Twitter Thread by Nick Huber



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Customer friction is a huge part of running a biz.

How hard is it to engage a company to work with you?

Data-driven companies obsess over reducing this friction.

Mom-and-pop operators SUCK at this and it’s costing them millions.

Here’s what I’ve learned ■■■

1985 companies have a lot of friction.

Call them. Leave message. Wait. Guy may or may not call you back. Quote by phone or email. Scan signed contract.

A self storage facility we purchased recently had a lot of this.

Drive across town M-F 9-5. Spend 20 mins. Sign paper lease.

Get a physical key and lock. Drive back. Get your unit. Mail a check each month or stop by office with cash.

Owner charged $52 a month for a 10x10. Completely full.

We instantly setup software for online rental.

No phone call necessary. Rent a unit in 4 mins from your browser.

Sign lease online. Pay online. Upload photo of DL on phone.

Go straight to your unit 24/7. Type in gate key that was sent to you by text. Lock and key waiting in unit.

We can now charge $77 a mo for the same unit. $25 more. And we rent MORE units faster.

How significant is this?

That $25 increase per unit across the board turns out to be a 35% increase in revenue.

That takes revenue from $14k a month when I buy it to $18.9k a few months later.

An extra $58k to the bottom line over the course of 12 months.

Valued at a 7.5 cap that's $784k in value added to this piece of real estate.

By making one simple change.

The property goes from being worth $1.3MM to $2.08MM.

And I can refinance out all of my initial cash 12 months later and keep the cashflowing property.

Another example.

One of my coaching clients runs a pooper scooper biz in Minneapolis.

The first thing I noticed was his signup form was clunky.

No language to help get customers to finalize the appointment. He also requested a credit card off the bat.

We changed the wording. Made it simple. And offered the first visit for free with no credit card off the bat.

Since we made that change new signups have DOUBLED.

Less than 10 clients have taken advantage of a free yard clean without paying and staying on.

He went from 500 customers and $220k a year in profit to 585 customers and a projected $300k in profit in 5 months.

With one change that took 10 minutes to make.

So what can we learn from this?

It's a bigger deal than you think.

How hard is it to become one of your customers?

Facebook and Twitter obsess over the user experience. Reducing friction on things they want you to do. Spending millions to speed up the app by .001 seconds.

Get serious about reducing friction with customers on things you want them to do and it'll pay off.

Mainly, make it easier to hire your company, buy your product or pay for your services.

This thread could positively influence more small business owners in real dollars than any other tweet i write in 2021 and it’ll get less hearts than the one about snowmobiling with my wife.

Funny how this place works!