. Each chat uses a particular hashtag so that other Twitter users can follow the conversation even though topics change with each discussion. These very focused audiences are a great place to generate leads. You can participate in Twitter chats in two ways: Join existing Twitter chats that are related to your industry or create and host your own chat. Do research on participants and then follow individuals who could be potential future customers. Then you can start to tweet to these connections outside of the chat and eventually direct message them content or marketing materials that will further establish your expertise and what your business has to offer.

## **LinkedIn**

LinkedIn offers several features that can help you to generate leads. There are LinkedIn Groups targeted to a variety of subject areas that bring professionals with similar

interests together to talk about business topics. This is similar to the Twitter Chat idea. Pick a few groups to join or start your own and build relationships and develop your presence as an expert in some area. These relationships can develop into leads.

Another LinkedIn offering is the LinkedIn Lead Collection Widget. You can use this if you set up a LinkedIn ad campaign. This little box sits at the top of your website and allows people to easily submit their email address to you with one simple click. You can easily accept email leads with one click of a button.

There are many other high-tech ways to generate leads, including [Google+ Hangouts](#) and [YouTube](#), if you have the time, motivation, and just a little bit of know-how. With so many ways to generate leads, it's time to get busy and start finding more customers.

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**Sallie Hyman** writes on small business issues and owns and operates her own small business in Purcellville, Virginia.



### SMALL BUSINESS LOCATOR *Member Directory*

- No monthly fees, members get listed for **FREE!**
- Find service categories that fit **your** business.
- Generate Leads & Grow Your Business.



- Online legal document preparation services to help you **START, GROW & RUN** your business.
- Start downloading your legal documents now!



# Ask The Experts

**Q:** *I have a few delinquent accounts receivable for my business. Can my company receive a tax break for people who don't pay? We've been blessed to only have a small handful of them in the 14 years we've been in business, amazingly.*

**A:** Unfortunately, the uncollected fees from services will not end up creating any additional deduction. The key point here is that the fees were never actually recorded as taxable income and therefore there would be nothing to write them off against. This assumes of course that you report your taxes on a cash basis, which means you only recognize the income once you actually get the cash.

This may seem unfair, but consider this: If you could write off amounts that people just chose not to pay, you could bill every client for twice the amount you expected them to pay. Then you would always have a writeoff equal to the amount that they actually paid and never pay any tax at all. I hate to use the words "logic" and "IRS" in the same sentence, but the logic is that since no income was recognized there would be no writeoff simply because they didn't pay.

Any direct costs that you incurred to provide the services or to collect the fees would still be deductible, however.

*Keith Hall, NASE Tax Expert* ■

## GET MORE ANSWERS

The NASE's small-business experts are here to help you understand the ins and outs of operating a successful small business. Access to these professionals is free with your NASE Membership!

Just go online to the [NASE Business Learning Center](#) where you can ask the experts questions about:

- Taxes
- Marketing
- Financial issues
- Employee relations
- Accounting rules
- And much more

The experts are available 24/7 and ready to help!

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for the Self-Employed

*Request a*  
**HEALTH QUOTE**

- Get help accessing Health Coverage that protects you, your family & your business.
- Request a Health Quote today.

# Member Spotlight

## An Early Start Yields Big Success

*Ben Seidel has been a NASE member since 2011, the same year he won the NASE Future Entrepreneur of the Year Award. In 2012 he founded **Igniting Business**, a company that offers web solutions, technology services, and marketing consulting.*

### **How did you get started in business?**

I began experimenting with web development tools at the age of 13. Not long after that I designed a website for my first corporate client. Through high school and my early college years I continued to offer web design services, but I began to notice a very significant need for someone to provide marketing and tech services specifically geared towards small businesses. Most firms targeted larger clients that could bring high-dollar contracts while the smallest businesses were often neglected. We designed the services of Igniting Business around the concept that as we help our small business clients succeed and grow, we will also prosper.

### **Your father is also an entrepreneur and business owner.**

#### **How did he influence your start in business?**

As an entrepreneur, my father was always very supportive of my desire to turn my interests in technology into a viable career – even at a young age. My father helped point me in the right direction and let me tap into his network initially to pitch my services. This was key in getting my first few projects as just a teenager. Even today, my dad is consistently a brand advocate for us which I truly appreciate.

### **You just graduated from the University of Missouri – Columbia last year with a degree in marketing and economics and you ran your business while in college. How did you do this and what did you learn from it?**

A common dilemma was, “Should I study for the upcoming test tomorrow, or get these two proposals out?” Running a business while in college full time was extremely challenging. However, through constantly having to balance work and school, I learned the importance of prioritization, organizational tools, and time management.

