



The Deal Room Podcast

Episode 181 – Winning tactics for business brokers

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Transcript

Joanna: Hi, it's Joanna Oakey here and welcome back to The Deal Room podcast, a podcast proudly brought to you by our commercial legal practice Aspect Legal Now. Today, we have Brian Wilson from the software company Arosoftware who deals primarily with Business Brokers and assists Business Brokers to organise their marketing efforts. And today, Brian and I are talking all about winning tactics for Business Brokers so badly in here we go.

Brian Wilson, I just want to say a massive welcome to the deal room podcast. It's so good to have you on the show.

Brian: Thanks, Joanna lovely to be here.

Joanna: Wonderful. Okay, maybe we can kick it off by you giving our listeners a little bit of a snapshot of Arosoftware and what you do there.

Brian: Yeah, so we are a specialist in the real estate and business broking market. And we produce an integrated CRM and website solution that's designed to improve profitability through an increase in productivity, and generally making business

brokerages work more efficiently and more effectively, along with assisting our real estate agents to market their properties.

Joanna: Love it. Okay, wonderful. And today's topic, obviously, is all about winning tactics for Business Brokers, so maybe just as a bit of an overview, if you can start by perhaps giving a bit of a perspective on what it is that you've seen in the business broker market, and where you think the gap had lied, where's the issue in the tactics of Business Brokers? And how is it that you turn them into winning tactics?

Brian: Yeah. So a lot of the conversations I've been having, with Business Brokers, of late have been around how busy everyone is. And not only are they busy, but they are phenomenally busy. They do not have time in their day to make one more phone call to email one more customer while they're busier than normal. That's not necessarily in all cases translating across into revenue. One of the key objectives for me and the team at Aro is automating as much as we can around the day to day communication, leaving brokers free to do what they do best, which is to be in front of customers, either face to face via video conference, or via the phone, building those relationships and winning those listings.

Joanna: Yeah, bring him in. So presumably, you see lots of business brokering organisations. What is number one? We've talked about the issue that they're busy but not necessarily effective? In getting listings selling, the business getting transactions across the line? Is that what you're talking about in terms of the effectiveness side?

Brian: Yeah, well, many of the business brokerages that we talk to don't have a marketing strategy in place; it's almost taken on an ad hoc basis. So each particular deal or business is a bespoke sales engagement. And what that means is, it's time-consuming and difficult for them to market that business effectively and efficiently. It also means that there's quite frequently a disjointed approach to the sales process around that particular business. So there just tends to be a lot of wasted time and effort. And unfortunately, it does result in a lot of communication that perhaps isn't as on point as it should be.

Joanna: So when you say that communication, that is an on point. What is an example of that?

Brian: Well, one of the most recent examples that I've been given is a gentleman looking to buy a cafe or bar on the mid-north coast of New South Wales. Now the original business broker he signed up to find a business with ended up putting him on a mailing list, which sent him an email at about three o'clock one morning, with an automotive business in Central Queensland. Now, that sort of event happens way too frequently. The end result was he immediately started looking for another business broker. To me, that's something that's easily avoidable, and very quickly able to be stopped by the appropriate use of technology.

Joanna: And so what is it? So what are the points then, that helped to drive proper marketing to the proper people? So obviously, in your example, here, he had, he'd been put on the list and the emails, you know, the email for every business for sale was going to everyone on the list, I guess that that's what it sounds like here. And you're saying, Well, actually, you know, no, one of the components that's required is greater targeting. So how do you achieve greater targeting?

Brian: So the first and foremost method is to actually listen to what your customers are telling you that they're after? Because obviously, they know what they're after. And they know the sort of money that they're willing to spend and the sort of business that they're looking for. So actually listening to that and then putting them in a group of people that can be either targeted by a particular industry or a particular region, particular price bracket, so that the communication that they're getting is only really targeted towards those particular people. They're not receiving things that aren't of interest. You got to remember people in the post COVID world more receptive to receiving digital communications, but only if those communications are relevant and delivering them value.

Joanna: Yeah, look, you're right. You know, I guess if I was looking for a cafe in, you know, in northern New South Wales, I wouldn't necessarily about an automotive business.

Brian: Absolutely not.

