



Dan Norris Talks Beer, Books and Compound Marketing



When Dan Norris took to beer-brewing, he took his online marketing background with him. Hear how this contributed to his success, in this SuperFastBusiness interview.



James Schramko and Dan Norris

James: James Schramko here. Welcome back to SuperFastBusiness. This is Episode 784. And we're celebrating this special episode with [Dan Norris](#). Good day, Dan.

Dan: Hey, mate, it's good to be back. I don't know [what number I was on before](#), but congrats on that many episodes. That's amazing.

James: It's been a while, actually, between episodes. And I can see from our notes I was trying to track you down the last time you published a book. But luckily, you publish so many books, it's only a matter of time until I catch you.

And this time, it seems like you're actually back in love with the process of marketing. Because I see you sort of oscillate between interested in it, and then you retreat into whatever project you're in, and then you come back out of the project, and then you resurface. I've seen this pattern with you with your Dan's Mastermind Facebook group.

From membership owner to beer brewer

Last time, you were probably too busy to do the podcast. This time, you're actively looking for podcasts. Tell me about that ever-changing landscape for Dan?

Dan: Yeah, I mean, when Black Hops started, I didn't really even work for Black Hops. It was sort of like, it just seemed like a very small thing. It was a bit of a side hustle. But before too long, when we physically built the brewery, when I sold my other business, it just started being very obvious that I was going to actually work in the business. There really wasn't enough work for me to do for the sort of work I do. I didn't know how to make beer.

But, you know, eventually there came a point where I was going to work in the business full-time. And at that point, I decided it would make more sense to shut everything else down. I mean, I wasn't shutting down massive projects, I was just turning off my paid membership. And I had direct book sales and online products and things that, it wasn't a huge amount of money.

But it was attention that I was, you know, that would take away from the brewery. And if I was going to go in it with two mates, I wanted to make sure I was going into it with as much enthusiasm and time as they were putting into it. So I kind of shut it all off.

I just keep doing the books because I get bored and I write stuff down. And eventually, you write enough stuff down, it looks like half the size of the book and I think, well, if I can write half a book, I can write a whole book. And that just seems to be a thing that's still happening.

James: Well, I'm glad you do, because they're always fine. Like, as soon as they come out, I buy them, I read them. You're, I guess you could say you'd be counterintuitive, a little bit controversial. You have a contrarian viewpoint to a lot of the things people in our market are exposed to, many of which I actually share with you.

Like you, when I came online, I just didn't get it. I didn't get why these red screaming headlines with this pushy sort of sales thing was the norm. And I didn't understand why people accepted that. And I think the test of time has shown, especially with the emergence of social media, that that stuff's just not on anymore. And I will say, you've influenced me a lot in my own business at various points, with things like that time you did an affiliate-less review of my Traffic Grab product. I can't believe when I logged on to YouTube, there's this guy talking about my product, and saying that it's actually a decent product. And there was no affiliate link, and you weren't even an affiliate. You were just this guy who wanted to share with other people that the product was okay.

And that really struck me, and that was definitely one of the key things. There's probably two or three things that caused me to turn off my affiliate program, about seven years ago now, probably. But that was one of the significant ones, was I would like to have products and services good enough that people would happily talk about it without getting a thing for it. So thanks for that.

The other one is your dislike for things like pop-ups and annoying tactics that people use. And I've made a deliberate effort now in my business to remove or make sure there are no deadline countdowns, that we don't have in-your-face pop-ups, we're not harassing people with upsell hell.

One guy emailed me the other day and he said, Listen, I'm interested in your [product on revenue share deals](#). Is there an upsell? And I replied back and said actually, there's no upsell. The product will get you the result all by itself. You don't need anything else for it to work. There's no in-the-cart upsell.

And then I went into more of a conversation. Tell me about what you've been doing. Do you do revenue share deals now? Back and forth. Anyway, he purchased the product. But I think people are just sick of it. And you were early into it. I always didn't get it, but I guess I tried some of it because I guess I had to lean into it a bit, but then I pulled away from it dramatically.

Dan: Well, to be fair, I tried it.



James: You try it, we all try it. But when I think we've gone back to what feels more right. But obviously the other thing that happens is you get a lot more confident as you have success. And you have the ability to not compromise on that.

Dan: Exactly.

James: So it's like, in the beginning, you probably, like, in your case, especially, you definitely needed to make money in those early days. It was like struggle town, right? And we'll probably get into that in a minute. But you've gone from basically nothing to an eight-figure business. So I imagine you've put in, you afford orders now for a Lambo and a mansion, and putting together that high-ticket info product as we speak.

No, I'm just kidding. But I think you get more confident and bold. And that really came through for me in your last book. The last book, sort of had this theme of, listen, most of what people say is rubbish, or they don't know what's successful or not. Because you didn't know it was going to be a success. It was all by accident. And take everything with a grain of salt. That was sort of the theme I got from it.

So that being the case, with the new book, is your book just a work because you were bored and you wanted to just get your thoughts off your mind? Or is it a prescription that someone could listen to on Audible, or read and actually get some useful frameworks from?

Dan: Yeah, good question. Well, thanks for all of those words. I don't know how to address all of that. But that's great to hear. And like I said, I tried a lot of that stuff as well.

Promoting a physical product with virtual content

And I just had a conversation with a journalist writing about the beer business we've got and she was saying, oh, this kind of approach which you take with marketing must be really common in beer, because you can't copy someone's recipe. So you can sort of, you know, be generous and give away content and that kind of thing. And as I said, it's not actually like this. This approach that we take with marketing comes from my days in online marketing. And I took the bits out of that, that I liked. And there's certainly a lot of aspects to online marketing that I enjoyed, especially this stuff, especially the content creation.

