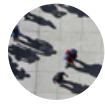




## THE HUB MENTALITY

Shifting From Business Transactions  
To Community Interaction

Carl David Woolston & Stephen Palmer



To every man is given a choice he makes alone,  
It is a choice that no other can make for him,  
It's a decision that he must bear on his shoulders,  
And reap the consequences of this one decision,  
Not just one time – but over and over again:  
*Will He Learn?*

# Adapting To the New Driver

*“Marketing is too important to be left to the marketing department.”* David Packard

*“Marketing used to be about advertising, and advertising is expensive. Today, marketing is about engaging with the tribe and delivering products and services with stories that spread.”*

*“A tribe that communicates more quickly, with alacrity and emotion, is a tribe that thrives.”* Seth Godin in *Tribes*

---

**News flash to Information Age businesses:** You’re not in the driver’s seat anymore. There has been a drastic power shift that will either make you or break you, depending on how well you adapt.

Unlike the past, you can’t steer people where you want them to go using interruptive, intrusive marketing and sales tactics. Now, your job is to build the car (i.e. provide the products and services) that your customers want to drive. If you grab the steering wheel and force the direction, they’ll hop out and leave you in the dust.

It’s becoming increasingly difficult to catch the eyes of the consumer. Once you have them you have to keep them. Technology has transformed relationships between businesses and customers. Now, your job isn’t just to transact sales. **Your job is to cultivate trust, build community, and interact with your customers on an ongoing basis.**

**Your job is to become a hub, a center of influence that creates value for your customers on their terms.** Sales and profit are the result of fulfilling customer desires through educational, valuable content and remarkable products and services. Do this and your loyal community members become your advocates and evangelists.

But do you know why? More importantly, do you know the day-to-day logistics of *how* to do it? Your ability to implement and sustain Hub Mentality™ will determine your level of success in the 21st Century. Those who do not make the transition will fail. Period.

## The Drastic Power Shift In Business

Civilization has completed two life-changing shifts: first, from hunting and gathering to agriculture, and second, from agriculture to industry. We're currently in the throes of an upheaval that dwarfs the first two, which is the shift from the Industrial Age to the Information Age.

Nothing is immune to its effects, including and especially business and marketing. In his classic "study of tomorrow," *The Third Wave*, futurist Alvin Toffler writes:

*"So profoundly revolutionary is this new civilization that it challenges all our old assumptions. Old ways of thinking, old formulas, dogmas, and ideologies, no matter how cherished or how useful in the past, no longer fit the facts. The world that is fast emerging from the clash of new values and technologies, new geopolitical relationships, new life-styles and modes of communication, demands wholly new ideas and analogies, classifications and concepts. We cannot cram the embryonic world of tomorrow into yesterday's conventional cubbyholes. Nor are the orthodox attitudes or moods appropriate."*

The profound shift in business is one of power. The transformed nature of business power is changing all the rules.

# What is the New Power?

In the Industrial Age, money and size were power. The 20th Century business model was based on injecting large amounts of cash into advertising campaigns that promoted and sold products to cold contacts. Traditional advertising models were based on buying eyeballs—in other words, the goal was to interrupt consumers.

Newspapers produced much of their revenue through ad space. Television, if you had the budget for it, was also a proven way toward success, given the right products and services. Mass mailings, advertising in magazines, tradeshow and events, and telemarketing were also effective.

Reaching the masses, or quantity, was the goal, rather than quality relationships. Mass production, rather than customization, was the methodology.

In the Information Age, relevant, engaging information is power.

A small business that provides relevant information along with incredible products and services to solve the problems of its customers wields more power than the large corporation that throws big bucks into interruptive ad campaigns that don't speak to customer desires. The market has been transformed and it demands a new kind of business, one that markets and communicates differently.

*“For decades, the only way to spread our ideas was to buy expensive advertising or beg the media to write (or broadcast) about our products and services. But now our organizations have a tremendous opportunity to publish great content online—content that people want to consume and that they are eager to share with their friends, family, and colleagues. Word-of-mouse is the single most empowering tool available to marketers today.”*

David Meerman Scott

Due to the rise of the web and the ability to leverage technology, effective, customer-centric marketing campaigns with small budgets trump ineffective, yet heavily funded, product-centric campaigns. Additionally, this new market demands that a significant portion of the money you've been spending on getting customers' attention and selling them product must be shifted to keeping them engaged within your community.

