

Chris LoCurto : Folks, we've got a great guest on today. Very excited to have Joe Calloway on board. If you haven't heard about Joe, you should have already by now. He's a business author, consultant, and speaker, whose client list reads like an international who's who in business ranging from Coca Cola to Verizon to Cadillac. Joe is also the author of six, yes six, books with his newest book, Magnetic: The Art of Attracting Business, which is going to be released in November. That is what we are talking about today. We are going to be talking about his new book, Magnetic.

Please, welcome to the show Joe Calloway. Joe, welcome to the show.

Joe Calloway : It is great to be here, Chris, thanks for having me.

Chris LoCurto : It's good to have you on board. Glad that you got a chance to spend time with us here and our audience. This is a fantastic audience for this book because we've got about 40% entrepreneurs, 40% who want to be entrepreneurs, and 20% that are team members or leaders. Everybody wants to know about business stuff. That's what we talk a lot about. Before we get into the crux of it, what I always like to ask each author is why did you decide to write this book?

Joe Calloway : This book ... Sometimes my books come from this. It came from ... actually, it was driven by my client base, by the groups that I work with, which used to be mostly Fortune 500 companies, and I still work with some of those, but now it's much more groups of leaders of small to midsize businesses, entrepreneurs, owners, and a couple of things that combine to spark the idea for this book. One was how do I grow my company? How do I continue to grow, because if you stop growing in the marketplace today, then you're likely in trouble. We've got to keep moving forward, and we've got to keep growing our business. Then the other thing was, for lack of a better term, the impact of the internet and the fact that certainly with consumers it's already a tsunami, but it's happening more and more in business to business, which is that before people make any buying decision, they go on the internet to see what the internet says about whoever they're considering.

Those two factors, growth, the impact of what customers say about businesses on the internet, and then some other ideas thrown in, they resulted in this new book and it was ... some books are really ... It's really sweating bullets to get them done, but this book was fun for me because I found the topic to be fascinating and useful. I've really enjoyed writing this book.

Chris LoCurto : I can totally see where you're coming from on that, how this would be one of those exciting ones because it is definitely a place now where so many people are wanting to be entrepreneurs, so many people are trying and the concept of business alone is difficult enough, let alone how do you draw people in. I agree

with what you say. We've even got statistics that show that over 80% of people trust peer recommendations, where only 14% trust advertisement or promotion.

Joe Calloway :

Yeah.

Chris LoCurto :

I'm completely with you. For those folks that are out there, you've got two sides. You've got the folks that are out there that are trying to ... they've been running a business a while and, like you say, the advent of the internet and stuff that's going on, but they're trying to attract customers to a business, and folks who are wanting to start out and don't want to have to reinvent the wheel. What is the key or keys to attracting customers to a business?

Joe Calloway :

The key is this, and you talk about not a new idea, but it's one that ... Interestingly enough, I found resistance to it. The key idea is this. The single biggest factor in your marketing, your sales, in the growth of your business, and I mean, Chris, the single biggest factor without question is the quality of the experience that you create for your customers. Whether it's a good experience or a bad experience, now more than ever before they're going to talk about it.

The old number used to be ... I heard it for years. A satisfied customer will tell four or five people. A dissatisfied customer will tell up to 20. You can change the math on that now because a satisfied customer may tell 1,000 people. A dissatisfied customer might tell 2,000 people, given the advent of social media, chat rooms, all of that.

What people tend to do is they say how can I manipulate social media in my favor or in my defense and they're missing the point. You don't manipulate social media. You create an experience that causes positive word of mouth. That's the key.

Chris LoCurto :

There's so much of traditional marketing that is going to the wayside.

Joe Calloway :

Oh my gosh.

Chris LoCurto :

That is no longer ... Not only is it not working, but the concept of blast out a message to the mass and hope that you pull in one or two when nowadays, like you're saying, it doesn't take much for one person to reach 1,000.

Joe Calloway :

Yeah, and you know what-

Chris LoCurto :

The message of good or bad.

