



SPI 312

This “Hole” Can Cost Entrepreneurs Thousands—Let’s Fix It

April 4th, 2018

Casey Graham: It's a compounding issue on the backside of a business that can literally cost, we're saving over six figures for many, many, many businesses in this space.

Pat Flynn: You're listening to Casey Graham from AllGravy.io. He's the founder of the company, filling a huge hole in a space where a lot of people don't even know this hole exists. A lot of people who sell products that have a recurring payment that could be anything from a software product that has a recurring monthly payment to get access to it, to membership programs, to even online courses and other things that have a payment plan involved. A big, big problem is failed payments. Now, that's not anything new. A lot of us are familiar with failed payments, whether it's a credit card payment failure or just something in the system doesn't work. It takes a lot of effort to go back and recover those payments from people who said that they were going to pay you.

Most payment processors have built in automated systems via emails that get triggered and such to recover those payments, but that's just scratching the surface. Casey's going to give us a whole load of information today, so make sure you stick around. Cue the music.

Announcer: Welcome to the Smart Passive Income Podcast, where it's all about working hard now so you can sit back and reap the benefits later. And now your host, he can fall asleep anywhere, almost on command, Pat Flynn.

Pat Flynn: What's up guys. Pat Flynn here. Thank you so much for joining me in session 312 of the Smart Passive Income Podcast. I'm super thankful you're here. Like I said, we're talking today with Casey Graham who will be with us in just a minute. Make sure you stick around because a lot of this information, even if you do not have a business yet, it's so good to know because this is stuff that doesn't get talked about very often, which is kind of what we do here on Smart Passive Income. We bring really amazing people on to fill in those gaps. I can teach you a lot, but there's a lot more people out there who are way smarter than me about certain things, and when I started

working with Casey, I didn't even realize how much I needed him and his business and this information that he's going to give to you today.

He has helped me recover tens of thousands of dollars. Tens of thousands of dollars that would have been lost. I didn't even know this stuff was happening, so again, make sure you stick around. Before we get to that, I do want to say, a lot of people have been asking me, "Pat, how do I start a podcast just like you? How do you even get this up and running?" Well, it's really cool, because if you go to howtostartapodcast.com, that's my free, three day course that'll walk you through the process, step by step, three days. You just get one email per day. It's going to put you to a link with all the information you need, high quality videos, all the equipment you need, all the technical how to in a way that's not overwhelming. You'll get your podcast up and running on iTunes.

Now, a lot of you know I also have a premium course that goes along with that called, Power Up Podcasting. That's for those of you who are going to be diving deep into it and who want to get the marketing aspect of it and the scaling of that podcast down, but before that, just get your podcast up and running. All you have to do is go to howtostartapodcast.com. It's completely free, for you to help you setup in three days, your brand new podcast. So again, howtostartapodcast.com. Check it out. Thanks so much.

All right. Now lets get into the interview today with Casey Graham, again, from AllGravy.io. Casey, thank you so much for coming on and spending time with us today on the SPI Podcast. Welcome.

Casey Graham: Thanks for having me Pat.

Pat Flynn: Guys, Graham, or Casey Graham and I have met once before at a karaoke, no. What was it? Piano bar, right?

Casey Graham: It was a piano bar where they threw bumblebees on your shirt somehow.