### Case Study: Blendtec

Blendtec, a producer of powerful blenders, is a company that has made a smooth transition into Information Age marketing. Instead of spending hundreds of thousands of dollars on old broadcast media, they spent \$50 producing simple videos and spreading them through new social media outlets such as YouTube.

Their "Will It Blend" extreme blending videos showcase Tom Dickson taking random items, such as golf balls, marbles, and even cell phones, and throwing them into their blenders. Viewers are astounded as they chew up unlikely materials such as metal and glass, leaving nothing but a fine powder.

Brad Baldwin reports, "Currently YouTube's #3 most watched video producer, Blendtec has found an amazing ROI for their \$50 marketing spend. With over 6 million visitors to their

WillitBlend.com web site in just five short days, it's been like hitting the mother-lode for the typically under-the-radar commercial small appliance manufacturer. More interesting than the awareness is Blendtec's use of blogs, RSS, and comments from watchers/readers to feed future creative. And with over 10,000 comments from prospects in 10 days since their campaign launch, there's certainly no shortage of ideas."

Six million visitors in five days. 10,000 comments from community members. All this with \$50 videos. Even more interesting is the fact that when you watch the videos, no one is selling you anything. There is never a direct call to action. They simply engage you with something fascinating and you're left thinking, "Oh my gosh, I want a Blendtec!"

# Who Has the Power?

Not only has power itself changed, but also who controls it has shifted. In the past, it was business that wielded power to achieve its ends. Now, the power lies with customers.

It is customers who dictate the creation and disposition of information. It is customers who determine not only what things get produced, but also how they get produced (note the rise in social-oriented and environmentally-friendly businesses).

Customers are firmly planted on the new throne; businesses are their servants. Those that understand and adapt will survive and thrive. Those who don't will disappear, leaving only a memory.

*“The rules have changed and consumers now hold all the power. They can screen calls, sign up for the Do Not Call registry, edit out commercials with DVRs, unsubscribe from e-mails and toss mailers unopened.”* Scott S. Smith

Customers are firmly planted on the new throne;  
businesses are their servants.

**Case Study:  
The  
Newspaper  
Industry**

The newspaper industry provides overwhelming evidence of how drastic the power shift is. According to this dismal report from Investor's Business Daily, "Newspaper readership has been on the wane since the 1970s, when about 80% of the adult population received a daily paper. The trend sped up with the rise of the Web; readership is now below 48%."

"What's left is a business model that's half of what it was 50 years ago," said Steve Gray, managing director of Newspaper Next. "The pieces that we have that still function are also the most expensive to produce, which is local news."

*The Economist* reports that, "Newspapers have not yet started to shut down in large numbers, but it is only a matter of time. Over the next few

decades half the rich world's general papers may fold. Jobs are already disappearing. According to the Newspaper Association of America, the number of people employed in the industry fell by 18% between 1990 and 2004. Tumbling shares of listed newspaper firms have prompted fury from investors. In 2005 a group of shareholders in Knight Rider, the owner of several big American dailies, got the firm to sell its papers and thus end a 114-year history."

It's not that people aren't interested in news anymore; it's that they're getting their news online. They're getting it from sources that allow them to search and absorb on their terms.

## Why the Power Shift?

Why has the proliferation of information changed everything? Because it delivers choice to customers and makes business transparent. Furthermore, the new technologies give consumers the ability to enjoy media content without ads.



## Choice

The web is to blame for all this chaotic change. Innovation in communication has given consumers a virtually limitless menu of information and choice. They can get what they want, when they want it, how they want it and from whom they want it.

Choice is killing the old business model. Telemarketing has died. Newspapers and TV are less effective and more expensive for their return on investment. Mass mailings are tossed by consumers who don't even open them. Consumers don't have to rely on tradeshows and events for their basic information. They go to the web.

Product and customer reviews and consumer reports/alerts make it increasingly difficult to secure loyalty from consumers. You could hard-sell a car buyer twenty years ago when you had them on the lot, but today, buyers explore hundreds of cars with their fingers in the comfort of their own home, before ever setting foot on a car lot.

Consumers are swimming in choice, they're fully aware of it, and they exploit it to the fullest.