Joe Calloway :

Yeah, exactly. You talk about traditional ideas. There are even people that are sticking to traditional ideas when applied to current avenues of communication, like social media, and what I'm thinking about is ... Here's the basic formula

now. People aren't really interested in what you say about yourself. People are interested in what other people say about you.

Chris LoCurto : Absolutely.

Joe Calloway : Chris, that even applies to social media. I hear people say, okay, I've got this new company. I need to start a social media company. I need to get some stuff out on Twitter. I say look, I'm all for having a social media program, of course. I'm active on social media. What drives business, to me, is what my customers say on social media. That's my number one priority is doing the work that creates the positive word of mouth.

Chris LoCurto : Yeah, sales don't happen on Twitter.

Joe Calloway : No.

Chris LoCurto : They don't.

Joe Calloway : They don't.

Chris LoCurto : Speaking of social media, speaking of the internet, I know this is something that you focused on for quite a bit. How has the internet changed how a business attracts a customer because, like we said there, we're talking about Twitter, there's so many different platforms, but just talking about yourself doesn't do it. How does a business attract customers with the rapidly changing Internet?

Joe Calloway : Here's the formula that I think most people would agree with, which is do people, meaning if not most people, certainly lots of people ... Do people tend to go on social media and talk about the things in their lives quite naturally without you or me or anybody else prompting them to do so? The answer is yes.

People go on social media and talk about what they like, what they don't like, what was fun, what was awful. I think it used to be in fairly recent history, that marketing consisted of, when it comes to the Internet, I need to get people to go on the internet and talk about me. You really don't have to worry about that. They're going to talk about you whether you like it or not. Let's pull back to the source of their conversation, which is their experience.

I saw the greatest post by someone and I would love to credit him or her. I don't remember who it was. It was a couple of years ago. They said people used to buy the chutney, meaning a jam. People used to buy the chutney because it was in a cool bottle. Now they buy the chutney because they like the chutney. Meaning the wrapping doesn't really matter anymore. It's what's inside because everybody's saying this is great chutney! You should buy some!

Chris LoCurto : Right.

- Joe Calloway : That's why they buy it. Step number one is making better chutney.
- Chris LoCurto : Yeah, and in a world that is trying so hard to make great looking outside products, it's not about the label. It's not about the bottle. It's not about the jar. It's about the reaction of your fan base. If you can create that...
- Joe Calloway : Somebody asked me just two weeks ago ... There was a guy who does what I do. He's a few years behind me, but he's doing quite well. He came up to me and he said could I ask you one question? I said sure. He said if you were to sum up your marketing program, how would you sum it up? I said I'd pour everything I've got into doing good work. He said you mean work on marketing? I said no. Work like you just saw. He had just seen me giving a speech to a group. I said 80% of my time and effort and energy goes into product quality and improvement. That is my marketing, because if I do good enough work, there's no way I can keep people from talking about it, and that is what brings me more work.
- Forbes magazine said positive word of mouth is without question the most powerful factor in buying decisions today. It is.
- Chris LoCurto : Do you think, with that, on that subject ... Do you think it's possible for most businesses, if not all business ... I don't know if all could, but do you think it's possible for most businesses to control the narrative? Especially to what their product or service is?
- Joe Calloway : You inherently control the narrative with the quality of your work. Let me give you a really classic example, and you talk about bringing it down to the individual. It was two years ago next month that my wife and our two daughters went to Washington DC. We had gone on Trip Advisor, which I'm a big fan of, and on Trip Advisor the number one most popular activity ... Number one over everything is a walking tour of the monument area of Washington DC and it's put on by a guy who is a retired high school teacher. You meet him in the morning at 9:00 on a designated corner and 30 or 40 people show up, and he takes you on a three hour walking tour, and then he says pay me whatever you feel like this was worth to you. The guy is making an absolute fortune.
- If you go on Trip Advisor, he's got something like 2,500 reviews and all but two of them, literally, are five stars. His whole catalyst for that, Chris, is at the end of his tour he says by the way, if you enjoyed this tour, I would love it if you'd go on Trip Advisor and post a review. Thousands of people have done that and that's all the marketing he needs to do. As a matter of fact, I called him and asked him if I could put him in the book and he said, Joe, thank you. I'm honored, I'm flattered. He said I've got more business than I can handle. He said I don't need 100 people showing up on this corner every morning. He said I'm doing just fine, so don't put me in the book. It would be overkill.