James: Yeah.

Dan: And the branding, and the storytelling. But I didn't like all the cheesy pop-ups and the spammy headlines and all of that stuff.

And I just always felt that everyone was optimizing for a quick revenue win, where most of the entrepreneurs I was looking up to, you know, really looking up to, were people who had built something very strong over a very long period of time. Very rarely does it happen quickly. You know, you kind of hear about it towards the end, it looks like it happens quickly, but it never does. And I think over time that that approach has served me well.

And it's not just served me well. You know, I still follow a lot of the online marketing guys, and there's guys that I've talked about in the book and in other places that have also done very well by building something sustainable over a long period of time, and sort of emerged out of that online internet marketing info product world with something sustainable and ongoing and profitable. And that's awesome. But I daresay a lot of people who were doing that stuff have kind of either gone on a different path, or it's not working for them long-term.

When your marketing approach seems less than legit

To answer the question about the book, I still actually think it's kind of rare for people to, you know, see this approach that we take with marketing as a legitimate marketing approach. Like, I think when people think to build a business, you know, I still see it now – like, our competitors, they're out buying billboards, because that's what people think of when the marketing person gets a job to market a product.

James: They get a budget to spend, they spread it across the portfolio, they listen to a couple of skivvy-wearers in an agency, squander it, don't track it, and then wonder why they're struggling.

Dan: Yeah. And it's also a very expensive way to go about it. And it doesn't give you much of an advantage because, you know, every time we, and we just saw it with the craft beer survey, we were just voted the number one in the list of craft breweries in the country in the survey.

James: I saw that. Congratulations.

Dan: Yeah, thanks. It's something we've been working on for years, and to get there, you know, shows we're doing well with the brand, but it shows that we can, like, we didn't pay a cent to get people's attention to fill that survey in. Like, we did targeted emails, which is, you know, the tactics I'd learned, of course, from the online marketing days.

We did social media. We did [storytelling](#), you know? We did some good content. We've got a Facebook group that's really engaged. And we told a story over a lot of years about what we're doing and where we're going, and it was enough to get more people voting us than any other brewery in the country, and it didn't cost us a cent. It's A, the only way I know how to do marketing, because I've tried everything else and it hasn't worked. And B, it's turned out to be a good advantage that other people really struggle to kind of replicate.

James: So in summary, what you can bring to the table is, for a normal business, like a non-internet marketing background business, they could learn a lot from the good bits you've taken from the online industry and applied it. Therefore, it would be very relevant for someone listening to this podcast, if they are any kind of agency, digital marketing advisor, supplier working with regular businesses, they could take the exact framework, which I'll share in a minute, and apply that with their clients.

Maybe they don't have to run paid Facebook ads to a landing page to squeeze people for a webinar, for an application to wha wha wha wha wha, right? Is that what we're talking about?

Dan: Yeah, I think so. I think especially if what they're prepared to do is put in time and build something over time, I think that's the key thing. This kind of approach doesn't give you immediate results, and never will.

James: Well, I've watched you over time, Dan, and in the early days, you were definitely struggling. Like, I remember you were a web developer. And it was a tough business, and you talk about it in your books. And now you're a very confident man who's achieved what most people would consider a remarkable success. I've watched every step of the way. You bought a lovely home, your little passion turning from a home brewery thing to actual physical facilities, to amazing-looking beer cans.

Just to get to the punch line, I want to do this all arse about, right, compared to the script. Firstly, we haven't wasted half the episode on your backstory. So what I'd like to do is, let's just do this in reverse order. First, let's just talk about, what is your current business that you're actually having success with, just so in case someone listening hasn't ever heard of you?

For the listeners who don't know Dan

Dan: Yeah. So Black Hops, it's a brewery. We started in my mate's garage with one homebrew batch. And we've now got, well, we've got three breweries and taprooms in southeast Queensland. We've got another barrel room we're working on where we're probably one of the biggest independent breweries in Queensland, probably the second biggest I'd say, and a very fast-growing company. We're doubling every year; we're doing more than a million dollars a month in revenue, and just going from strength to strength.

James: Amazing. So does that mean you're good mates with Mick Fanning now?

Dan: I met Mick a couple of times. The Balter guys are really good. I met him really early on, super nice. I wouldn't say we're good mates. But I met him, and the guys from Balter are really nice. They're a good crew.

James: Well, he'd know who you are, I'm sure by now, which is good, like neighboring competitors.

Okay, so that was the first part I wanted to do. The second part is, let's do the bit in the middle. Somewhere between struggling web agency and the brewery, you had a great recurring subscription business that you sold off. Do you want to just address that chapter in your life?

Dan: Yeah. So I built, again, just literally in my garage, I just sent an email one day to a list after a lot of years of struggle, you know, asking if people wanted a monthly recurring service for fixing WordPress sites.

And, you know, I had four or five people sign up in the first week, and I had four or five people sign up every week the next couple of years and turned it into a million-dollar company and sold it to GoDaddy, I think less than three years after I started it, for a whole bunch of reasons, but one being it was nice to sell something and make some money.

James: I agree with that.

Dan: Yeah. And the timing ended up perfectly. Kind of, you know, I've sold that, didn't have to work on it after the sale because my business partner did that. And then I went straight into Black Hops and into this business.