- Pat Flynn: It was weird. It was in Colorado and we were there for the Platform Conference, way back in the day and I got to know Casey there that night. He's just such a cool, down to earth guy. You'll hear that during our call today, but he's also got a lot of great things coming on. Actually, I'm now somebody who really, really enjoys the new business that he's created. We'll talk more about that in just a minute, but it is a lifesaver in my business. It may be one for you too. We'll get into that in just a minute, but Casey, lets actually rewind back to, I think that was 2013. You owned an agency, I think. I would just love to talk about where your business was at then, because I want to contrast that to where you're at now.
- Casey Graham: Well, actually it was called, The Rocket Company, and what we did is we sold courses, membership sites, and software solutions to local churches. That was the niche.
- Pat Flynn: Wow.
- Casey Graham: Yeah. That's what we did, so it was kind of unique, obviously in selling to churches, but then selling all those different things, and then ending up being able to sell those courses, membership sites, software programs and then actually create a sustainable business, not just an info business that launches and goes away. It was an everyday, very predictable business that we were able to, I sold it two years ago to a private equity firm.
- Pat Flynn: Nice. Well, congratulations on the sale. That's really awesome. When you were selling to churches, were you selling courses and membership sites that you had, where they could join, or were you giving them essentially the resources and the means by which to create their own courses and membership sites?
- Casey Graham: No. We were basically, pastors would go to school and learn how to study the Bible or whatever, but they had no idea, okay, great, now you have 1,000 people showing up every week. How do I lead these people? How do I get volunteers? How do I communicate better on the stage? How do I raise money? How do I do all the practical things that you would learn in business school? Basically

we just taught them everything that they didn't learn in seminary, and we were able to give them systems and information that was very practical and applicable to those key areas.

Pat Flynn: Nice. That's awesome. Lets fast forward to now. Now, you sold that company. What is it that you do and focus on nowadays?

Casey Graham: Yeah. It's called Gravy. We connected back over Gravy through our mutual friend Amy. What we do is we save failed credit card payments for subscription based business. Any company that's selling a subscription, you're selling a payment plan, you're selling installment payments, anything that somebody is paying you every month for, a huge issue that the origin of the business came from the Rocket Company because we had this problem and we actually solved it there. I just assumed everybody had this solved. I just thought this was part of business. It's hard enough to get a customer, but much less, people falling out the backdoor. I'm assuming that you would have people there doing that.

In the in between time of two years when I sold the business, and I had about a year where frankly, it wasn't a great season in my life. It was a dark time. I lost my way in a lot of ways. But one of the things I was doing in that time was coaching entrepreneurs. Any business that had subscriptions, they were having this problem and I just kept saying, I can't believe you don't have this solved. Finally, I said, the way this whole thing came about is the private equity firm that bought my company, The Rocket Company, they fired our entire team that was doing this thing at The Rocket Company. They called me and said, "Hey, we got fired via an email. They didn't even call us. We don't know what to do." I said, "Well hey, lets try this thing out." I'm talking to these entrepreneurs and that's where the whole thing came from, of saving payments for small businesses.

Pat Flynn: Now, tell us how important this is to consider. I think a lot of people especially those just starting out online, and maybe even those who have been doing this for awhile, how big can this part of the business be in terms of money loss?

Casey Graham: It depends on what your industry is, but on average in people that are selling, let's just start with the vertical of information, so courses, products online, educational stuff, the average is about 15 to 17% of the credit cards are failing in those businesses on a monthly basis. That's monthly. There's a compounding issue here. Once you lose that person, the 15% on month one, that doesn't seem like a huge loss. It's not that big at first, but when you start realizing that you lose that 15% plus another 15% the next month, a lot of these people that are launching and they keep having to sell more, more, more and stack payment plans, is really what they're doing is back filling customers that they already had because they're not taking care of the backdoor.

It's a compounding issue on the backside of a business that can literally cost, we're saving over six figures for many, many, many businesses in this space. For technology companies it can be even bigger. Here's how it is for technology companies. With technology companies, there's the credit card failure that happens like month seven of somebody in a technology. This happens with plugin type technologies, Pat, the most because people with like a platform that runs their whole business, they'll probably go up that credit card, but plugin technologies that aren't the main go forward platform, a lot of people they just don't really know, or it's not updated, or this, that and the other, they go by the wayside and they have what's called unintentional cancels.

Their churn rate is just skyrockets there. Their churn rate also skyrockets on the front end, so we're helping the software companies on the front end, they're losing massive amount of money after a free credit card 30 day trial of software and then they're supposed to transition into paying. And then they just go, "Well, we keep 40% of those people." And I say, "Well what do you do with the rest of the 60?" And they're like, "Oh well that's just part of it." And I'm like, "No, it's not." If you keep 10% a month every single month of the people that were already gave you a credit card, it's a transition into your technology, that a huge growth, 120% growth over the year. Those are a couple of the places where we're helping the most.

