

The Underground Marketer Podcast – Episode 39 – Full Transcript

Introduction 00:00:02 Marketing, explosive growth, and revolutionary secrets that can catapult your business to new heights. You're now listening to The Underground Marketer Podcast with your host Tudor Dumitrescu, the one podcast devoted to showing new businesses how to market themselves for high growth.

Tudor Dumitrescu 00:00:26 Welcome to the underground marketer. This is the place where we deliver the real truth of our marketing and explore big ideas that can help new businesses thrive and grow into big ones. I'm your host Tudor. And in today's episode, I want to discuss the topic of sales versus marketing and which area you should focus most of your energy in. A lot of people debate this topic. They ask, you know, is sales more important than marketing or is marketing more important than sales? And I think that the answer really depends on where you're at in your business. So personally, I always think that everybody starting out as an entrepreneur should start out in sales. And here's why when you start out in sales, you learn the importance of influencing people, getting people together, getting people to agree with you. And this skill that you learn in sales, it's going to be useful in pretty much everything that you do as an entrepreneur, whether you're hiring people, you're motivating people to work.

Tudor Dumitrescu 00:01:29 You're discussing with investors, you're discussing with clients, whatever you do, your sales experience is going to come down liable. So that's reason number one. Reason number two is that when you first get started in business, the most important thing for most people at least is to get some initial cash flow going. Many people don't have the luxury of waiting for a couple of months to make some income. Many people, they don't have that luxury. They can't say that, oh, I'm going to start getting cashflow six months down the line. And I don't care. Most people, they want to get cash flow as soon as possible. So if that's the mindset that you're in and that's the situation that you're in and you just don't have what it takes to wait six months, one year to start making some cash flow, then you need to focus on sales.

Tudor Dumitrescu 00:02:17 You need to focus on peaking as I call them those easy sales, the low hanging fruit, and start with that. You can get some cash flow going and you can keep your business afloat. So that's why I think that the most important place for an entrepreneur to start is in sales. However, if we're talking about the impact that sales or marketing can have on your business in the long run, then I think that by far marketing is going to have a much bigger impact. And I'm going to tell you exactly why. So pretty much everybody who's already in business. Their main focus should not be on sales and it should be on marketing because what marketing is that it's going to make all your sales much easier. Whereas before you had to work really hard to make a sale, or you had to reach out to a lot of people to get somebody who's interested, effective marketing is going to improve that significantly.

Tudor Dumitrescu 00:03:14 You're going to be able to get sales by reaching out to a lot fewer people. And it's going to be a lot easier for you to do that. So first I like to go through some conceptual work with you so that you really understand what's the difference between sales and marketing. So sales, the way I look at it, it's really transactional. And it's just the transaction itself. Here's the product. Give me the money. That's pretty much sales and everything up to that point is really all about marketing and how effective your marketing is. Of course, there's the exception that I discussed already. If you just go ahead and you start selling stuff to people, you may think that you're doing no marketing, but you're actually benefiting from

all the marketing that was ever done in that industry. Let's say that you're a web designer and you just go and you cold email.

Tudor Dumitrescu 00:04:06 Everybody, you can get a hold of. Do you want your website? We made it because it has these problems and you list them out, right? Let's suppose that that's what you do. Even in that case, you're still benefiting from all the marketing that other web designers have done before you, your customer already understands what web design is, what websites are used for and all this stuff. They didn't, they weren't born knowing this stuff. They had to learn it. And they learned it because of previous marketing that was going on in your industry. And a similar thing happens with copywriters. So many copywriters, they go ahead and they rent out a big list of buyers, right? And then they might get something similar to what they bought already. And of course they make a lot of sales. So obviously in that case, you can partner up with somebody.

Tudor Dumitrescu 00:04:58 If you buy a list, if you rent a list, anything of that nature involves pretty much benefiting from marketing that was already done beforehand, right? So somebody did marketing to build that list, right? And now you're benefiting from that list to sell to it. So now you're starting to understand why, if you want quick cash flow, you can just focus on sales and you can get in, but in the long run, most of the money is going to be made. If you actually build that you list yourself. And if you actually market to people and get people interested in what you have. And I mean, if you look at your own history, which was the easier sale to make the one where you reached out to the person or where the person reached out to you. And if you ask yourself that you'll notice that when the person reaches out to you, it's a lot easier to close them and to sell them.

Tudor Dumitrescu 00:05:51 Then when you reach out to them cold and you don't come recommended by anyone, you've done no marketing on them. That's the hardest. So marketing can make a huge difference in your business. Once you actually understand this and what you actually understand, the role it has. So, whereas sales is just very transactional. It's just the actual sale marketing is everything that comes before that. And to explain this, I like to use the AIDA formula, you know, attention, interest, desire, action. So marketing is attention, interest, desire, and sales is just the action. Everything that goes before the action. So attention, interest, desire, that's all marketing. So when you're marketing and this is a very important point, you don't want to confuse it with being the same thing as selling. And this is a mistake that a lot of people make. They mix marketing and sales together.