Joanna: But it's harder than it sounds, I think is the reality too, to find ways in which you're, you're able to collect data in a way that's segmented, but then to communicate in a way that matches the segmenting without taking the entire day. But maybe there's what you're originally talking about. And I guess, ultimately, we're getting really micro here. And perhaps in a moment, we'll step back and look at the bigger picture again, but \what is the answer in this targeting? So what are some ways or are there ways that that can be automated, without being, you know, a massive time investment? And I'll give you a bit of context for my question here. So we run in our legal practice many different types of marketing, marketing to segmented audience. So we recognise the issues that you're talking about. And we recognise that there's a need for targeted communication. But it certainly takes a lot of effort because we have to have the systems and processes in place to put enquiries into buckets that they relate to inane, but it's not just that we have to craft communication that then talks to those different segments as well. Is that the same level of involvement that's required in your clients? Or is there a way that there's your software allows more automation? Or that you have seen just from a practical perspective that allows greater automation to allow targeting without it being? You know, such heavy work?

Brian: So the simple answer is yes if that's one of the main benefits that a system like Aro can provide, is, once you've set the system up, and you set those processes up, it's a relatively hands-off approach because you only need to set it up once it's then a matter of making sure that your subject matter experts have a consistent strategy that they're working towards, and producing content on a regular slash semi-regular basis that allows for that communication to go out. So really, we remove the hard work of getting the information to the people leaving your guys or the business brokerage is the task of preparing that information, rather than having to prepare it and then send it and then track who has opened it.

Joanna: Okay, fascinating. There you go. Okay, so we've been talking about targeting communication to the right set of buyers. But of course, in order to have something to sell to a buyer, Business Brokers need to vendors and I know the listings, you know, in the marketplace, at the moment, it appears that the listings, and perhaps it's always the case, and listings can be harder to get that then the buyers themselves, but it's

particularly the case, you know, at the moment in what I hear everywhere, and we certainly have an influx of buyers here at Aspect Legal as well. So I can tell you, it's absolutely true. There is a heap of buyers out there at the moment. So we also need to look then at marketing to the vendors themselves. So were some of the tips that you see in marketing to effective marketing, to winning vendors.

Brian: To be completely honest, it's the same as marketing to buyers, because, at the end of it as a business broker, your job is to bring these two parties together to knit out a deal so that everyone's happy. Having that targeted and relevant communication to the buyers is just as important as it is to have it for the vendors. You need to have a clear, concise strategy around how you're going to market not only the brokerage but also yourself and have that communication ready to go at a moment's notice.

Joanna: Okay, I love case studies and stories, but I can't help it but maybe if you could share with us some examples of what you've seen, where perhaps there was a bit of a mess, and then the cleanup of it and the outcome of getting marketing more orderly and more effective.

Brian: So for one of our most favourite customers I use that term very, very loosely, they were in an absolute mess with one of our competitor's platforms. And it was no fault of our competitor's platform. It was literally that the old adage of garbage in garbage out, they hadn't gone through the process of actually working out their processes and procedures and everything before setting up the software, and then trying to do it after the horses bolted was very time consuming and problematic. So when they came across to us, we set with them, we worked out their processes and procedures beforehand, and spending that couple of hours with them, just getting them to start to think about, okay, rather than doing the same thing over again and expecting a different result, let's look at how we can perhaps change the way your team works, and utilize and leverage the technology to actually do a lot of that heavy lifting. Now, from their perspective, they went from needing about 19 hours to produce a market-ready campaign down to around two and a half hours that was purely to create the content.

Joanna: And so let's get deeper, then where was that time savings. So that 17 hours that was saved, what were they doing before versus what they were doing?

Brian: what they're doing now, exporting it out to excel their entire client database and trying to sort through getting feedback from brokers on who don't they want it to go to who do they want it to go to then also trying to remove those contacts that have unsubscribed in the past, then also making sure that they've got all of the information ready to go, that took on average about 10 to 12 hours for each of their mail campaigns. Afterwards, that's one of the issues if you don't set the systems up properly is it can be incredibly time-consuming, especially when you're not using an integrated platform. So you're taking data out of one system and potentially bringing it across into another that does also create the possibility of errors. So some people getting information that's not relevant to them.

Joanna: Okay. All right. So we've talked about targeting communication and getting systems and processes in place to ensure that once you know, we've cleaned our information up, and we've segmented it properly, it's easy for us to say send segmented communications out, are there any other top things that our brokers should be thinking

about in terms of ensuring that their marketing is effective and efficient?

Brian: I think we've covered off on the efficiency, but I think the thing that we need to really focus on is that word, effective. To be effective, you need to be able to produce a strategy that everyone is aligned with everyone understands, and everyone is working towards. Without that strategy in place, you're going to end up with communication that doesn't align and can create confusion, or even worse can create potential customers leaving the business.

Joanna: Yeah. Okay. And so what are some examples of that? So what have you seen, you know, happened that leads you to make that sort of statement?