James: Perfect. And probably the most boring one is the original struggle. Like, every single person, like this is a triangle. Few people can relate to your top part. Some people can relate to the middle part, especially me - I built and sold a recurring subscription business. And like you, I've been trying different things over the years and finding my own sweet spot and watching people come and go. My business has been fantastic for that whole time.

And then there's a lot of people who can relate to the struggle phase. Do you believe that you can bypass the struggle phase? Or does every person have to [crawl over broken glass](#)?

Dan: I have no idea. What do you think?

James: I don't know. I'm struggling to think of an example of someone who has gone straight past that phase. And it's something my rich Mercedes-Benz clients used to tell me. I heard it two ways. I heard you're going to have to crawl over broken glass, or you're going to have to eat beans, which means, like, all you'll be able to afford is baked beans for a little while there, while you're struggling. That guy owns most of North Ryde. He owns all the big residential towers, and he started from scratch. He'd be worth hundreds of millions.

And, you know, he was still wearing secondhand clothes with gravy stains on them when he was buying his secondhand Mercedes-Benz. He just couldn't get out of that mode. And that was always a big lesson to me, too. Some people get stuck in the poverty or scarcity mindset.

So I don't know, I think we definitely see a lot of people struggle. Not many people make it to the other side. And really, that's the aim of what I want to do in this podcast.

Compound marketing in four parts

So the next part I want to go to is like – massive spoiler alert – I want to go straight to the guts of your book, Compound Marketing. I would love to share the framework, because you break it down into four pieces and then a conclusion.

Can you just tell us the four steps that you feel have helped you with your business that someone listening to this could actually emulate? So if they could only listen to this snippet, and they got the 64/4 of what this is all about, what's Dan's special recipe for brewing up a fantastic business? Go.

Dan: Nice. I like the brewing metaphor, there. It's good. You've always been good, strong with your metaphors.

James: I've got to be good at something, because I don't know how to brew beer.

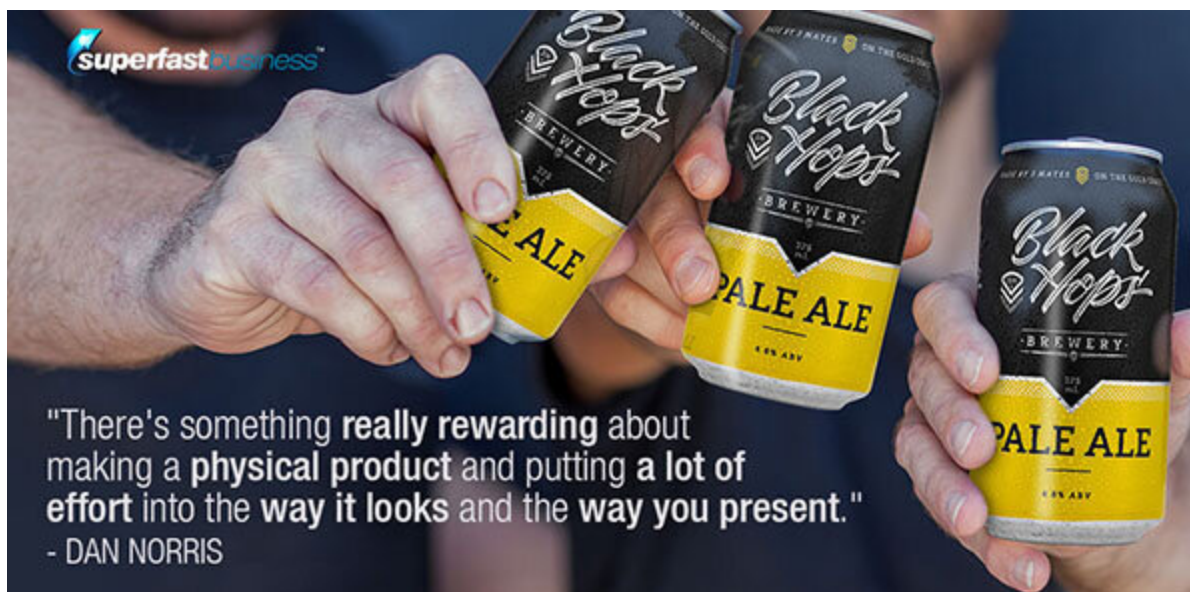
Dan: Yeah. Well, I think just a brief backstory. I enjoy the process of writing books. But I've written about everything already. I've written about starting a business. I've written a story about the brewery, I've written a book about content marketing. I've written a book that I thought was my kind of business philosophy type book, the one you mentioned called This Is the Answer.

But I sort of started thinking about, well, what haven't I written about, A; and B, what is not captured in those things? So like, I've written about content. But the more I think about what we do, like, you mentioned that our cans look really good – we put an enormous amount of effort into the design of our cans.

Like, we have a beer that might sell out in an hour and a half, that I would personally spend hours and hours with my designers working on printing full-wrap labels, sometimes getting professional photography, maybe just getting our own decent photo. You know, it's a beer we've designed and brewed from scratch, we've canned it on the site, we've got an amazing-looking design. Some of these beers will sell out in an hour.

And you know, a lot of people would think that's a complete waste of time. But this is something that I feel like I've sort of always had in the back of my mind. But there's things that aren't just content, that I think are key to the way I go about marketing. And I started thinking about what those things are. So the four things, to answer your question, are brand, content, story and community.

And a lot of the stories in the book are about Black Hops, because I really feel like what was exciting to me about this business was starting a business where I could apply my kind of way of marketing, which I hadn't really written down other than to say I like creating a lot of content. But apply it in an industry where other people aren't necessarily doing it and applying it where we've got a physical product.



