

CHAPTER 6

Your Network Is Your Net Worth: Building Your Relationship Currency



Melinda Emerson, the “SmallBizLady,” President, Quintessence Group

The Internet, and specifically social media, has unquestionably changed the way entrepreneurs do business. In many ways it has disrupted the traditional model of business, allowing companies to connect immediately with their consumers, become more responsive to opportunities and threats in the market, and drive and grow business. It has become a way of networking by allowing people to develop and grow their business networks faster and more efficiently online. While the traditional model of networking- going to events, passing out cards, and hoping to make that vital connection -still works, social media is now a critical element of networking that cannot be ignored. Social media platforms such as Facebook, LinkedIn, YouTube, Twitter, and Instagram have taken the traditional networking model one step further, allowing savvy participants to connect to, literally, hundreds or thousands of contacts in a relatively short amount of time. Social media also allows companies to continually interact with their contacts to develop long-standing relationships. While nothing beats face-to-face, personal interaction, especially in business, social media has elevated this model, increasing the likelihood that you are meeting people who are interested and engaged in what you are talking about.

The next question becomes, now that I have all of these “friends” and “followers,” how do I maximize this network to grow my business?

With the largest and longest running weekly chats on Twitter, reaching over 3 million followers each week, Melinda F. Emerson, also known as the Small Biz Lady, is considered America’s number one small business expert. She has been a thriving entrepreneur for over 16 years, and is an internationally known keynote speaker. A

pioneer in social media marketing, she is the creator and host of #Smallbizchat, the longest running live chat on Twitter for small business owners. In addition to being a former columnist for the *New York Times*, she is frequently quoted by the *Wall Street Journal*, *Fortune* magazine, MSNBC, and Fox News. *Forbes* magazine named her the number one woman for entrepreneurs to follow on Twitter.

Melinda is an expert on what it takes to successfully start a small business, marketing pitfalls to avoid, and how to become a brand in demand using social media. She is the publisher of her resource blog, www.succeedasyourownboss.com, which is syndicated by the *Huffington Post*, and is the best-selling author of *Become Your Own Boss in 12 Months* and the e-book *How to Become a Social Media Ninja*. Her latest book, *Become Your Own Boss in 12 Months*, 2nd edition, was released in January 2015.

Her company advises Fortune 500 companies including Pitney Bowes, American Express, Dell, Staples, Sam's Club, Chase Bank, Facebook, FedEx, Ikea, Verizon, Wells Fargo, and Xerox on how to create a path to purchase with entrepreneurs and women business owners.

She shares her story of how she was able to grow and cultivate a network to take her business to unimaginable heights.

Following in Oprah's Footsteps

It was during her sophomore year in college that Melinda really began to study Oprah Winfrey as a business role model for what she thought she might like to do. Oprah had the number one talk show in the country, had just opened Harpo Studios in Chicago, and was starting to produce original programming. Melinda saw Oprah as the first media personality to transition to entrepreneur, which put the seed of entrepreneurship in her head. Upon graduating from Virginia Tech, Melinda went back home and accepted a position as an associate producer with the local NBC affiliate in Pittsburgh.

After working there for a year, she moved to the NBC affiliate in Philadelphia. She stayed there for two years before moving across the street to the ABC affiliate, where she remained for two more years.

As she prepared to work over yet another Christmas, she began to rethink her career choice. She realized she had worked every major holiday for the previous five years and was putting in over 60 hours a week, rendering her personal life null and void. The newsrooms were hostile environments, and she always seemed to have bosses who were not supportive, especially the other black managers. She also felt that as a black woman, there was very little upward mobility for her. It was at this moment that she crafted her exit plan and started studying all aspects of the business.

In the spring of 1998, while still working for ABC, she started Quintessence Multimedia, a small video production company that developed product launch videos for corporations and patient education and outreach videos for hospitals. “My off days from the station were Mondays and Tuesdays, so it gave me time to work my business while still getting a paycheck,” said Melinda. In early 1999, she left television news to pursue her business full time. As technology changed, she realized her clients were uploading the videos to their websites, so she expanded her services and started doing web development in addition to video production.

In 2000, she entered a citywide business plan competition, which she did not win. She entered again in 2001, and this time she won. She received \$25,000 and free office space for a year, and hired her first employee. Within a year, she got her first contract with a major corporation. She poured everything she had into the business: “In my mind, I convinced myself that *no one* would outwork me and my team. I created a workaholic culture in my business,” says Melinda. Their hard work paid off, and they were named number 29 on Philadelphia’s list of 100 fastest-growing companies. She expanded

her team and hired more employees. Her husband left his corporate job with General Electric and joined the business full time. “My company was on the move. We started getting national media attention and corporate contracts, which was great,” she adds.