- Chris LoCurto : That is so powerful that people are willing to do that. That is a great way of controlling his customer base and controlling the narrative.
- Joe Calloway : Yeah, and I posted a positive review because he did such a good job.
- Chris LoCurto : Yeah, it's not the ask that gets you to go fill it out.
- Joe Calloway : No.
- Chris LoCurto : People ask all the time. It's not the ask. It's the heck yes, I'm willing to do this for you. You've given to me. You've enriched my life, if only for the day.
- Joe Calloway : Chris, what I run into is I talk about this idea, and you run into legions of people who say yeah but what can I do about the social media? I say wait a minute. You just back up. I just told you what to do. Do great work. It's like, no, that's not the problem. My work is really good, it's just that nobody's saying anything good about it. Hang on! There's a disconnect. If your work is really good, you won't be able to keep people from saying good things about it.
- Chris LoCurto : Exactly. I love that. Exactly. That is so true. If nobody is saying anything about it, there's probably a bigger problem.
- Joe Calloway : Yeah, hello.
- Chris LoCurto : For me, you talk about one on one strategy in the book, and for me, it should be an obvious. It should be something that we understand, but there is a world of media that is screaming go get yours. Here's how you do you. Here's how you do your business. Everybody is on a street corner somewhere teaching people how to do business for themselves, and here's how you make your money, here's how you do your thing. It's all about you, the individual. Talk about the importance of a win-win strategy.
- Joe Calloway : Let me jump right in with that chorus and say I'm all in favor of you getting yours.
- Chris LoCurto : Absolutely.
- Joe Calloway : I encourage go get yours, and I know you do too.
- Here's where we may part ways with some of the people out there, which is ... I first heard this idea 37 years ago.
- Chris LoCurto : When you were two years old, right?
- Joe Calloway : Exactly and Chris, honestly, I think about it ... It's in my DNA now, because it's such a natural part of doing business, but the idea is for you to get yours, for you to accomplish what you want, certainly for your business to succeed, you

have to follow this rule. You've got to make sure the other guy wins. I don't mean this in some let's all hold hands and sing kumbaya. No, folks, I'm saying this is the way the real world works. If you make someone lose, number one to reference back to what we were just saying, making somebody lose that'll go on the internet and tell everybody you made them lose. Not only that, they will stop giving you their money and they'll take it somewhere else.

The people that I do business with, the companies that I am loyal to, are the ones that make sure that I win. It's the simplest, most powerful, and often most misunderstood idea in the world. It's not about being precious and nice, although it is a good thing to build up a back log of people who have positive feelings about you, but ... I heard a friend of mine say once I feel like I've got reverse paranoia. I feel like everybody's out to help me. If you play win-win, that's what happens. Everybody ends up out to help you.

Chris LoCurto : Yeah. That is absolutely true. A buddy of mine, Rabbi Daniel Lapin, talks about this all the time, where he's like when you get paid, that money that you're receiving, when someone is willing to pay you for your services, that is them saying I appreciate what you've delivered.

Joe Calloway : I love that.

Chris LoCurto : I've won on this end. If I want to give you my money, I've won. You did a great job. Absolutely, but again, like you're saying, if your focus isn't on making that customer win, then the chances of you winning is ... You may win, but it'll be a very short period of time.

Joe Calloway : That's it, yeah. The only exception to win-win is there can be some short-term exceptions, but you know the thing is, Chris, I'm perfectly willing to take a short-term loss, if it will get me a long-term win.

Chris LoCurto : Absolutely.

Joe Calloway : There's times that I will give something to a customer and on that transaction, I may even lose money. Long term, I've lucked into relationship. I've created an ongoing stream of income from that customer. Yeah, it really comes down to a matter of common sense.

Chris LoCurto : Absolutely. You talk also in the book about the ... I'm doing my air-quotes here, "The amazing overlooked advantage." What is that all about?