Because there's something really rewarding about making a physical product and putting a lot of effort into the way it looks and the way you present. You can pick it up and feel it, you can see it in the fridge, you can see people enjoying it.

And so yeah, the branding is something I'm really passionate about. I've talked about it a lot, but not a huge amount, in my books. Content, obviously, is a mainstay. And these days, it's changed a lot. It's, you know, almost all of our content now is some kind of social media post.

Back when I first wrote the book, it was all about blogging, and you know, to a lesser extent, podcasting. And the storytelling is something that I sort of naturally fell into, after realizing that I was already doing it. You know, and listening to your stuff and, you know, doing my income reports and people commenting on you know, what you're doing here is telling a story. I'm like, okay. Well, that's something I can do with the beer.

And the community, the final piece, is just absolutely critical. Like, we've got a core group of people that follow what we do, they love what we do. We're intensely engaged with this group of people, you know, to an extent that I've never been with any other business. Like, we see them in the street. We know them, we see them in the tap rooms, we're friends with a lot of them.

You know, we've got a really engaged group, where these people are in all the time, where we've got a homebrew competition where we're giving them our recipes, they're brewing our beers, they suggest beers that we end up brewing and selling. Like, it's a really amazing network or community. That, to me, is such a fundamental reason for the brand's success that it's enough to be a pillar in a, you know, to use your word, as a framework of sorts.

James: Yeah, I can relate to this on so many levels, as someone who has actively fostered community for decades.

It's a big part of it, isn't it? I mean, I'm here in my little room; I've been working from home since 2008; and wherever I am in the world, I can be connected to other people all around the world. You know, I found this old Gary Halbert video from about 2004. This was before Facebook groups and all of that. And he said the two things people crave online is content and connection.

And I thought, isn't that interesting? It's pretty much what Dan's saying. It's pretty much my business model. I just keep cranking out podcasts, endlessly cranking out podcasts. And I speak to people in my community, pretty much every day, forever. And I learn so much about them. And I get, it's such a rich tapestry. And it's such a joy to be connected to that.

On partnerships and the value of design

How much joy do you get collaborating with your two best mates in the brewery, and then seeing your customers consuming your product?

Dan: Yeah, I mean, it's amazing. It's amazing to have Eddie and Gavs, you know, work still as great mates, you know, running this business. And actually, to answer your question before about whether you have to go through struggles, I was thinking about them when you asked that question, because I'm sure they've had their ups and downs, but it is their first business. And for this to be your first business, it's not bad. I mean, depending on how things work out. But if it feels like things are going pretty well...

James: It looks like they're going along. And you know, and then there's the fact that it's beer.

Dan: Yeah.

James: I actually, I think I had one of your early samples, like in the very, very early phase.

Dan: You had the very, very first Black Hops beer.

James: The very first, right?

Dan: The very first, yeah.

James: This is really more of an example of how you operate. You came down to Sydney, so it's another state away. You visited my local neighborhood, you arranged to catch up. And we met at the coffee shop and you gave me the beer.

Now at that time, I didn't, I mean, how could I, even you wouldn't have known how significant that beer brand is going to become in the future. That's the early seeds. That is the acorn that turns into a great big tree. And it's basically what I would say is playing the long game. You play the long game. I play the long game, I've always played the long game.

I still feel like I'm in my apprenticeship. So it's interesting for me to watch you because, you know, I've been in the background building this monster spreadsheet of probably a hundred surfboards that I've measured, ridden, reviewed, made notes on, consolidated, sat down with a designer and modeled on CAD type software, my own designs. And we've produced three so far, that I've then tested in different waters from the Maldives through to Queensland, Burleigh – I love Burleigh – and made notes.

And you know, you're right about the physical thing. And I suspect one day down the track, there'll be some crystallization of all of that research and development into something beyond where it's at now. So I'm paying big attention to this. And everywhere you look – and you won't have to look far – you're going to hear about story, story, story, story story.

It's interesting hearing a lot more about brand from direct response marketing type people, or from that world. Because it's definitely, they're not interested in brand when you first talk about it, and they're certainly not interested in design. And there was even a whole, you know, ugly-pages-sell-more-movement, right?

Dan: Yes.

James: Which is shocking. And I think when you spoke at my [SuperFastBusiness live event](#), you were talking about your experience, hiring a logo designer and putting a lot more effort into it. And then I've seen you just rip people down and say, look, if you're going to get some cheapass thing from a contest site, like, you're better off just to go with no logo and just use a font, until you can get a [proper design](#).

Do you want to zoom in on that a bit? Because I know how much you're interested in design. And I literally just bought a book on design today.

Dan: What was the book?

James: I'll just get it off my Kindle here. I was going to bump yours off it. I was reading about it from this ferocious tweet storm. And the book is just loading up now. Let's get it.

Dan: Because I think when I read the – I talk about this in my book – when I read the Steve Jobs book, which I think came out a couple of weeks after he died, that was really the moment for me where I really, really started paying attention to brand. Because it was clear to me from reading that book that this was something that he was very passionate about.

James: You're talking about the Walter Isaacson one?

Dan: Correct, yeah. And the book wasn't about design. But it was very obvious that this was something that he was really passionate about.

James: That book led me to Insanely Simple, which was a design book from the Apple guy.

Dan: Right.

James: And that's the moment when I went to Kindle, predominantly because I got that book on my trip to the Philippines. And I was halfway through it. And my team manager at the time was paying attention to it. So I gave it to her. And I thought, I'll buy another one at the airport on the way back. And then I couldn't, there was no airport bookstore there. So I downloaded it on my Kindle in the airport lounge, and I read it on my iPhone on the way back to Sydney, eight-hour flight. It was that good. I just couldn't stop reading this book.