It All Falls Apart

By 2005, Melinda and her husband were expecting their first child. Shortly after discovering the pregnancy, her doctor determined she was high risk and put her on bed rest. While anticipating the birth of her first baby should have been a joyous occasion, it was far from it. “I created a culture in my business where I made all the key decisions and dealt with all the clients. Even though I had eight employees, my business couldn’t run without me,” she said. While she was absent from her business, it started falling apart. With technology not being what it is now (wi-fi was not yet available in homes there were no ipads, and she was using a Palm III smartphone), she was unable to manage the day-to-day operations, which she had been accustomed to doing. “It was a nightmare. I went from being a seven-day-a-week workaholic, to not being able to leave my house or even raise my voice for fear of hurting my baby. It was a terrifying time.”

This inability to manage from her bedside left her plenty of time to think. She realized she had made a lot of mistakes building her business. She also realized how inefficient her staff was when she really needed them. Melinda recalled, “My employees would do whatever I asked, but no one took the initiative to keep things afloat while I was out.” She also realized how much of a workaholic she had become. Before becoming pregnant, it was nothing for her to work 12 hours a day, take calls late into the night, or work through the weekends. She also expected her employees to have the same dedication that she did. “I would always buy lunch and dinner for my staff because I did not want them to leave. You could call my office at 8 p.m. and my full team would be there like it was 3 o’clock

in the afternoon,” she said. For her business, she had sacrificed having a life. She had few personal relationships outside of work. She realized she was successful and had achieved her professional goals, but at what cost?

Reflecting on this and all of the expensive lessons that she had learned while building her business, Melinda started writing down her experiences, and new ideas she had about running a successful business. She realized she would have run her business differently if she had had better advice. “Bed rest was literally and figuratively the best medicine,” she said. “It forced me to stop and change everything about myself and my way of thinking. I am so grateful for that experience.”

She knew she needed to reinvent her brand and her life.

Once her son was born, it was like she was reborn, and for the first time, she dreaded going back to the business. “Once I looked at his face, the love that I felt for my business literally vanished and went to my son,” she recalls. “I no longer loved my business and didn’t want to do it anymore.” But now she had a family who was depending on her. Melinda recalls, “I had figure out how I was going to reinvent Quintessence with a business model that would allow me to work smarter, not harder.”

At Age 33, a Midlife Crisis

Melinda was just 33 years old when she had what she called her midlife crisis. With the exception of her son, she was unhappy in every aspect of her life. Her marriage was on its last legs, her business was crashing, and her baby was dealing with some minor health problems. Although she went to church, she realized she did not have a regular prayer life. With encouragement from her pastor, she began praying regularly. Within three months, she got a vision in a dream three times. She then understood what she was called to do. She was going to become America’s number one small business expert.

She realized everything she had done until now had prepared her for her next stage. After evaluating the most valuable aspects of her business, she concluded that what held the most value for her were the lessons that she had learned from running her business.

“I just had to figure out how to bottle up those hard-learned lessons and sell them,” she said.

Working Smarter, Not Harder

While Melinda was working to grow her business, it required all of her time, energy, and focus. After having her son, and her business almost going under without her, she knew she needed to transition her model and rebuild her business and her brand in a way that allowed her to leverage what she had learned in her previous efforts. Most importantly, she needed a business that provided a work/life balance so that she could be with and enjoy her new son. When she returned to work, she set about putting her plans into action.

Strive to Build Relationships That Are More Than Just Transactional

One of Melinda’s first tasks—a difficult one—was to lay off everyone, including her husband. She turned to her network to contract services that she needed.

She started doing personal coaching for small businesses. While coaching a client, she happened to advise them on a specific brand of business plan software that she liked, but unfortunately the software was difficult to find. She decided to call the company to find out where she could find it or order it. Somehow, she ended up talking to Peter Archer (who would go on to edit both her first and second books) and proceeded to complain about the fact that she could not find the product anywhere. She even offered suggestions on how they could improve the product. After listening patiently, he advised her that, like many companies do, they had removed the

software because they were trying to figure out what they wanted to do with the brand, which was named after Bob Adams, the former head of the company. He said that they would not rerelease it unless they had some sort of book to accompany it.

Seizing this opportunity, Melinda quickly replied, “Well, I have a book.”

Peter asked her about her book and who was going to publish it. While Melinda’s “book” really consisted of a few chapters and notes that she had written while on bed rest, she told him that she was going to self-publish it.

He advised her that his company was first a book publisher, and he invited her to send him what she had. “He told me to send him four chapters, the table of contents, my media kit, and he would let me know what he thought of my little book,” said Melinda.