Pat Flynn:

I didn't think this was a big deal when I started having installment plans for my courses. My very first course it was just \$197 for Smart From Scratch. It was just a one time payment or don't pay at all. With podcasting it's a little bit more expensive. \$697 so we did, okay, you can pay \$697 upfront or \$197 for four months which is more than \$697 by about 10% which is pretty much standard in the industry for increasing the price if people go monthly but not too much, just 10%. So we actually had a number of people go with the installment plan when we've done these open close launches. We continue to still offer that payment plan as well. A number of people would pay one time and a number of people would do the installment plans.

I was like oh, I don't need to worry about churn, it's only four months, what are the chances that there's going to be failed payments and such only after a month? Literally the next month when the next round of installments came in I just saw email after email as failed payment, failed pay. I thought somebody had hijacked our system. I had no idea what was going on or why this was happening. Like you said, this is just a very common thing that a lot of entrepreneurs, especially those diving into information products and selling online with recurring payments, they just don't understand or even know is a problem. Thankfully I connected with Amy Porterfield who was like, "Hey, you gotta check out this stuff that Casey Graham's doing because he's helped and saved me money like it's nobody other's business. It's just totally worth the fee because you just get money back or else that money would be gone anyway."

So I was like, "Okay." So I call you up we work together and man, every month now I get a report from you and your team that says, "Here's how much money we saved you that would have been if it wasn't for you." It's just incredible. So first of all, thank you for your service and what it is that you do. The other part of this is I was a little hesitant to get involved with something like this because I know there are tools and shopping carts and other things out there that say they do this automatically and they do but can you real quick highlight the difference between Shopify or whatever shopping carts that you use that say that they help with the failed

payment part of things. What is it that they're doing versus what is it that you're offering?

Casey Graham: Well there's a whole industry called Dunning software. Then there's the automated email industry or automated followup. Whether it's any different software, we can name 20 of them right now. They either do the automation piece or they do the Dunning piece and the Dunning is just the auto updating of credit cards and retries and things like that. So strike, it retries the credit card. On average if you at Recurly's website which is a huge, they're a huge software in this space, one of the best years that they've had, the software only recovers about 14 to 15%. When we were doing this and we were using Infusionsoft at the Rocket Company, just automation alone would save about 18, 20% a good month would be high and some months it would be like 12%. I just didn't think that was good enough so we're friends with all these softwares. We love them. We actually implement all the softwares because we believe the automation that's wonderful and that's great and go for it.

The difference is automation can't care. And automation cannot negotiate with a customer. So a big deal people have is negotiations and it's simply like, hey, I can't pay it all right now but what about if I pay on the 15th or the 30th. Or hey, I can't do this. So having a dedicated person with a metric associated with this one thing, how many credit cards failed? How many did I recover within a 30 day period? And our entire company is focused on that. And that person gets paid on that. When you have that just laser focus you can do nothing but increase the end, Pat.

I'm looking at, can I share your numbers?

Pat Flynn: Yeah, of course you can.

Casey Graham: But I mean I'm looking at it right now. So for this month we're at 87.5% recovery rate for you.

Pat Flynn: That means the 100% is failed payments. X number of failed payments came in. And you're welcome to share specific dollars if

you want to. And you were able to in your special way, we can get into that in just a minute, have 87% of that be recovered?

Casey Graham: Yeah, I'm looking at November. You had 118.18% recovered and the reason why it's over 100% is we consistently stay after people that are failed months prior. And so sometimes you get even more coming in with you down. I will tell you that the response rate because of your fan base 'cause of your customer that you're so gracious and generous that they respond really well. But this is the kind of return you can get on this kind of thing if you have a human being. There's nothing like, I love technology, I love it. I love automation but there's nothing like having somebody that this is all they do. It's what they focus on and it can do nothing but grow and get better. But here's the flip. You're not going to hire somebody in your business, Pat, to focus on this full-time.