And it was pivotal for me, too. The book I just purchased today was called Creative Selection: Inside Apple's Design Process During the Golden Age of Steve Jobs.

Dan: Who wrote that one?

James: This one is from Ken Kocienda.

Dan: Right. Yeah, I'm just trying to think. I mentioned in my book about a comment from a guy who worked at Apple about the way they design certain things. I don't know if it was the same guy, kind of rings a bell. I hadn't heard of him before. But I don't read much about Apple.

Apple's creative approach versus that of Google

James: The argument that I saw on Twitter was about how Apple just decide what people need and then make it with this fierce passion. Whereas Google will split test 52 different colors of blue or whatever. You know, that's what I was reading. And I'm like, you know, I'm definitely a lot more like the Apple guy. You won't see me sending out a lot of, you know, what should I create type things. I hardly ever poll my listeners.

Like, how are they ever going to say in a poll, I want to hear from Dan Norris about his new book; I want to find out [what software updates have come with 10XPRO](#); I want to learn the [top three business philosophies that are Japanese](#), you know, to find out more about another culture. I want to get [a little bit of SEO](#). And then I'd like a solo episode here about [what's going on in your life and what changes you've made to your business](#), etc. Like, they're just not going to be able to answer that.

So I just have to say, Okay, well, I speak to 500 people a week. What's the common pattern here? You know, where's the puck going to be, you know, to take that old ice hockey metaphor.

And I have to think about, my goal is when I'm producing content, I want my audience to say, Oh, my god, this is exactly what I need right now. It's like you're reading my mind. That's the result I'm shooting for.

And, you know, I did a training yesterday on conversational conversions, and someone said, Hey, I think this is probably your best training you've ever done. Because it's exactly where the market's at. It's like, what if we let go of this very linear, like, you know, all these mapped-out funnels where someone goes from the ad to the page to this to the cart, and then theoretically, that's you? What if you could just engage people in a conversation and then find out what their challenges and see what the best solution is and help them? So I basically gave them a map for that.

But yeah, the creative and design process, coming back to the point, is probably a lot more significant than people realize. I'm just thinking about my surfboards. I've got a few here. The brand and the style and the history of the surfboard is so significant. And when it's integrated into the brand, and they match it with the right surfer talent to showcase it...

I will wait a year for a board that costs three times more than one I can go and buy off the shelf today. Because of that story and the brand.

Dan: It's like shoes in America. The whole market that's come up around buying shoes, like people are just spending absurd amounts of money on these things.

But I think, like, looking at your surfboards, it's a good example, because like I mentioned in the book, brand is kind of how you feel about something. And like, I know, because I'm a surfer as well. Not a very good one and not a very regular one, unfortunately.

James: I'm glad we got to share some waves. You and I have surfed together in basically life-threatening situation as it turns out, in hindsight, you know?

Just while we're on that, that day that we surfed, where we surfed at the secret break there, that hardly anyone knows about, I was surfing my board that had quite a wide tail on it. And it was a quad fin. And on that particular wave, it's quite hollow. And it's the first time that I'd surfed that board where the back actually started sliding out. And I learned a valuable lesson about tail shape and wave type and realize that that combination doesn't work.

So it was a really big education. But I was out in the field learning on the job. You can't really read about that. You might get a bit of theory about it, but until you experience that, it's like, oh, I now know this causes that. So my next design, I'm going to pull the tail in if I'm planning to surf on hollow waves.

The power of brand and the effort of building it

Dan: Yeah, nice. Yeah. And I think that the brand, the surfboard is a good example. Because when you look at a surfboard, you'll have a certain feeling, you'll have a certain memory of, you know, a memory or a future vision of where you're going to surf and how you're going to feel when you surf or that kind of stuff. And all the colors, the imagery is all relevant.

In our industry, making any kind of liquid product and selling it in packaging around Australia is incredibly difficult. I mean, it's so competitive, and it's so expensive. Every month we pay over a quarter of a million dollars just in alcohol taxes to the government. And that gets paid before, you know, before we get paid for the beer. So like, it's an exceptionally challenging business to run.

James: Plus, you must have legal constraints on who can even view your content in some circumstances.

Dan: Yeah. You've got every challenge. You know, this is not an easy business. Every challenge you can think of. All the most expensive things – the rent, the overheads, the equipment, the staff. US business runs with expensive equipment, expensive ingredients and staff.

James: Yeah, but beer. It's beer.

Dan: I'm not complaining.

James: Do you think this is going to happen when they start opening up the market to things like legal cannabis supply, etc. in the future, if that ever happens?

Dan: Oh, yeah, I think that'll be a big thing, especially with the new government in the US. And it's already something that'll happen here, it'll be a massive category here. It's not for me.

But I guess the point I'm making with the brand is like, for six years, this business has lost money. This last financial year, we made \$20,000 profit on a revenue of about six and a half million dollars. And it took us six years of losing money to get to that point. So it's incredibly difficult.

And if you can have a product that you can sell for a decent price, and you don't have to cut the price on – because A, it's a great product, and B, people care about the brand – I think it could be the difference between going out of business and not going out of business.

Because, you know, you can't lose money forever. And if you're constantly discounting your product, which a lot of people in our industry do, it's just not going to add up. You're either going to have to get investors with very, very deep pockets to just dish out cash for the sake of it, or you're just going to go out of business. So I think it's life and death.