Tudor Dumitrescu 00:06:49 And what happens is that they end up doing neither. They're neither marketing nor selling, they're doing neither effectively. And they're just wasting their time. That's why, for example, you see a lot of marketing that's annoying. You clearly know that these people, they're just writing to you to sell something. So all the marketing that Hong Kong has before you already know it's bullshit because there's this link at the end, go buy this stuff, right? It's not very effective, a lot more effective. It would be if what they actually did is they separated the marketing and the sales. So they knew, now I'm just doing marketing. And if you know that you're just doing marketing, then you want to connect with your audience. You want to provide value to them. You want to post stuff that's meaningful to them, that they would actually find useful. And that's all you're doing.

Tudor Dumitrescu 00:07:36 You're not trying to sell your stuff. You're not trying to push your stuff. You're not trying to do anything of that sort. And likewise, when you're doing sales, you're not trying to do any of the marketing stuff. You know, provide them value. Do this, do that. No,

you're actually straight up and forward saying, look, I have this. This is what it can do for you. Do you want it? And that's what you're doing when you're doing sales. So it's very important that you separate the two of them. And you're very aware of when your business is doing marketing and what that's consistent, which is providing value to those people, connecting with them, getting their attention, getting their interest, building up their desire, right? And you're very aware when you're doing the opposite, would you sell, which is asking for action. And if your marketing is effective, which means that you're working up your audience, you're building that audience, you providing value to them.

Tudor Dumitrescu 00:08:27 Then when you actually try to sell something, you're going to notice that your results are much better. And suddenly you're making sales very easily. And that's all because of the effective marketing that you've done beforehand. So separate the two activities, never do both sales and marketing at the same time. And this is a huge mistake that new business owners make. Because very few people make the distinction between what sales and what's marketing. And that confuses them. You know, they don't know what they should be doing. And they end up doing both, which as we've discussed is doing neither because when you both market and sell at the same time, people are confused. One. And number two, they see you as a cheat. They think that, oh, this guy he's just providing value now because he wants to sell me. Right. That's where he's sending me these messages.

Tudor Dumitrescu 00:09:14 He's sending me these messages because he has a link there, click the link and I'm going to buy some stuff from him. Right. That's what goes on through their mind. And I'm sure that this is what goes through in your own mind when you see this stuff. So it's much better for that reason to separate the two. So then people are not confused. They know, oh, he's now sending me valuable content or content that can actually help me. I better listen to it. That's what they're going to think. When you actually sell something, they're going to think, oh, this guy provided so much value. I almost feel guilty if I don't actually buy this stuff from him, that he's silly. That's how people are going to think. So once you understand this distinction, you understand why when you're a beginner and you need quick cash flow.

Tudor Dumitrescu 00:09:56 Sure. Focus on sales, go where marketing has already been done and try to close those people, pick that low hanging fruit as we call it. But if you're already making cash flow and you want to significantly grow your business, then start focusing on marketing and start really pumping that engine. So I say that for every time that you try to sell something, you should have 3, 4, 5, 6, even more times when you're marketing and really providing value to your audience. And it can work regardless of what business you're in. It doesn't have to be a hundred percent related to your product. Talk about things that your audience is interested in. For example, if you're marketing to coaches, you can also post stuff on LinkedIn that coaches would be interested in, stuff that maybe another coach did as a case study of another coach who grew his business by whatever.

Tudor Dumitrescu 00:10:51 And it doesn't even have to be your client. You can just read how that guy did it, and then just share it with your audience. A lot of these things, when it comes to marketing is about being able to curate content. So, which means that you get to the valuable content before your audience does. And you're able to take that content and put it in a digestible format for your audience and bring it to them. And that's huge value. A lot of people when they're marketing, they're held back because number one, they think it has to be about a product. It doesn't Mike, and he has to be about whatever your audience is interested in. That's number one. And number two, they think that to market effectively, they think that they have to bring in their product in some form in one form or another.

Tudor Dumitrescu 00:11:40 And that's not true. You don't have to bring in your product and you don't even have to bring in your own knowledge. That's what a lot of people don't realize. You can just curate content, get to the valuable content faster than, and then bring it to them. And if you do that, your marketing will be very effective. You're going to build a relationship with those people. People are going to start enjoying, listening to you. And that's pretty much how it's going to work. So, I mean, if you think about what I'm doing here with this podcast, I'm not telling you anything now, right? I have no intention of saying, oh, click this link to buy whatever, right. I'm not doing that. All I'm doing is that I'm just trying to provide value to you and explain to you how things work so that you can then go ahead and apply them in your business and see how fast and how quickly your results improve.