Pat Flynn: Not at my current stage in business with my size of business, no.

Casey Graham: Right. But most wouldn't. So even til you get into, we have \$125 million business that we work with that they're like, "No way." And the reason why is because here's the deal. Failed payments is a fixed opportunity. Meaning if your business has \$100,000 in failed payments, it can never be bigger than that. That's all it is. And you're only going to get a percentage of that and to associate full-time staff with that that you've got to have overhead associated with, it's just not a good use of the entrepreneur's time. So that's where the whole thing. But to get an 87% return you've got to have a full-time focus. So that's where the whole idea came from. How do you have a full-time focus in a business that it doesn't really deserve that type of staffing? And so that's where the whole thing came from.

Pat Flynn: We'll get into some strategies for those of you who are just starting out and you don't have the ability to work with somebody like Casey and his team to help you with this kind of stuff. Maybe this is something to strive for but we will get into strategies just that we can do so that you can minimize this kind of stuff happening. The failures. To clarify, you have a team of human beings that will go out

and if a payment fails you'll go out and reach out and be like, hey can we work something out here?

Casey Graham: The problem is in the industry there's been nothing except for collections.

Pat Flynn: That's what made me think about it initially. I was like, I don't know Casey. I don't want some team of lawyers hunting down my customers and making them feel bad and threatening them. I was scared of that to be honest. I thought that's how it was going to go down.

Casey Graham: And you should be. But that's been the option. It's been either software which is totally hands off or collections which is like hands around the neck. There's not been a middle ground. This is where the middle ground is because we have an internal saying that we say all the time and it's called invisible dignity. And what we mean by that is we're invisible to your end users meaning that we use a Smart Passive Income email address when we email them and we're acting with dignity on your brand's sake. We know that keeping along with your brand with Amy Porterfield, Michael Hyatt, all these different people that we're working with that's what they want and that's how we treat people and that's where the whole idea came from.

Collections waits too long and they use fear tactics to get people to respond and so that's why within 24 hours of somebody's credit card failing we're talking to them in a very friendly way and one of tips and strategies for this for people even if you're not going to use us, the quicker you talk to somebody after their credit card fails the more likely you are to get it back. That's a huge win.

Pat Flynn: Reaching out to them quickly is one of the key components. That's great. It's so cool to hear you working with some of my favorite people to help as well because I know that by doing this you're helping us serve even more people. With these credit card failures more often, 100% of the time, they're not intentional. People not backing out of the payment plan that they agreed it's more of just

an error in the credit card number or the expiration date. Is that why these things happen is because the expiration date only or why would something fail?

Casey Graham: There's bank holds, fraud, expiration date and a huge one honestly is insufficient funds and it's probably the biggest one that we deal with. And it's sometimes kind of hard to think that way that you're charging \$97 bucks and it's not going through on the credit card but that's just real life. The question is how do you treat these people with empathy? And automation can't empathize. How do you do that? That's the key to this entire business is empathy. And it's reaching out personally and it's connecting with them as a human being and saying, "Hey I don't know if you know this or not but this is what happened and here's why it happened." 'Cause we give specifics to the customer on why their credit card failed and to what product and be very specific and very personal with them. Most people they can get it up and they do it. But then a lot of people say, "Hey I can't pay," or, "I can't afford it."

A big thing that's happening with a lot of entrepreneurs of why they hire us, Pat, which I hate to say this and I'm not trying to be negative, but I just want to just real life, is they get chewed up by people saying, "Well mom has this medical issue," or, "My dad has this." And the entrepreneur gets drained the life out of them 'cause they're hearing these stories whether the story's true or not. So it's just believe they are. When you hear stuff like that and then somebody can't pay but they've agreed to pay. How do you treat people like that? What is your policy for that? That's where we come in and we're able to just able save the entrepreneur from having to deal with any of this side of the business.