The financial story behind Black Hops

James: And how did you fund the business, for those six years?

Dan: Every way you can think of. You name any way of funding anything, and I've done it.

James: Right. Is there one in particular – like, so you've done the bank of mum and dad or the loan from the bank, the fundraising through crowdsourcing type things, pre-selling things, I suppose?

Dan: We've done pre-selling, we've done normal crowdfunding, we've done equity crowdfunding. We're the first brewery in Australia to close an equity crowdfunding campaign. I've done nine investment rounds over six years for private investment. We've got fifty investors.

James: Does it end up being financially lucrative for Dan, when you take into account investors and a three-way partnership? Will it end up being a financially useful thing? Or is it a pathway to something greater?

Dan: Yeah, no. I mean, the business is worth a lot if you look at the amount that we value at, you know, when we do investment rounds.

James: So it's already made it?

Dan: Well, yeah, I don't like to think of things in those terms. I think it's a very valuable thing we have. You only get the benefit from that value if you sell it. So, you know, I don't want to sell it.

James: It's no life beyond that at the moment. Like, I think Amazon lost money for the first seven years.

Dan: Yeah, they lost, I think, the first 10 years then the next 10 made it over all.

Are other industries a consideration?

James: But there's a lot of a lot of upside coming down the track for you, probably. And like, if you were to apply your same methodology to another related industry – and Gary Vee talks about this a lot, you know, he thinks BMW should make sneakers and etc, and Tesla's now making alcohol...

Dan: Tequila?

James: Yeah. And I think that you were at one point quite keen on Tesla. Do you think that's something you'll do? I mean, you already sort of borrowed what looks like a video game. Hat Tip?

Dan: Yeah, we could make a Black Hops video game. That might cross over with that division a little bit too much. The law might come after us.

We've got plans, we're doing barrel-aged beer, we've got a separate tap room for that. I'd like to do whiskey. We'll start collaborating with some other distilleries on whiskey. I don't really know, you know, we're doing beer because my mate was a brewer and knew how to make beer.

I wanted to do some kind of physical product. I thought it'd be fun to do kind of an electric skateboard or something. But I don't know anything about any of this stuff. Or, you know, all I know is, I guess now I know how to run a physical business with staff and overheads, and the rest of it, and a lot more about finance now with this business.

But other than that, I really only know about content marketing and, you know, online marketing. So I'm not sure what else I could do. I'm not sure how far those skills transfer.

James: I think clothing could be something for you.

Dan: We actually sell a lot of merch. We spend a lot of time on different merch. We've got design merch areas in all of our breweries. I'm trying to think how much money we make on merch. It's not insignificant, it's in the hundreds of thousands a year.

James: Well, I look to other industries, you know? Like the surfing industry, all the money in surfing is in the merch and the clothing.

Dan: Yeah.

Indestructible jacket, anyone?

James: I'm glad you're validating my gut feel. But I'm thinking, you know, one of the benchmarks for me is the company Vollebak. And they make interesting clothing. Have you heard of them?

Dan: No.

James: They do brilliant marketing. Their emails are very seductive. They sell out instantly. They make everything from Planet Earth type clothing that you could bury like, you know, decompose, to clothes that will last forever. Like, this is how good their marketing is; they have a hundred-year jacket that will last a hundred years. And I bought two of them.

And then then they come out with an indestructible jacket. Like, it's so tough, it can't be destroyed. And so I bought that as well, just in case my hundred-year jacket doesn't last.

Dan: What are you going to be doing in this jacket that needs this kind of strength?

James: Oh, my god. I mean, that's where the marketing is so brilliant. It just tells the best story.

Like, everyone knows about nylon, but this stuff's made out of Dyneema or something. And it's like, it's so strong, they use it for ships to moor, you know, the mooring rope. They put it in spacecraft doors, as protection, and in bulletproof vests. So who wouldn't want a bit of technical clothing like that? And the colder it gets, the stronger it gets, right?

The funny thing is like, within the first three days, I actually destructed it. And I took a picture of it and sent it off. And they said, aw, listen, that shouldn't happen. Let's take care of that. And they sent me the exact same thing again, like straightaway by shipping.

And you don't want to know how much this clothing costs.

Dan: No, I was just thinking that.

James: Like when my daughter led me around, it was Kmart the other day, like, it's a huge playground for her. She just walks around and around and around and around. She picked up a hat off the rack, and it was nylon. And I think it was \$6. And you know, she was pretty interested in the hat. So I let her keep it, and I bought it.

And I reckon the nylon in that and the Dyneema, they look kind of similar. So you'd have a \$6 nylon clothing item, or you could have, like, a \$1,000 jacket that's going to be indestructible. So yeah, I would say that that's a good case study for people will pay for expensive clothing.

And the way they sell it is brilliant. And you know, I just buy it as a lesson in brilliant marketing and fulfillment and service. And you feel good in it, too. It's good stuff.

Dan: I bet. Yeah, I'll look into it.

James: Make sure you line up your funding, first.

Dan: No, no, I'm going to look at their Instagram. I'm not going to purchase the jacket.

James: Get on their email list. Just get on the email list and I dare you not to buy anything in the first 12 months.

Dan: Yeah. I'll just say, I've always felt very strongly that it's never just about marketing. Like, it needs to be like, you mentioned the quality of the product as well. Although it sounds like you had an issue there. But generally it sounds like this place generally makes good quality.

James: Well, generally the product's fine. You know, it takes one year to make it and they make it in places like Portugal or whatever.