Which product are you inclined to buy—the one that is shoved in your face with a one-time-must-buy-now special offer, or the product that you can research on the Internet and choose to buy from thirty providers?

Consumers are swimming in choice, they're fully aware of it, and they exploit it to the fullest.

## Transparency

Your customers want to know exactly whom they're dealing with. They don't want hype, posturing, and sales devices. They want to do business with the authentic you—the you that cannot be taught or faked.

In the digital age, there is nowhere to hide. Every interaction a customer has with your company leaves a mark, an impression, a brand that they will most likely share. This experience may or may not be the brand that you are promoting through your various marketing initiatives. This has always been the case. But now, the power is in the hands of the customer more so than ever before.

The Information Age has stripped you naked and left you exposed, flaws and all.

You can't hide your mistakes when they spread like a virus through word-of-mouth, email, and blogging networks. You can't cover up incompetence under thick layers of advertising make-up. You can't run from negative publicity. The Information Age has stripped you naked and left you exposed, flaws and all.

You can't bury customer feedback—all you can do is manage how you respond to it. Search engines keep a record for all to read of your business practices. If you leave a trail of destruction, the crumbs are not hard to find.

## Case Study: Sony DRM

In late October of 2005, Sony experienced the full force of new media transparency. On October 31, TechNet blogger Mark Russinovich revealed that music CDs produced by Sony BMG carried malware (malicious software) and created security issues for computers in the name of Digital Rights Management (i.e. copyright protection).

Immediately, hundreds of comments flooded in and the news spread like a virus. Bloggers and users raged about Sony's "scandalous behavior." Hundreds of bloggers jumped on the bandwagon. Forums and chat rooms were inflamed with anger.

Sony's first mistake was to include the ill-advised software on their CDs. Their second—and much bigger—mistake was to ignore and downplay the fiasco. They never had representation in the chat rooms and forums. They didn't offer an immedi-

ate apology. In fact, Thomas Hesse, Sony BMG's global digital business president, offended customers on Morning Edition by saying dismissively, "Most people, I think, don't even know what a rootkit is, so why should they care about it?"

It wasn't until November 18th that Sony finally announced an exchange program, but without apologizing. Angry customers were just the beginning. The Texas Attorney General filed a lawsuit against Sony on November 21st, followed by California and New York. It didn't stop there—to date, Sony has settled with 40 states.

Think you can hide in the digital age?  
Think again.

## The Death of Interrupt Advertising

Marketing is no longer driven by how many people you can reach. It's driven by how well you reach people in the *right ways*. It's not about going wide with market saturation; it's about going deep with quality content.

*"...now there is a revolution. [The] interruption engine is broken. Not slowed down, but broken. Direct mail, with 1% hit rate, is considered good. But people don't open junk mail any more. TV ads don't build brand anymore. In the US not one brand has been built from scratch via TV ads in the last 5 years, maybe more. Interruption media is falling apart. 50 million people in the US joined the do not call list within 3 months of it being started in the US. People don't want to be interrupted anymore."* Benjamin Ellis

People don't have to listen to you anymore no matter how much money you have to advertise to them. You've got to find new ways to engage potential customers in a dialogue. They don't want mere sales *transactions*; they want *interaction*. They must experience your value before spending time and money with you. You've got to stop *pushing* and instead start *pulling*.

Most businesses are already at least somewhat aware of this shift. The real failure is not in understanding that things are changing, but how to leverage that change to your advantage.

It all starts with a fundamental shift in perspective and corporate culture. It starts by shedding the obsolete "Hunter" (transaction) mentality, and incorporating the modern "Farmer" (Hub) mentality. In other words, you've got to stop selling and start creating a hub.

# Put Away the Gun, Pick Up A Hoe

The primary tool of the old, transactional way of marketing and sales has been a metaphorical gun. Marketing departments and salespersons “zero in” on their target market, strive to hit the “bulls-eye” of responses and sales quotas, and rave about “making a killing.” In the new marketplace, consumers view these types of businesses as predatory.

“Salesman” has become a dirty word—and rightfully so. Everyone has been so pitched, manipulated, hyped, and pressured by typical salespeople that we feel like taking a shower every time we’re approached by them. (When was the last time you had a pleasant, lasting conversation with a telemarketer?)