### **You have an active blog and have also contributed to the NASE Self Made blog. How have you built a following for your blog and how does it help you market your business?**

Our blog is primarily targeted towards small business owners and managers. By having a blog that we update frequently with unique content around marketing, tech, and web design, we have been able to build our following. In fact, a large part of the traffic from our website comes from blog posts that we created on trending topics of interest.



# Member Spotlight

## What other ways do you market your business?

The large majority of our business comes from networking and referrals. Above all else, we try to make our clients happy, and a happy client is quick to refer others to you. From a networking standpoint, we are actively involved in our community – offering our knowledge and experience as resources to others. We also produce leads from our website via effective search engine optimization (SEO) and occasionally will capitalize on online advertising for particular campaign pushes.

## What challenges have you faced in your business? How have you overcome them?

Initially the biggest challenge was balancing work and school. Now that I have “more time” on my hands, it still feels like there is always more to be done. Perhaps the current challenge we are facing is managing and expanding our team. We have high standards for who we bring on our team in order to provide only the very best for our clients. The moral of the story is that our current phase requires us to be both proactive and patient.

## What’s the best thing about being self-employed?

I love that each and every day at work, I get to help other small businesses succeed by serving as their web, tech, and marketing problem solver. As an entrepreneur, I have made a career out of helping others. This has proven to be both interesting and extremely fulfilling.

## What’s the most important piece of advice you would give to someone starting their own business?

Starting your own business is both extremely rewarding and exceptionally challenging. You can truly turn your passion into a career, but doing so requires constant hard work, initiative, and patience.

## Learn More in the NASE Small Business Locator

Learn more about Ben Seidel and Igniting Business in the [NASE Small Business Locator](#) directory, where the company is listed under [Business Services: IT and Web](#), [Business Services: Marketing](#), and [Technical Services: Information Technology](#). You can [add your own company](#) to the NASE Small Business Locator in up to three categories at no charge – it is a free benefit to NASE members.

## What’s the best compliment you’ve ever received from a client?

We love to hear from our clients! Here are some client quotes:

“...the functionality [of the website] is perfect, their follow-up work is great, and the rates are so affordable that we can’t imagine using anyone else for our future projects.”

“I hired Igniting Business to design my website in order to showcase my custom woodworking business as well as serve as an online lead generator. This turned out to be the best business decision I have ever made. I couldn’t be happier with the results!”

## Which NASE member benefit is most important to you?

That’s actually a really hard question because I believe that the importance of the benefits shift as your company goes through different phases. The scholarships/grants were quite important to me when I won the NASE Future Entrepreneur scholarship in 2011. But now I see an extremely high value having access to tax and legal experts as my company continues to expand. ■

## GET PUBLICITY FOR YOUR BUSINESS!

Your business could be featured in the *SelfInformed* Member Spotlight or another NASE publication. Let us know you’d like to be featured and tell us more about your business on our [Publicity Form](#).



# Obama Administration **OMITS SELF EMPLOYED**

## from Healthcare Law Deadline Extensions

By Katie Vlietstra

**O**n February 11, 2014, the Obama Administration yet again delayed another federal requirement for employers to provide health care, commonly known as the “employer mandate.”

This latest extension to the new health care law by the Obama Administration comes after a series of setbacks that ultimately hurts the intent of the law. Yet again, America’s largest employers continue to receive reprieves from having to comply with the new law.

From health care plan cancellations to hardship extensions to a delay in the SHOP exchange, America’s smallest businesses – the self-employed and micro-businesses nationwide – largely fall into the individual market and continue to ride the rollercoaster of changes and obstacles while large employers continue to get a pass from the Administration.

The NASE continues to call on the Administration to delay the individual mandate penalty in 2014 and extend open enrollment through the end of this year to allow for consumers to adequately access affordable health care.

The elimination of the open enrollment deadline would allow self-employed Americans to have the necessary time to

become well-informed in order to make the necessary decisions regarding their 2014 health care needs. While HHS has offered a minor reprieve in extending the enrollment period through March 31, 2014, we believe providing a full calendar year open enrollment cycle seems logical to ensure the necessary numbers of enrollees are met despite the continued difficulties individuals are facing trying to navigate the healthcare.gov enrollment website.

In regard to the delay of the individual mandate penalty, the NASE has argued since July 2013 that it is only equitable and fair to also delay the individual mandate given the Administration’s decision to delay the employer mandate for one calendar year. Given the significant technological challenges faced by millions of individuals attempting to enroll in the Exchange Marketplace, the delay in the individual penalty is not only a common-sense approach to addressing these challenges, but also illustrates a good faith gesture by the Administration and Department of Health and Human Services regarding the viability of the ACA for all Americans.

**Katie Vlietstra** is the NASE Vice President for Government Relations and Public Affairs; You can contact her at [kvlietstra@nase.org](mailto:kvlietstra@nase.org)

**Yet again, America’s largest employers continue to receive reprieves from having to comply with the new law.**