Pat Flynn: When it comes to who you are having to do all this stuff I think it would be great for you to introduce a little bit about your team and how do you find those people that can empathize? Some people who are listening to this they might have a team where maybe somebody on the team can start to do this kind of thing and test it out a little bit if they don't want to work with a company that does this full-time. What kinds of people work best for this? Who's

working with you?

Casey Graham: There's a test from one of my executive coaches. His name's Les McKeown. I worked with him years ago. He wrote a book called, Predictable Success and The Synergist and we used the synergist quiz. Synergistquiz.com. It's really good, it's how we do all of our hiring. It's how we, it's very simple and there's four letters, a visionary, operator, processor and synergist. And so who we're looking for is processors. And processors are people that you walk in their office and they have everything color coded. They know what they're going to do today. They write the HR manual. They stay in line. They want process and they have to create process and they cannot deal with chaos. And so we hire processors. And then also what we're looking for is empathy and the way we get to empathy is through interviews. And we know what they've done in the past and that kind of thing and so we ask core value questions around empathy.

What most entrepreneurs do to fix this problem is they go to somebody in accounting and they go to the bookkeeper and they say, "Hey, there's people's credit cards failing I need you go stay on top of them." And the bookkeeper goes, "Okay cool." And they start doing it then they end up they hate it. Or they'll just go, it gets on their nerves and so then they're just like either rude to the customer or they don't stay on top of it. Or then they'll go to the customer, someone in customer service and this is like a happy customer service person who loves to serve people but now they're dealing with payments and failed credit cards and my mom died and all this kind of stuff and they're like, "I didn't sign up for this." And so that's why you gotta have somebody that's process driven but they're also very empathetic and obviously you can get there by asking questions.

Pat Flynn: Yeah, I love that. Thank you for revealing a little bit about your hiring process there, that's great. You told something cool before too and I had met some of your team members. I don't know if it's the same but at least when you first started this a lot of the people who were doing this were people who couldn't be more thankful to work with

you because you were helping them by supporting them in their lives. They are stay at homes moms and other people like that who you're helping them out. I thought that was a really cool thing that you just kind of said under your breath a while back and I was just like, man, that's really cool that you're doing that to help people out. So it just becomes a win for everybody.

Casey Graham: Well, what we found is there's just a lot of people that want to get their kids off the school bus and they want to be there to make pancakes in the morning or be able to run up to the school and watch the play or whatever it is and it's not just that one thing but there's a lot of people that want that, but they also most of our people have college degrees and most of our people have worked in a professional eight to five setting but they want a third option. So it's either I work as it used to be, I work or I don't work and we're like, here's a third option here that we can provide this and honestly there's just a bunch of, we have a bunch of amazing people that they get to work and do this and they get to work out of their house mostly and we have a office here in Atlanta where some people are able to come in. But man to be able to provide that.

The big vision that we don't talk about externally is our goal and our passion is not saving payments. That's not why we wake up every day. The reason we wake up every day is to put more resources and dollars back in the hands of people who are doing good. That is the overwhelming driving passion. After I sold my company, I don't need to do another company. We don't need more money. We need more of that. And if Pat, you're going to go out and hire more people, if Amy's going to hire more people, you guys are giving stuff away, you're opening people like Stu McLaren that you know. Great people like that that are doing great things in the world. We are just the undercurrent that's providing more profit, more money back to those people and then that's our contribution to good in society. That's our mission, it's not public but that's what we do internally.

Pat Flynn: That's really cool man. And whenever I've had the chance to share Gravy with others I'm happy to do it and which is why I invited you on the show. This is something that especially for the entrepreneur

who's up and running with a business with recurring payments whether it's a membership situation or a software product or courses with an installment plan or a mastermind program that you're setting up for a whole year for your people, this is a great thing. This is a great thing. Where can, we're not done with the interview yet by the way, but where can people go to find out more about this if they want to get involved?

Casey Graham: We have a special link for people listening to this specifically and it's AllGravy.io/pat.

Pat Flynn: AllGravy.io/pat.