With information being accessible to the consumer almost anywhere and any time, the role of salesperson is significantly reduced, and even eliminated in some cases. When possible, all of us avoid salespeople. Ironically, businesses that can’t see the writing on the wall have become more aggressive than ever. Their sales are down so they’re desperately trying to grab the attention of potential customers.

Warning: Do *not* build or continue doing business on this old and outdated transaction model! Businesses still working in this model are suffering from rising advertising costs, lamenting the loss of market share, and watching their businesses decay. Customers are much smarter and faster, and they pack the elephant gun of information.

Just as civilization shifted when hunters became farmers, your business results are transformed when you do the same.

# Hunters Versus Farmers

Business “hunters” are nomadic—they track down their prey, make the sale, then move on. They have superficial relationships with their customers at best. Their focus is on what they want to take from customers, not on what they have to give. They have to close hard and fast or they starve.

At best, hunters sell good products with the hope that the customer will buy more, simply because of the product merits. At worst, they employ one of two approaches, if not both: either they attack viciously through pressure, or they sneak up and pounce through deceit.

Business “farmers,” on the other hand, settle down and cultivate long-term relationships. They understand that one seed of trust planted in the heart of a customer will result in an abundant, ongoing harvest of profit. They understand the natural law that giving value first is what results in receiving profit.

Where hunters see dollar signs, farmers see relationships. Where hunters are hard and closed, farmers are soft and open. Where hunters manipulate and try to hide flaws, farmers are authentic and down-to-earth. Customers are wary around hunters, yet they feel secure and trusting with farmers.

If you want to survive Information Age business, you must dispense with the short-term approach of “making a killing.” Instead, sow seeds of trust and goodwill through interaction to reap a long-term harvest. This is the difference between the transaction mentality and the Hub Mentality.™

Customers are much smarter and faster,  
and they pack the elephant gun of information.

## Old Model of Transactions



## New Model of Interaction (Hub Mentality™)



# Transaction Mentality Versus Hub Mentality™

The following chart compares and contrasts the obsolete, Industrial Age business model with the model required for success today. Unfortunately, few businesses have made the transition. They may be tossing around superficial tactics based in the new model, but their culture is still confined to the old.

To truly be authentic, the front stage culture of interaction with the customer needs to be consistent with the back stage culture of execution and employee attitude.

Speaking of which, there's a specific reason why we use the word "mentality." Hub Mentality™ isn't a special program of the month. It's not a technique—although it carries within it powerful techniques. It's an over-arching strategy that determines techniques and tactics. It's not an adaptation of old models. In fact, it doesn't even share the same primary goal as the old Sales Mentality.

Hub Mentality™ is a revolutionary approach to solve new problems. It's a mindset, a culture, a way of life for cutting-edge businesses. When it's adopted, it permeates the framework, systems, processes, leadership and management, every aspect of a business.

Trying to implement Hub Mentality™ techniques while operating from the foundation of transaction mentality is like, to use Seth Godin's phrase, making a nasty "meatball sundae."

*"A meatball sundae is the unfortunate result of mixing two good ideas. The meatballs are the foundation, the things we need (and sometimes want)...The sundae toppings (hot fudge and the like) are the New Marketing, the social networks, Google, blogs and fancy stuff that make people all excited. The challenge most organizations face: they try to mix them. They attempt to slap new marketing onto old and end up with nothing but [failure]." Seth Godin in Meatball Sundae*



**Transaction Mentality:** *Transact Sales*

Customers purchase and move on

**Hub Mentality:** *Interact With Your Community*

Customers subscribe and stay engaged through communication, interactivity, and value

Only a few experiences/purchases

A continuum/path/process

“Love and leave” or “churn and burn” – transaction driven

“Married to the brand,” relationship driven

Tactics to sell

Strategy to build a network/community

One time shot

Make them comfortable, capture their information, and “drip” relevant, free content on them strategically

Sale with a “pitch” – or hard sell, gimmicks, and hype

Sale with content, expertise, and a system

Create products to sell using various marketing initiatives

New products are created to benefit the various needs of the community and to bring new people into the community

Profit is achieved through marketing initiatives and getting new eyeballs from cold markets