Joe Calloway : I'll tell you what, and this one is so simple it blows my mind that more people don't do this. The amazing overlooked incredible competitive advantage is quick response. Quick response to customers, to potential customers, to business partners ... Chris, I was working with a company, it's been a couple of months ago, and they were so proud of their 24-hour response guarantee with customers. On purpose, I was messing with them. I was jabbing at them, and I

said that 24-hour response thing wouldn't work with me as a customer, but it's because of where I live. They said where do you live? I said the 21st century.

24-hours? Are you joking? Nobody waits 24 hours anymore.

Chris LoCurto : Not today.

Joe Calloway : I've got a whole chapter in that book with examples and reasoning and logic on how, if you want to do something to build your business, that's a good place to be is this policy of immediate response. It's one of the three things that are the absolute cores of the success of my business. Whatever success I've experienced, one of the three pillars has been decades of immediate response to people and it is priceless.

Chris LoCurto : I think, especially depending upon who your clientele is, if it's sub-30 or even if you're selling to youth, you have to understand, it's crazy today ... Today's kids get frustrated with each other if they don't respond to a text within five minutes.

Joe Calloway : Yeah.

Chris LoCurto : Are you mad at me? No I'm not mad at you. I'm busy. I'm doing something!

Joe Calloway : You're right.

Chris LoCurto : That mentality is something that is absolutely taking over this concept of you should ... That's one thing that I tell people about my personal cell phone. My personal cell phone is my cell phone. It is for my convenience, not for your convenience.

Joe Calloway : Exactly.

Chris LoCurto : However, my business is for your convenience.

Joe Calloway : Let me jump in, because there may be some people thinking you know what? I disagree with Calloway on this because I've got a life and I'm not going to be at the absolute beck and call. Whoa, pull back. Listen to what you were just saying, Chris. I'm talking about business.

Chris LoCurto : Right.

Joe Calloway : In business, if somebody says to me I'm not going to immediately respond to customers, I've got other things to do, my first question is explain to me what you're doing that is more important to your business than an immediate response to a customer? Honestly, I'm not saying stay up all night or don't listen. I'm the first one that walks away from work to go be with my kids. My

business doesn't run me. I run my business. Part of my business is immediate response to customers.

Chris LoCurto : We probably need to define customer, because for me, a customer is somebody who pays or a potential customer, somebody who is potentially going to pay. There are tons of people that want something from you that do not want to spend a dime with you and I wouldn't consider those customers or potential.

Joe Calloway : Exactly.

Chris LoCurto : If you've got somebody who is trying to constantly hound you for free stuff, that's not who we're talking about either.

Joe Calloway : No, not at all. You know what though, Chris, I also put my trusted, essential business partners on that list too.

Chris LoCurto : Yeah, definitely. You also talk about better beats different.

Joe Calloway : Don't get me started.

Chris LoCurto : Explain that, because there's a lot of different thoughts out there. Explain what you mean.

Joe Calloway : Here's what I mean. There is a line of thought where people ... I even read not too long ago a post that said different beats better. I had trouble processing it. I thought what planet do you live on? I'm all for being different and the most effective way to be different is to be better. Listen, if you want to be different, wear a funny hat, but that's not necessarily going to get you more business.

I will say this: Being different could initially, short-term drum up some business, but if you're not better, that business is going to go away. The key ... Oh my gosh. It's so glaringly obvious. When you look at businesses that have been able to sustain success in the marketplace, it's because they are better than their competition in some respect.

I read one time a computer consulting company had this as kind of a motto. They said buzzers and bells wear off. Quality never does.

Chris LoCurto : Amen.

Joe Calloway : That's a mantra right there. I love that.

Chris LoCurto : Yeah, and I think that whoever wrote that, I think they're considerably misunderstanding the concept.

Joe Calloway : Yeah.