Casey Graham: It's All Gravy baby.

Pat Flynn: It's All Gravy baby, love it. Okay, cool. Let's say that okay, a person's listening, they're like, "Yeah, that's kind of cool maybe I'll get involved with that later. What can I do right now?" What are some strategies? You had mentioned one earlier like if you get a failed payment call that person or let that person know really quickly how to help fix the problem and then work with them from there. What are some other things they can do even maybe even before that failed payment happens to perhaps even decrease the likelihood of it happening or just making the process easier?

Casey Graham: Well let me tell you so I'm just going to basically unveil here's how our entire company operates, but this is how this person should operate or the person who's not going to hire somebody and work with them. But these are the things that are the core components. This is the guts of failed payments. Number one is you've got to have somebody that 100% knows that they're responsible for this. They've got to know that this is a metric that they're responsible for and they've got to know that that's happening. Whether it's you as the entrepreneur and you're responsible for it. Whether it's a part time person that's a bookkeeper or a customer service or admin or whatever. Number one if you don't have that everything else falls to the wayside because entrepreneurs are obsessed with growth, marketing and sales. Nobody is speaking at conferences talking

about failed payments 'cause nobody would come. That's number one.

Number two is you've got to use automation and you've got to have a manual process. The automated process that works the best is you gotta I would definitely have something that recharges credit cards. A piece of software that is a Dunning software that recharges credit cards automatically like Strike will to that as well. Different things so you definitely want to plug that in. That's just like a no brainer. I don't care what business is listening, you gotta have that.

Pat Flynn: So what does that do? If a failed payment comes in they try again essentially?

Casey Graham: Basically. They just try again, that's right.

Pat Flynn: Is it done automatically? Right after. Or the day after?

Casey Graham: You can set it up. You can set it up to say, 'cause you don't want to do it too much or the same day or whatever or that kind of thing 'cause it's the person's credit card may need more funds in the bank or they have got a hold on it or there was fraud or whatever. So it may be day one, day three, day seven, that kind of thing. There's the auto retry. Then you want to have an automatic email campaign that goes out. An auto email campaign I would definitely go with a 14 day campaign. And I would start, and this may sound so super cheesy Pat, so please don't kick me off the podcast.

Pat Flynn: Hey, I am the king of cheesy here so we're all good.

Casey Graham: Emojis and headlines work really well. Putting emojis in the headline and making this like a marketing email not a financial email is a huge issue. So people it's usually like, "Hey, your credit card failed, update credit card." Well nobody responds to that so you've got to have a good headline and you've got to have some copy that's compelling and then you've got to have a call to action and then more than anything make sure you have a mobile responsive webpage that you're sending people to to collect their credit card

because essentially Pat this is just like a sale. So you gotta look at this as I'm basically selling them back into the system and so those are some of the key components to have set up on the automated side.

Pat Flynn: Headline really quick, give us an example of a good headline. So somebody's credit card fails I'm not going to go credit card failed fix it please. I'm going to do maybe a thumbs down emoji.

Casey Graham: I would do, "Are you okay?" Thumbs up, thumbs down, both.

Pat Flynn: That's good.

Casey Graham: I would start with something like that. And that'll get people to open it up. So that's the automation side. Anymore practical or any deeper you want to go on that? 'Cause we can.

Pat Flynn: Let's go one more step. So you got the emails going out. The emails are essentially reselling them back in. Reminding them hopefully why they got in in the first place and what the benefits are. Would that be an opportunity to if they don't do it within a certain number of days is there any other way you can incentivize that?

Casey Graham: Yep, and so that's what we do at Gravy. Again another key component, and this would be on the manual side, but you could do it automated. Would be, I would ask any small business owner, what is your come back bonus? So what's the come back bonus? Let's just say they're not going to come back on the \$97 but what could you get them back on if it was like hey, if you do the \$97 and get back on the plan that you agreed to or into the biggest problem is open ended membership sites because they can quit so if you can move them to say, "Hey, we'll give you the next year if you go 50% off or if we give you these bonuses." I would have some type of bonus and one of the best emails that we send that works really well it literally just says, "Final email." That's a big one.