Profit is achieved by meeting the needs of the community

# Database Management

<b>Transaction Mentality:</b> <i>Transact Sales</i>	<b>Hub Mentality:</b> <i>Interact With Your Community</i>
Capture data when a lead shows an interest in buying	Capture data on first contact
E-mails and interaction promote products and sales	E-mails and interaction provide value and products to promote an engaged community
Put them in sales process immediately	Cultivate trust and put them in sales process when community member shows interest
Communication with database names focuses on sales	Communication with community member focuses on value more than 75% of the time - 25% or less sales
Interaction standard with all the database names	Interaction customized to the needs of the community member
Collect to sell them the next product or service	Collect to measure achievement and put them through a predictable system and process
Valuable	Priceless
Names to sell to	Relationships to farm

# Marketing

## **Transaction Mentality:** *Transact Sales*

Hunting - interrupt advertising

To find a prospect to make a sell

Looking for next product to sell, service to deliver, event to hold in order to sell

Looking continuously for new prospects and marketing methods

Rely on advertising and campaigns to bring in new leads to sell

Strive for new clients

"Wallpaper" approach - see what sticks

## **Hub Mentality:** *Interact With Your Community*

Farming - gathering and cultivating

Find those that are like-minded, invite them to give you permission to market to them

To expose new community members to the source of content, substance, products, and services

Taking care of members, warm marketing, referrals, brand buzz, customers help market your business, look continually for ways to invite others into the community

Leverage technology to invite new prospects into the community

To build database and put into a system

Strive to maintain clients and maximize referrals

# Intellectual Property (IP) and Product Development

## **Transaction Mentality:** *Transact Sales*

Develop products to sell to the database

To the extent that customers are seen as a transaction, they will not be leveraged

Business is entrenched in “what worked” and is slow to respond to market demands

Competition creates similar products, many times competition was previous customers

## **Hub Mentality:** *Interact With Your Community*

Develop products to meet the needs of the community and network

Top 20% of your customers are leveraged to create value and share solutions for other 80%

Community becomes a “learning community” and stays on the cutting edge in understanding what should be developed – always have a pulse on the network

Always ahead of competition

# Level of Engagement

## **Transaction Mentality:** *Transact Sales*

Develop products to sell to the database

To the extent that customers are seen as a transaction, they will not be leveraged

Business is entrenched in “what worked” and is slow to respond to market demands

Competition creates similar products, many times competition was previous customers

## **Hub Mentality:** *Interact With Your Community*

Develop products to meet the needs of the community and network

Top 20% of your customers are leveraged to create value and share solutions for other 80%

Community becomes a “learning community” and stays on the cutting edge in understanding what should be developed – always have a pulse on the network

Always ahead of competition

# The Core of Hub Mentality™

The core of Hub Mentality™ is *interaction and relationships by leveraging technology*. In a word, the core revolves around *community*. Your product offerings and marketing efforts must foster relationships and communication with a community of people whom you serve. These people don't exist exclusively to line your pockets; rather, you're there to facilitate the fulfillment of their needs.

*“The new economy is about communication, deep and wide...Communication is the foundation of society, of our culture, of our humanity, of our own individual identity, and of all economic systems. This is why networks are such a big deal. Communication is so close to culture and society itself that the effects of technologizing it are beyond the scale of a mere industrial-sector cycle. Communication, and its ally computers, is a special case in economic history. Not because it happens to be the fashionable leading business sector of our day, but because its cultural, technological, and conceptual impacts reverberate at the root of our lives.”* Kevin Kelly in *New Rules For the New Economy*

Your profit and success are ultimately a result of understanding your clients and giving them what they need and want. Your customers become a sort of extended family, and when you see them as such, the way you interact with them is forever altered.

You build the hub—as dictated by their desires—that they revolve around. You become a central gathering place for like-minded people. They dictate the direction; you provide the mode of transportation. Communicate with them, keep them engaged, create value for them and they will continue to listen and tell others.

**Case Study:**  
**Infusionsoft**

Infusionsoft, a customer relationship management software company, is a textbook example of Hub Mentality™. Founded in 2001, the company quickly became an Inc. 500 Company and currently serves over 5,000 small business owners across the world.

When you visit their website, you'll see just four main navigation tabs including "What is Infusionsoft," "Why Infusionsoft," "Community," and "About Us." Note that right alongside product specs and demos is community.

Inside the community, you find an online forum where users can network with other small business owners, a partner resource center that provides third-party service providers, a number of high-quality free reports for lead capture, a list of partners, and featured events.