One of the other clothing places that I really like is the Online Tailor store, and they have a very, very good process. Like, you choose every element of your garment, from the material to the color, that you put your exact dimension so it's completely tailored to you.

And then when you order it, they start sending you a little picture of the person making the garment, using the exact same fabric you've chosen.

Dan: Well, that's storytelling right there. It's going to mean so much more.

James: They have an absolutely brilliant interface. You can click on all the different colors and options, and it shows you your exact product in real time with their sort of design. And then it arrives via FedEx or whatever very quickly, and it's exactly perfect fit. And they store your stuff. And it's very easy to just re up. I think I've ordered seven or eight shirts now, which is quite a few for someone who really only wears T-shirts most of the time.

Dan: Yeah, you got the same uniform as me.

James: I do. I don't wear shoes. I'm literally not wearing shoes right now. And that's the joy of working from home. But it's you know, I always take the lesson. And I've used the experience that I've gained from those two interactions many, many times with my customers, because it's easy to identify a gap between what is available and what they're offering.

So when I look at your business and what you do, you're just so strong with the fundamentals. It's clear that you care about your customers; it's clear that you have a lot of pride in the products you're making. You don't do any of the BS and doucherie that other marketers do. You're not in it for a quick buck.

That's why I wanted you on the show last time. And when you said you're looking for podcasts, I said, Yes, I'd like to have a podcast, please. Thank you very much.

Some insight on the year that's been

So we've talked about the framework. But importantly, you sort of have a message at the end about the future. What do you think of the big changes from the way things were at the beginning of the year to the way things might be next year that we can all take a lesson from?

Dan: God, that's a good question. I mean, this year has been an incredibly good year for us in our business. I don't know about you.

James: Oh, me too. And I'd have to say, I mean, I don't mean to brag, but the bulk of my customers are having record month after record month in it.

Dan: Exactly.

James: Partly because, you know, I deal with predominantly online businesses, and most of that industry's had a surge. And partly because I've been working really hard on risk mitigation.

And you even, actually, thank you for referencing me in your book about [own the racecourse](#), but I made sure they're not sitting there totally dependent on one thing, you know, wherever possible, and they have a lot more control of their business than a lot of their peers.

In the – was it a week ago? When there was an election frenzy, Facebook was just shutting everything down, left, right, and center. Ad costs went through the roof and stuff. And it's times like that that these strategies come into play. They're like a hedge fund. They're only useful when the crap hits the fan, but you're really glad you've got them.

Dan: Yeah. Yeah, I mean, I kind of don't predict too much in the future, just because, like, when this COVID thing came, we sat around, and me and my business partners were like, we're f*cked. Like, if people can't buy beer anymore, like people can't go to the bar, we're all kinds of f*cked.

James: You've got to go to them, right?

Dan: There's no planning you can do for that.

But even with that, like, you know, like our online sales went up from, I think, probably 10, 15 grand a month to 85 grand in that one month when we had the shutdown. I mean, it was a million-dollar online business overnight.

But that doesn't scratch the surface of what this business does, you know, as a whole. And because it's manufacturing stuff, like we've got it all made there, ready to go. You can't just dial it back. There's a big process for that. But it's turned out to be a fantastic year for us.



So yeah, I don't really do predictions, but I've tried to, you know, with these concepts, think about what's worked for me in this business. So I've got fresh examples. But also what's worked for me and for other people going back as far as I can remember being in business, because I think things like storytelling and content and community and branding are universal.



Any changes in the content marketing game?

And in hindsight, they were the ways I built the other business, without writing them down and without kind of understanding that's what I was doing. And I think that they're universal, and the only thing that changes, really, is the kind of places you put the content. You know what I mean?

Like, that means big changes, but for us, we're putting out more content than ever. It's just in different forms. Like, we've got thousands of posts going into, I just saw the report this morning. I think there's over 1000 threads in our Facebook ambassadors group, only a handful of them started by me. Most of them are started by people in the community. I imagine you have the same with yours. And this is content.

James: Yeah. I don't start posts often, if any. In fact, for the last 10 years, I'm a very, very infrequent post starter. That's not my act. I'm not front-footed, you probably know that about me. I'm actually fairly reserved.

I prefer to respond and react than to be the instigator, which is why I'm not an Insta celebrity. I'm not a blogger who's in your face every five seconds, because that's not my default setting. I'm actually a responder. I like to answer the questions rather than start the question.

So yeah, it's wonderful when your community can create their own vibe.

Dan: It is. And that's all content, you know? Like we do a blog post, we do a podcast, we do the longer social media post, we do all that stuff. I do podcasts, press, all the normal content stuff. But for the majority of the people in our core audience, the thing they probably see the most is a forum, a Facebook group post from someone other than us, about Black Hops.

And that's the way content is changing. And to me, it's still content marketing, because we've created that environment where people want to do that, and talk about the product, and it costs us nothing to do it. And we do make the compromise. I mentioned in the book that, you know, Facebook groups are still very, very effective, especially in this case.

And sometimes you do make the compromise in, you know, having that method in your marketing, knowing that Facebook could switch it off at any moment and screw you over, which they probably will.

James: But you also build a database, knowing that. You build a database, you migrate them into other platforms here and there. You know, if they visit the site, you've got the ability to reach them, probably through a campaign if you needed to, if you had a pixel running, even if you never use it.

Dan: Yeah. And email is still that old dog that just keeps giving.

James: It is for me. Email is everything for me. That is, like, we work so hard on keeping it clean, keeping it consistent. I've had email experts tell me, if you're not emailing your database at least once a week, it'll just get destroyed for deliverability, etc. So that's a big message that keeps recurring on this particular podcast, email is the big dog.