But let me tell you one of the biggest problems when it comes to automation. It's something for people to watch out practically. If

people are your customers and they bought your course but they've opted out of your marketing emails, oftentimes they've opted out of your entire list and so they be a customer but they may have opted out of your list and so that's why it's important to have a person that is constantly tracking and that knows not only from an automated side but they know if people have opted out and so somebody's monitoring that as well.

Pat Flynn: Got it. Cool. That's awesome. I like the idea of a comeback bonus. That's not anything that we have to worry about people who are already in there wishing they had access to. I'm just thinking of all angles here.

Casey Graham: Let me tell you another thing with automation is make sure that everybody tells us that their automation is connected and it's very rarely not. What I mean by that is you need to have clearly communicated on the front end if you don't pay, access to this course will automatically be shut off or they may still have access for seven days, that needs to be set up and it needs to be communicated even in the process of their payment plan as well. But most of the time automated emails and the CRM is not set up and connected to shutting off access to the course and so the person cannot pay forever and they still get the course. And if that's fine with you that's fine but that's another thing that we see people mess up a lot.

Pat Flynn: Okay, now let's say that we have a failed payment come through, we do the automation, not working, do the manual stuff, they're either not opening emails or maybe we even get somebody who says, "You know what? I'm not going to, I can't right now." Is that the end? Or do we come back to them later and try again?

Casey Graham: That was just the automated stuff. Over 70% of the responses and failed payments that come in for us are collected through a manual followup process. It's not the automation. Another thing that's a big issue with automation is simply deliverability. With these big email systems and these big CRMs that send emails out, a lot of it doesn't make it through. The personal emails that come out. A very practical

tip that you may do is just open up a separate Gmail account. A literal, I know this isn't one, or whatever smartpassiveincome.com@gmail.com. It's just a personal Gmail account to make sure that it actually gets to the end user and that you can have a conversation with them and it doesn't go into any spam folders is another little hack.

Pat Flynn: I like that. 'Cause if you go through the CRM sometimes just their email's going to put it in the promotions folder or whatever.

Casey Graham: Yeah and a ton of it goes to junk mail. More than I can, more than you would even want to know.

Pat Flynn: Man, this is crazy. I think a lot of people who are listening to this might not have even known that this is an issue. So I think that it's great that we're talking about this. Even if people haven't yet started their business it is something to think about and it's cool that there are automated options and also manual things we can do and also companies like the ones that you have. Like what you have to help us out too.

I'm curious because since I've known you for a while and I've seen this transition from the agency you had to what it is you're doing now. What's that transition been like for you? I know a lot of people own agencies or part of an agency in the audience right now and perhaps they're looking to start something in terms of a service or some offering. Not what you're doing but maybe in the realm that they're in. What was that transition like for you and what's been the hardest part?

Casey Graham: I would have to say, 'cause I sold the company and I had a year that was kind of like my wandering year and it wasn't like I just woke up one day and had this idea. It kind of came together in and pieced together over time. The biggest difference is we're not having to sell this thing. And it's been so refreshing to not have to say "Buy today, get a bonus." The other thing's been refreshing is nobody has to change anything that they're doing. So when I used to sell courses, somebody had to change their behavior. Somebody had

to download the course, listen to it, do what we said to do and then implement it and then get results. So the biggest thing that I've loved the most is this is such, everybody just goes, "Yeah, that's a problem. Cool, do I have to do anything?" "No, let us handle it." And it's like, "All I need you to do is go grow your business. Don't do anything." And you may disagree, Pat, but I don't feel that we bother you much.

Pat Flynn: No, not at all.