They give away free content to capture potential client data, they facilitate community dialogue, and they have a solid economic engine. Their execution is flawless, as affirmed by numerous awards.

You don't find any hard sale on their website. What you do find is tons of free content that pulls you into their community, rather than pushes you to take action. They take the time to educate you and create substantial value. They create a platform for you to network with other users. This is Hub Mentality.

The primary goal of the old, transactional model was to make a profit by advertising to a cold market. The primary goals of building community are to facilitate interactivity by capturing data, cultivating trust, and providing continuous value to keep customers engaged. Profit becomes a natural byproduct of this process.

You can't afford to be transactional any longer. You've got to cling to individual customers as if your life depended on it—as indeed it does. Getting the attention of potential customers is the most expensive part of marketing. Once you have it, you can't afford to lose it.

You must institute systems and processes that capture customers then continually offer them value, keeping them engaged on a constant basis. Customers want a sense of belonging. They'll be loyal to you as long as you're relevant and serviceable to them. If not, they will quietly move on.

You can't afford to be transactional any longer.  
You've got to cling to individual customers  
as if your life depended on it—as indeed it does.

# The Ten Vital Elements of Hub Mentality™

Building a hub, or a technology-facilitated community, requires the following ten elements:

**1. Interactivity through new technology media.** | Hubs are crafted primarily through technology, beginning with a top-notch website, lead generation and data capture systems, customer relationship management (CRM) software, and email marketing software.

There are also a number of social media and social networking tools that may be appropriate for your business including blogging, podcasting, Facebook, Squidoo, Twitter, YouTube, online press release services, online forums, RSS syndication, etc.

If you don't know how to harness these tools to your advantage, you need an individual or a team within your business that can. These platforms facilitate interactivity, which is critical.

Community interactivity occurs in four ways: business to customer, customer to business, customer to customer, and customer to outsiders.

**2. Database building and management.** | It's imperative your business world revolve around building a database of customer information. Personal information in a central database, as derived through permission marketing, is worth more than money in the bank.

You've got to be obsessive about capturing information. And you must do it in the right way, which is the next element. Treat those in your database as family, not as dollar signs.



**3. Permission.** | Stop yelling at people who don't care about you through the use of mass, intrusive media. Don't interrupt what potential customers are doing to shove your product in their faces.

Subtly and effectively—on their terms—demonstrate to them why you add value to their lives. Then, invite them to give you permission to market to them. The integrity of your database is severely compromised when information hasn't been gleaned through permission.

Permission is gained by giving value and then asking for their contact information.

**4. Trust and authenticity.** | When potential customers give you permission to market to them, you capture their information and guard it tenaciously. Spamming or sharing/selling personal information is like torching the currency of your database with the flamethrower of stupidity.

People must feel absolutely secure that their personal information is safe with you before they'll give it to you.

Furthermore, they need to know that they're dealing with the reality of your company and not hype, gimmicks, or cover-ups. They want authenticity.

**5. Free content.** | Relevant information is the new power. You're no longer trying to make one-time sales through hard closes. You're trying to cultivate trust and friendship.

This is done by giving prospects massive amounts of free content in the form of blogs, videos, digital downloads such as e-books and podcasts, white papers, books, etc.

And this free content can't be skimpy or salesy; it must be substantial and create genuine value. It must be educational in nature and keep them engaged with you as the hub.

**6. Coherent strategy.** | You can't just throw free content against the wall and hope it sticks. All of your efforts must fit into a macro picture where each part supports the greater whole.

Some free content will be used to capture and build your database, some to deliver consistent value and keep them engaged, and some to communicate what you are learning and how you are changing based on feedback.

You must have a clear process in place that coordinates each piece of your marketing puzzle. One step must build on the other and everything must lead toward increasing the quantity and quality of your database.

**7. Balance.** | It's a delicate balance to strike between cultivating the database and making sales. Be strategic about what you send and how often you send it. Too little contact and community members lose interest; too often, they feel bothered.

Every business is different, but 75/25 is a good rule of thumb: 75% of your contact should be free, valuable content, and 25% should focus on selling.

**8. Flawless execution.** | It's critical that you execute on your promises and deliver what customers expect. If they expect something great and receive something mediocre, their perception of you plummets.