Tudor Dumitrescu 00:12:31 That's why, when I'm doing this podcast, it's all about providing value. There's also, of course, times when I sell stuff and when I do that, I'm straight up about it. I say, I have this. Here's how it's going to help you. Do you want it? And that's pretty much what sales is about. And a lot of people, they confuse the two. And I think that each one of the biggest mistakes that new entrepreneurs can make, that's only followed by relying heavily on sales to scale your business instead of marketing. And you can't really do that. I mean, sure. There have been some people in certain industries, those industries are typically industries where a sale is worth very much who can rely mostly on selling to grow. But those are exceptions, unless your product is worth \$10,000, plus at least \$10,000. Plus at least probably you should be focusing more on marketing than on selling.

Tudor Dumitrescu 00:13:27 So, I mean, if you were selling some software, let's say to multinational corporations with 10,000 plus employees, something of that nature and the price is at least a hundred thousand dollars plus per sale. And it could be even in the millions then. Yeah, sure. I mean, in that case, it sort of makes sense to think that you should be relying a lot on sales because I mean, just with marketing, you're not going to sell those people really. Right? So it's going to be very difficult to post staff or to connect with your audience except through direct outreach, because there's just so few people who are actually interested in what you have. But if you have anything, that's actually a value for a larger number of people. Let's say that you're selling a SAS for real estate agents. And one client is worth, let's say \$500 a year to you or a thousand dollars a year, whatever it is then most impact on you is going to be marketing.

Tudor Dumitrescu 00:14:29 Sure. Initially you might start with a few sales. You might start out by working out your network and the trust that you've already built with those people and that trust, by the way, he's also marketing to already done beforehand, or somebody else has done for you. Let's say that you have an uncle in the real estate business. Of course, if you have an uncle working in the real estate business, you can build a software for him. You can test it out with him. You can have him recommend you to other real estate agents and make your sales that way initially. But at some point you're going to have to move from selling to actually marketing, connecting with more real estate agents, getting the word out there, providing help to them. That could be you organizing, you know, webinars for them organizing live trainings for them, organizing lunch and learns, whatever it is, whatever they find valuable and doing that and separating basically your marketing from your sales and focusing on actually growing your marketing to take you to that next level.

Tudor Dumitrescu 00:15:27 Once you understand these distinctions and you start applying them, I am convinced that you'll notice a huge difference in terms of how you do business and

also how you think about business. And of course the results that you're going to notice because the results are completely different. Always remember this always remember the value of marketing. Don't think that just because they're not buying today, what you're doing is not meaningful because a lot of people, they get into this mindset that, you know, sales is all that matters. So whenever they market or whenever they post value, they think, oh, this is not really meaningful because I'm not selling anything. So, you know, let me put the link here as well and whatnot, and the ruin it when they do that. And it's very hard to resist this temptation. Sometimes they fall in, in myself, but try not to do it.

Tudor Dumitrescu 00:16:18 Not every communication that you put out there has to sell something. And I know that this may scream against your common sense. I know that you may think that you should be selling all the time. I actually disagree with that because we're moving towards the kind of economy where people don't like that they don't like sleazy salesman where you can smell the commission, breath on them from a mile away. And where pretty much everything that they put out is meant to score a sale. People want the kind of economy and environment where they can find what's actually meaningful for them. I mean, think about the why people are searching on the internet, why people are on Facebook, why people are on LinkedIn, think about the purposes that they're going there with, what purposes do they have that make sure that they're on LinkedIn or that they're on Facebook or that they're searching for whatever on Google.

Tudor Dumitrescu 00:17:16 And once you start thinking like that, then you can help them first tapping through. Robert Cialdini in his masterful book Influence calls reciprocity. You can help them first, where you can market to them. In other words, give them what they're looking for, wherever they are, whether it's social media or searching online, give them what they're looking for and keep giving to them. That's marketing, get their attention, build their interest, build their desire. And at some point when you actually have something to sell them, send them a message. Here's what I have here is what it can do for you. Here's how to get it and just see the sales come in. It really doesn't have to be more complicated than that. Remember marketing is really the engine of a business, not sales and great marketing can lead to sales by itself. Of course not. In all cases, I repeat there's exceptions with very high cost products.

Tudor Dumitrescu 00:18:11 We each have a very small audience, probably a sales focused approach is better for most people. They're going to get a lot more out of marketing and building their marketing department consistently versus spending more time on actually doing their selling. This is what I wanted to leave you for today's episode. I also wanted to share with you what a great business consultant said before Peter Drucker, who pretty much defined business as innovation plus marketing. He said, all business is innovation plus marketing. So if something is neither of those, then it's not that meaningful for a business innovation pretty much. It's just producing something new, producing something that's of value and marketing is connecting with people, getting the word out there, building their, as we said, getting their attention, building their interests, increasing their desire, right? And then selling is also a small part of marketing. I would say, that's just asking them for the sale. That's what I wanted to share with you for today. I hope you've enjoyed it and stay tuned for the next episode. And until next time, remember to keep growing your business and providing massive value to the world. You are the reason why we're all growing richer. Our freedoms are expanding and we're all living in greater prosperity. Thank you.