Casey Graham: But that's been the most refreshing thing. The hardest thing is that I guess managing a huge staff of people this time is much different than what I had in the past. We had 14 people when we sold the company. We're already at 19 people within a year here and managing people is great. But also it's managing people. And, let me tell you one other thing if I'm being totally transparent, the margins are so much worse in what I'm doing now because we have a bunch of people and things like that. So, the margins are worse, but the stick rate of the customer is better. So, it's lower margins, not great margins. We lose money on accounts for the first two to three months and then we start making some profit on the long term. So, it's a long term play and the other was more of a short term profit driven play.

Those are some of the things. I've had to get used to going, "Okay, we're scaling this thing up. We're having to put some money into this thing," and I wasn't used to that, selling information.

Pat Flynn: Well, it's been a wonderful journey to follow along and now to be a part of it as somebody who really enjoys what you have to offer and I feel like I'm an ambassador for the company now because it's honestly like free money. You know what I mean? Yes, I pay you a fee but I get that and more back as a result of what you're recovering. It just makes sense.

Casey Graham: Yeah, and what I want to say is make sure that any of the software companies automation companies that are listening is that we're your friends, we're not their competitors and we want everyone

of them to do well and we help implement with everyone of them. And we're so, that's another refreshing part is that there's not a lot, there's not anybody really doing this so maybe after your podcast, somebody's gonna start doing it, doing this thing. So I welcome any connections or anything that come because of this as well.

Pat Flynn: Cool man. Well thank you Casey. If you want to share that link one more time to get people to check you out, that would be awesome.

Casey Graham: Yeah, it's AllGravy.io/pat. And for coming on with Pat there's no implementation fee if you come through that link we'll know you came from this and we will get you up and running. And one of things we didn't say, Pat, is that we're primarily driven off of performance and so we get paid most of our revenue comes in, about 80% to 90% off of actually recovering payments and performance. And we don't keep anything recurring. It's just a one time payment and that's it. So that's it.

Pat Flynn: That's cool man. What an awesome business model man. I'm so proud of you and I'm stoked to see how this goes.

Casey Graham: Thanks Pat.

Pat Flynn: All right man, take care. Thanks again.

Casey Graham: All right, have a good day.

Pat Flynn: All right, I hope you enjoyed that interview with Casey Graham from AllGravy.io and that link if you want to get started and check that out. I am an affiliate for it, a referral partner for it. So I do earn a commission if you do go through that link but seriously for me, I got it from somebody else and it literally pays for itself if it recovers your programs. And if it doesn't then you know it's not gonna work out. It's one of those things that's just like, "Yeah, this is so obvious." So, if you want to check that out head on over to AllGravy.io/pat. AllGravy.io/pat and again even if you don't get involved with that, even if you don't have a business yet that had recurring payments involved it's so good know that this kind of service exists. But also,

the strategies that he mentioned even if you don't use the service like this, it can be the difference between thousands of dollars in your business lost or kept in your bank account.

So, thank you again Casey. I appreciate it.

Thank you all for listening in. I appreciate you. Make sure you subscribe to the show, if you haven't already. Next week we have an amazing guest. A woman who wrote a couple best selling books, all from her own kitchen. Now, her business and her brand are features in places like Whole Foods. Super, super cool and an amazing family person too. So, make sure you subscribe to the show. Thank you so much and once again if you're looking to start a podcast of your own, why not try it out for free for three days. Literally, I'm gonna walk you through the whole process. You can see how easy it is to do. I make everything technical super easy to follow and understand. All you have to do is go to howtostartapodcast.com. Once again, that's howtostartapodcast.com.

Cheers, thanks so much guys. I appreciate you and look forward to serving you next week. Bye.

Announcer: Thanks for listening to the Smart Passive Income podcast at www.smartpassiveincome.com.



SHOW NOTES: <http://www.smartpassiveincome.com/session312>

- RESOURCES:
- [How to Start a Podcast](#)
 - [All Gravy](#)
 - [*Predictable Success* by Les McKeown*](#)
 - [*The Synergist* by Les McKeown*](#)
 - [Synergist Quiz](#)
 - [All Gravy for SPI Listeners*](#)

[*Full Disclosure: As an affiliate, I receive compensation if you purchase through these links.]