Systems must be in place to ensure perfect delivery. If you don't execute and keep your promises, these customers will tell everyone about it, and they have the web to spread their bad experience.

## 9. Gradient approach. | Remember that we're pulling instead of pushing.

Gradient marketing is pulling in action. It means to gradually pull customers through increasing levels of engagement and commitment.

You start by giving free content to catch their attention and establish trust. Then, you offer low-price, low-commitment products. The more interaction you have, the higher the commitment, through money and time, from your customers. The content you give them throughout is designed to educate, rather than sell.

Roy H. Williams calls this the "gravity well." Brad Fallon refers to it as the "free line."

## 10. Customize your Hub to make it profitable. | All of the above elements must be customized to your particular niche. Who are your customers? Why did they originally contact you and how can you help them with the services you provide?

A database is simply a list of people who you have done business with. A hub is a marriage between customers getting what they want and you providing what they need.

Let's not forget that you must be profitable for all of this to work. How do you make your money? You must be completely clear on what drives your economic engine. How can you synchronize giving the customer what they need and pulling them into your profit centers? How many emails can you send them per month without them getting annoyed and unsubscribing? What is the right balance of value and sales?

All of these questions need to be answered as you transition your company to Hub Mentality.™

# The New Gold

These ten elements together represent the New Gold. In fact, they comprise a formula for alchemy—they transform information into gold when wisely managed.

Make a hard sell and you've sold a customer one time. Give them free content and get them in your permission-based database and they'll buy from you over and over again. But, of course, this only works when you cultivate your database like an astute farmer, rather than attacking it like a blood-thirsty hunter. You can't ever manipulate or push; you must always pull with authenticity.

The transactional mentality has been tarnished and overused. Consumers discarded it long ago. Hub Mentality™ is a treasure chest gleaming with gold and dripping with jewels. Marketing and sales “hunting” has been killed; “farming” has been revived. Transactional business is out; relational business is in.

**The only question is, will you make the shift? **

# info



## LEARN MORE

Learn more about Hub Mentality at [kgaps.com](http://kgaps.com), where you can follow the authors' [blog](#). You can also keep up with them via [RSS feed](#) or [email subscription](#).

## ABOUT THE AUTHORS

**Carl Woolston** is the co-founder of KGaps Consulting, a private consulting group and home of the M.E.S.S. Marketing Method™, a powerful business tool to synchronize message, engagement, strategy, and systems. He is the owner of several companies and a happily married father of six children.

**Stephen Palmer** is an entrepreneur, writer and consultant with expertise in persuasive copywriting, persuasion architecture for websites, search engine optimization, social media and networking strategies, blogging, and written communications of all types and lengths. He is the co-author of *Killing Sacred Cows: Overcoming the Financial Myths that are Destroying Your Prosperity*.

## SEND THIS

[Pass along a copy](#) of this manifesto to others.

## SUBSCRIBE

[Sign up for our free e-newsletter](#) to learn about our latest manifestos as soon as they are available.

## BORN ON DATE

This document was created on July 8, 2009 and is based on the best information available at that time. Check [here](#) for updates.

## ABOUT CHANGETHIS

[ChangeThis](#) is a vehicle, not a publisher. We make it easy for big ideas to spread. While the authors we work with are responsible for their own work, they don't necessarily agree with everything available in ChangeThis format. But you knew that already.

ChangeThis is supported by the love and tender care of 800-CEO-READ. Visit us at [800-CEO-READ](http://800-CEO-READ) or at our daily [blog](#).

## COPYRIGHT INFO

The copyright of this work belongs to the author, who is solely responsible for the content.

This work is licensed under the Creative Commons Attribution-NonCommercial-NoDerivs License. To view a copy of this license, visit [Creative Commons](http://creativecommons.org/licenses/by-nc-nd/3.0/) or send a letter to Creative Commons, 559 Nathan Abbott Way, Stanford, California 94305, USA.

Cover photo (crowd of people) from [iStockphoto](#)® with illustration by [Stauber Design Studio](#).

## WHAT YOU CAN DO

You are given the unlimited right to print this manifesto and to distribute it electronically (via email, your website, or any other means). You can print out pages and put them in your favorite coffee shop's windows or your doctor's waiting room. You can transcribe the author's words onto the sidewalk, or you can hand out copies to everyone you meet. You may not alter this manifesto in any way, though, and you may not charge for it.