- Chris LoCurto : Different does not beat better. Different beats same.
- Joe Calloway : Exactly.
- Chris LoCurto : If we're the same exact, the same quality, then show something that you can do differently that draws them in, but different does not beat better. I completely disagree with that.
- Joe Calloway : Yeah.
- Chris LoCurto : If you could go back in time ... You've been studying this, you've been teaching this, you've been putting books out on all of this. If you could go back in time to a young Joe, what would you tell him?
- Joe Calloway : I know what I would tell him, because I've actually thought about this lately, which ... I've gotten pretty good at it. I wish I had gotten good at it sooner. I would tell young Joe ... I would say Joe, learn to say no. Start saying no to things more quickly. There's a balance in that, Chris, particularly when you're starting out, because on the one hand, you want to stretch and you want to try things that you don't even think you can do, because in trying them, you will learn how to do them. I'm all for that.
- Then there are particularly people ... Let me explain it this way. There was an advertising agency ... Golly; this must have been 20 - 30 years ago I read about this. Four young guys that started an ad agency, and they had four rules they were going to follow. This was in place of a mission or a vision. Rule #1: Do great work. Rule #2: Have fun. Rule #3: Make money. Rule #4, and this is the one I love: Don't work with people you can't stand.
- Chris LoCurto : Amen.
- Joe Calloway : I wish I had learned earlier that I don't have to work with people I can't stand. I don't have to take those jobs that, once they go on the books, I dread doing them.
- Chris LoCurto : Yeah.
- Joe Calloway : I'm not saying don't stretch. I'm totally in favor of that, but I'm saying learn early on what fits, what doesn't fit. Warren Buffett once said successful people say yes a lot. Extremely successful people say no to almost everything. What he meant by that was extremely successful people have developed clarity and focus around what matters most to them. They say no to other things.
- Chris LoCurto : Definitely. Yeah, specializing in that area that's the focus, that is the thing that is pushing you on or helping you to grow in and become great at, I completely agree.

- Joe Calloway : I agree.
- Chris LoCurto : I have fired customers in the past. It's been few. The only customers I've ever fired are the people who know everything.
- Joe Calloway : Oh my gosh, yes.
- Chris LoCurto : Because they know everything and they will bug the daylights out of you on stuff, and it's still what about this? Yeah, I already know that. Then go somewhere else.
- Joe Calloway : Exactly.
- Chris LoCurto : If you know it, how come you're not putting ...
- Joe Calloway : I've had people that have wanted to hire me and after 20 minutes on the phone I've said wait a minute. Why are you hiring me? It seems like you're criticizing everything about what I do, and yet you came to me to do what I do.
- Chris LoCurto : Yeah. There are plenty of people that can become successful and want that. I completely agree with you. There are certain times you've got to say no and you've got to know that it is okay. I think we live in a world, and for people not to confuse the stuff that you're teaching about ... Respond to your customer, get out there, make it happen, take care of them, serve them, but those that don't need your service or are too difficult that you can say no to? Say no.
- Joe Calloway : Absolutely.
- Chris LoCurto : Life's too short.
- Joe Calloway : Absolutely.
- Chris LoCurto : Say no.
- Brother, thank you so much for doing this. How can people get more of you?
- Joe Calloway : Listen, it's very easy. Everything is on the website, which is my name. It's joecalloway.com, and Calloway is C-A-L-L-O-W-A-Y.
- Here's a cool thing. If you go to my website and go to the video page, scroll all the way to the bottom and you can access 21 short videos for free. I think they get your email address, which puts you on the once every six weeks newsletter, which you can unsubscribe to, but yeah, it's 21 short videos. We used to sell them on a DVD for \$500.
- Chris LoCurto : Heck yeah.

Joe Calloway : Then my business partner up in Minneapolis one day, she said why don't we give these away? I said I think that's a good price. Let's make them free.

Chris LoCurto : Free is a good price.

Joe Calloway : Free is a great price. They can order the books on there however they want. Amazon or Books-A-Million. They can order it however they want straight from the website.

Listen, thank you for having me. This has been a pleasure.

Chris LoCurto : Same here, brother, same here. So much great information.

Joe Calloway, folks. Great information, obviously. The things you need to be focusing on, the things that you need to understand when it comes to attracting customers to your business. Not just going out and getting them. A lot of you have plans and processes. This is the art ... Magnetic is the book. The art of attracting business. This book comes out in November, and again, thanks to Joe for joining us.

Joe Calloway : Thanks, Chris.