Dan: Yeah, emails have been forgotten about in our industry. I think it's, you know, with this survey that we just talked, you know, when I send emails out for that we use [ActiveCampaign](#) now. And I've got groups of communities that I know engage with our brand for different reasons. And I can email them and ask them a different question than I'm emailing another group.

And I can see activities, because I can see exactly how many people click on this link. And every year, I track how many people click on this link, because that means I'll know how many votes we're going to get in this survey.

And just having those different groups of communities, which is something I only put in place at the start of the year, when we moved over to ActiveCampaign away from MailChimp, was enormously effective.

Something to really get stoked about

James: Very nice. What are you most excited about, to finish up on? I imagine you've probably got half a book sitting on your laptop, some of it? What's getting you really, like, peaked about in a very short term?

Dan: Yeah, I've actually sort of coming down off a peak, because we had an opportunity that came about through our accountant to buy another brewery, which I just checked the [Slack](#) before this, it was only four months ago, when I had this original phone conversation with my accountant about it. Like, just random thing he said, like, I've got this other brewery that I'm involved in, they might be interested in selling.

And just the weekend just gone, we just launched Black Hops in Brisbane, after acquiring the business, going through that whole process, and, you know, remodeling the whole thing in 10 days where I was looking after the design of it, and the build with all the tradies and all the rest of it, and then launched it.

I mean, it's what dreams are made of. It was a really amazing, exciting thing to happen. And even just acquiring a real physical business and all the legal aspects and challenges with what happens with that, it was something I've never done before.

So that's what, I'm coming down off that. I think I'm probably ready for a holiday. And then I can think about the next step.

James: Well, you know, like, Christmas is going to be here soon. So you'll probably have a well-deserved eggnog beer celebration, and roll into next year. You've had a good year, well done. And thanks for putting aside the time to come and chat with us. Your story's been inspiring.

I asked you a few times to come and speak at my event about this business you're building, but it seems like it was just the perfect time.

And I hope this isn't the last time we catch up because, you know, you've basically been there for the majority of my online journey, as a similar cohort in the early days, and even though you've gone down a slightly different path, I feel like we've got a very strong connection. And I know you've got so many rich and interesting chapters to yet unfold. And let's keep this journey going.

Dan: Awesome. Well, I appreciate that. I've looked up to you for many years, as you know, and I'm always happy to come on your podcast. It's not because I'm too busy. I just actually just don't think about promoting my stuff as often as I should. But I'm always happy, always happy to come on.

And congrats on doing so many episodes. Every time I see your post, I'm like, I can't believe he's done that many bloody episodes, because I'm just trying to think, like, when I first started, listening to your podcast, was, I think when you were doing the [Freedom Ocean](#). Well, it might have been before that. But I mean that one probably doesn't even count in the 780, does it?

James: Not at all. No, the Freedom Ocean, [Think Act Get](#), [Sales Marketing Profit](#) and [Kicking Back](#) are all separate to the 700. If you were to add them up, you'd probably get about a thousand. And we're not even talking about, you know, when I'm the guest, because I know I've done plenty those.

Dan: Yeah. Is it the most out of any Australian Business podcast? It must be.

James: I don't know, I'm sure there's someone belting along with thousands. But, you know,

I'm all for lots of content. But I'm, you know, I've said this before on the podcast, I definitely want to work on making them better. I want better. Like you said, you said my magic phrase in this podcast already. That's my benchmark for a podcast. If I don't elicit it, I feel like I've come short.

And the comment I'm looking for is, That's a great question. I feel that that's my job, is to advocate for what the listener would want me to ask you if they had you here, because I know I'm in a privileged position to be able to have you here and ask you questions in real time.

And I also have a lot of gratitude and an appreciation for how many people actually listen to my podcast, because I wouldn't keep publishing them if no one listened to them. And luckily, people keep listening to the podcast, and they tell me all about it, in their emails.

And when they join [SuperFastBusiness membership](#), they almost always say, I've been listening to your podcast. It's like, absolutely the number one prior port of call before someone interacts with me on a purchase.

Dan: It's really powerful.

James: So it's definitely been a big, big, powerful machine for me. And luckily, I figured out a way that I can just talk for a living, because that suits me perfectly. I can't even type.

Dan: Luckily, I can type pretty fast. So I prefer to write books than do podcasts.

James: You're a machine with them.

Dan: But I do like going on other people's podcasts.

James: Inspiring. I'm just working on my second and third book at the moment. It's always a struggle, but I'll get there.

Dan: Well, at least you can do the audio book. That's probably easier for you than it is to me. That is real painful for me to do.

James: Oh, it is. It's so hard to listen to your own stuff. There's nothing new. It takes, like, for me to sit down straight for six hours, it's, like, a big commitment. I very rarely do more than two-hour blocks. So yeah, that's really hardcore. I have to send the family away and just buckle down.

Dan: Yeah.

James: All right.

Dan: Well, I look forward to reading it when it comes out.

James: Absolutely. I think you'll enjoy the next couple for sure. One of them's about scaling and the other one's about memberships. And then after that, I'm going to go down the revenue share path.

Dan: Nice.

James: Cool. Thanks, Dan.

Dan: Thanks, mate. Thanks for having me.

James: Yeah, and we'll pop up some sort of associated notes. This is ad-free podcasting. And I hope you've enjoyed the show. Listen to it on a future episode.



Apply online marketing to
any business with James's
help

[CLICK HERE](#)