Brian: It's, I mean, I've been a salesperson now for almost well over 20 years. Unfortunately, one of the things that I can honestly say is, when a salesperson doesn't listen to their customer, that's going to end very badly for that particular salesperson. Now, when you're in a business, where you need to build relationships, and you rely on those relationships, just ignoring one customer tends to have a ripple effect through the market to the point where I have seen Business Brokers that have been very good at their job for a very long period of time end up leaving the industry because of the fact that they just weren't listening to what the messaging they were supposed to be giving was. And so it caused a lot of confusion. And in the end, it brought about termination of that employment relationship, purely because they weren't on board. So that particular company is Victorian-based and they were the focus in that childcare aged care segment with everyone knows an aged care facility. Okay, so trying to hide the aged care facility, actual identity is quite difficult, but it is something that if you don't do people that work there if they hear the businesses up for sale, they get skittish. And so what happened was this particular broker had come in from a different segment of the market. They had a very, very long, almost 20-25 years. I think it was in business brokerage. He had been with this particular company for a couple of months. And he was talking to a prospective buyer about an aged care facility and he pretty well identified it to them, even though all of the messaging and all the information you've been told, don't do it, he pretty well identified it. And that particular buyer went straight back to that particular aged care facility and said, I hear you're up for sale. They had about 18 resignations in a 48 hour period.

Joanna: Wow.

Brian: Because no one was prepared to be out of a job or potentially out of a job. If it was bought by one of the franchises they apparently don't take everyone they call a lot of staff and bring other people in. So there was just a mass exodus and, and they hadn't actually made the firm decision to sell. They were just testing the market. And again, if you're not aligned, and if there's no alignment with that strategy, particularly an on go to market, then if you don't get the right people in that are willing to adapt to the strategies and look at a proper marketing plan. It can create some major issues. And to the point where this guy is now actually having he's now selling real estate.

Joanna: Right? Not that there's anything wrong with that.

Brian: Not that there's anything wrong with that at all. But when you spent 25 years selling businesses, you don't necessarily think that you're going to be not able to continue that through to retirement.

Joanna: Absolutely. So what's the message that you want to get through

Brian: Always have a clear strategy, clear process and clear procedures.

Joanna: Fabulous. Well, look, is there anything else? You know, we've covered a lot today in your marketing, targeting communications in ensuring that we have clarity in our strategy. And in the way we're executing our strategy, I guess, are there any last-minute additions that you want to leave our listeners with today?

Brian: No, I think that pretty much covers it. Today, Joanna.

Joanna: Brilliant. Well, look for our listeners at Brian and I will be providing you with a webinar in the upcoming weeks talking all about effective marketing, to win vendors and get droves of buyers. I'll be talking about a lot of the marketing that we do. And a lot of the marketing tactics and strategies that we have in place were avid market marketers out there in the business sale and acquisition space. And obviously, Brian will be talking about some of the learnings at Aro Software. And what else you're going to be talking about in the webinar?

Brian: Really, what we'll be talking about is how to, I suppose target those the right people, and then how to have those processes and systems in place, place and give you some examples of those processes and systems in place to make the most out of technology.

Joanna: Brilliant, Okay, wonderful. And what you'll find is on your show notes page, and on our website, you'll find a link straight through the registration page and have no fear if you miss the webinar that we're holding, because you're listening to this a little bit later than when we're holding it in 2021. We will have this available as an on-demand webinar in the future as well. So you'll find the link still in our show notes. So go ahead and either register to come along to the live event. If it's after the event, then make sure you register online and we'll make sure we shoot you through a recording of the event. Of course, if you make it to the live event, then you'll be able to ask questions and we'll be able to answer all of the questions that you have. But I just want to say a massive thank you, Brian, for coming on to The Deal Room Podcast today.

Brian: Thank you very much for having me.

Joanna: Brilliant. Wonderful to have you on board.

Well, that's it for this episode of The Deal Room podcast. Of course today we're talking with Brian Wilson from Aro Software all about winning tactics for Business Brokers. If you'd like more information about this topic, then head over to our website at thedealroompodcast.com, where you'd be able to download a transcript of this podcast episode. If you'd like to read it in more detail there you'll also be able to find details of how to contact Brian at Aro Software. If you're interested in finding out more about how Aro Software might be able to assist you in your business brokerage there you'll also be able to find details of how to contact our legal Eagles at Aspect Legal, if you or your buyer's or sellers would like to discuss any legal aspects of sales or acquisitions. And finally, if you enjoyed what you heard today, then please pop over to iTunes and leave us a review and don't forget to hit the subscribe button as well before you go well



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