She did. Six weeks later, Peter called to say that he liked what she had written, and asked her if she had any more chapters and if she could write a mini book proposal. She had no idea what a book proposal was, but she was sure that someone in her network would know.

Stay engaged and in Touch with Your Network

A friend recommended Paul B. Brown, who, unbeknownst to Melinda at the time, was a contributor to the *New York Times* and the author of the highly acclaimed book *Customers for Life*. Melinda called him and advised him of the situation, and he agreed to help. She sent the proposal, along with three more chapters to Peter, which he loved. The publishing board unanimously approved the proposal and she got a book deal. She also added people to her network and created relationships that would mutually add value for years to come.

Every Kick Can Be a Boost

Melinda’s book was due to the publisher just as the financial markets crashed in 2008. After turning in her manuscript, she received

the crushing news that they were postponing the release of the book until March 2010—a whole 18 months! Because of the crash, their thought was that no one would be thinking about starting a small business. Needless to say, Melinda was devastated by this news, as she had already started winding down her business, thinking she was about to start a national book tour. Now, she was back at zero—again. She recalled that Bill Gates once said if he had two dollars left in the world, he would spend one dollar on PR. And that is exactly what she did. She hired a publicist who happened to be savvy with social media. When Melinda told her publicist about the publisher’s decision to postpone the book for 18 months, to her surprise the publicist thought this was great news and replied, “Great. We have 18 months to build your author platform, and I know just what to do.”

They went to sign up on Twitter using her name as her handle, but to her surprise, @MelindaEmerson was already taken. “You mean there’s another Melinda Emerson?” she thought. Unfazed, her publicist encouraged her not to panic and to think of a nickname. As a professional, Melinda was not really happy about this. She had never been referred to by a nickname and did not think her name would translate to a catchy nickname. Her publicist told her to focus on a name that told people who she was and what she did. They continued to brainstorm, and after several attempts, they finally settled on SmallBizLady. Immediately, Melinda thought that it fit and was something she could work with. The SmallBizLady brand was born.

Be Consistent and Deliberate When Posting to Social Media

Over the next 18 months, she started working Twitter like a full-time job—posting daily to Twitter, sharing information with colleagues and industry peers, answering small business questions, blogging content from the book, and sharing personal stories from her adventures as a new mother. People really responded to her postings, and

each week she gained more followers while building anticipation for the book release.

Once the book came out, she had built a substantial enough audience that she was able to secure modest speaking engagements, which really helped to grow her brand.

Be More Interested Than Interesting

By the time the book had come out, she had developed a significant following on Twitter and started fielding questions about business challenges from small businesses around the country. She became highly sought after for her advice and insights, and began to notice some significant trends when she was responding to people. She saw this as an opportunity to create a weekly Twitter chat for small business owners called #Smallbizchat, the hashtag she uses to convene her audience live on the Internet every Wednesday at 8–9 p.m. ET. It has since grown to become the largest and longest running weekly chat on Twitter, reaching over 3 million followers each week.

By this time, corporations were using Twitter as a part of their social media strategy. They also started taking notice of Melinda's followers and the content she was providing. In January 2011, she received a call from Pitney Bowes, who wanted her to help them implement a social media strategy to reach small businesses. Soon after, other Fortune 500 companies followed. To Melinda's surprise, within 20 months of getting on Twitter, she had enough of a following that she was able to monetize her platform with corporate consulting work, and becoming a brand ambassador with corporations targeting the small business market.

Pay Attention to Industry Trends. Know What's Now, But Focus on What's Next.

Seeing the changes that were occurring, Melinda quickly changed the name of Quintessence Multimedia to Quintessence Group

and reengineered it as a marketing consulting firm, working with Fortune 500 companies to build marketing campaigns to engage small business customers. After about a year, several media outlets began reaching out to Melinda to contribute to media publications including Entrepreneur.com and the *New York Times*. These were paying gigs that further helped elevate her brand.

Throughout her career, her network had been instrumental in many of her achievements. She was an early adopter of social media and used it to create a community, extending her network online and offline. Her strategy of developing and sharing compelling content to demonstrate her expertise became the secret sauce for her business and its reinvention. She credits her networking skills with allowing her to build the business of her dreams.

50 Billion Dollar Boss Moves

Managing and cultivating relationships can be challenging. To create a network to help grow your net worth, you should:

- Strive to build relationships that are more than just transactional;
- Stay engaged and in touch with your network;
- Understand that every kick can be a boost;
- Be consistent and deliberate when using social media;
- Be more interested than interesting;
- Pay attention to industry trends, and know what is now but focus on what is next.