The Surprising Secret To Creating A Million Dollar A Month Business That You Love.

By Clayton Johnson The HOTH Do you want to know the secret that grew The HOTH from a fledgling startup to earning over a million bucks in a single month?

What if you could get there too, and actually enjoy the process?

The problem is that there are TONS of setbacks that will prevent you from getting there (believe me, we've had our fair share).

And no matter where you are now, eventually you will hit a wall.

There WILL be a time, or many times, when it feels like that wall is impossible to climb.

But there are a few secrets we learned that helped us soar right over it and get to where we wanted to go. I want to share those with you today.

Let me pull back the curtain for a moment and tell you our story.

Ready?

1. What To Do When Things Get Hard

We were lucky.

We got off the ground running with 0 funding. We started with smart principles of a lean startup mentality and learned along the way: We tested ideas rapidly and cheaply before investing (Our first order came before we had a website, it was just a youtube video posted on a forum thread with a paypal link).

We had no office and worked from home (no office expenses).

We prioritized getting things done over perfection (We let the market tell us what they wanted and changed based on the feedback).

We focused on creating scalable system and we constantly tweaked and learned.

<u>We wrote an article about it here</u> – You can see what we were focusing on at the time.

The HOTH got up and going quickly, but growing wasn't easy. (And if you've been in SEO for a while – you know it too!)

Soon after we started the HOTH in 2010, Google started releasing the <u>biggest updates of all time</u> with Panda and Penguin.



These constant updates sent the entire world of SEO into a frenzy every few months.

It was emotionally difficult to have a single outside entity have so much control over the perception of your business and your industry.

We survived through the updates with our hard work, but eventually we hit a wall – For about an entire year between 2013-2014 we plateaued.

Even though we had a successful business, it seemed like no matter what we did, we weren't growing. Our sales kept bouncing up and down in an endless marathon of monotony.

And that was maybe the most dangerous situation to be in, stagnation.

You see, the plateau is The ENEMY.

It's Groundhog's Day every day. Waking up to more of the same until you can finally break the spell. And if you keep living the same every day – you'll eventually go crazy.

What you want is GROWTH. Growth means life.

One snowy day in the 2013-2014 winter, that stagnation finally got to me. I remember it so clearly. I was working on my computer and

then all of a sudden I couldn't work any more. My fingers froze and it was hard to breathe. I remember going to lay on the couch and it felt like someone was pressing on my chest.

That anxiety ridden moment in my Chicago apartment is when I had a hard truth epiphany.

We weren't where we wanted to be, and the situation was not the problem.

Our stagnation wasn't because of the market, or the products, or anything else:

The problem was me.

This shock of stagnation created a series of events in my personal life which heavily influenced how I manage my day. In 2014, I moved out of the country to never see snow again and drastically shifted my mentality about how I saw the world and how it operates.

It was painful at first to admit how much I didn't know. I had read so many books about startups, marketing, and could talk about it for days but in the real world, I couldn't get over this hump.

Here's what I learned: The reality is your business success is a reflection of your personal philosophy – conscious or unconscious.

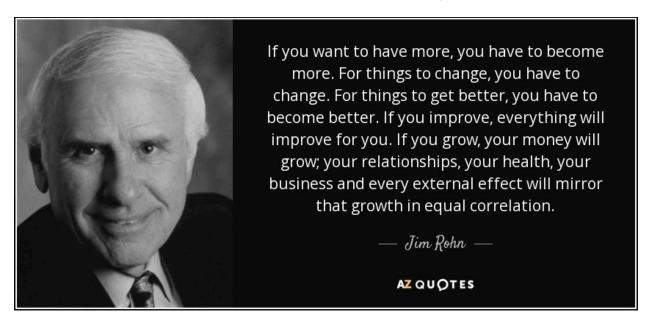
There were lots of easy scapegoats for excuses: Google updates, the changing market, SEO being hard, not having a marketing budget, etc etc.

The easy way out is to think that our problems are situational — You can't get what you want because of the situation that you're in. But the reality is that the only thing that's limiting your ability to create what you want is YOU.

You must take 100% responsibility for everything.

Even though it can be hard to admit your faults and explicitly examine your weaknesses, it's essential for growth... and it's empowering.

This quote from Jim Rohn sums it up perfectly:



After you understand your weaknesses, you focus on your strengths and creatively solve for all the weaknesses vs trying to mask them.

That takes true confidence – being able to be vulnerable and admit what you're not good at. But when you can do that, you can grow by leaps and bounds.

Objective self-awareness is the hard-to-swallow antidote that will help you overcome your limitations.

By focusing on personal growth, you will create ideas about how you see the world, what you really want, and how to actually get there.

This is going to be very important because this understanding of how you see the world will heavily influence how your company will run. Pieces of you will permeate throughout the organization – good or bad.

If you are disorganized, your business will be disorganized. If you have limiting beliefs, your business will be limited. If you are lazy, your business will be lazy.

Conversely:

If you take responsibility for everything, you will find your solutions. If you dream bigger, you can create the path.

If you focus on productivity, you can make it happen.

Realize the biggest limiting factor in getting to where you want to go is not your situation, it is YOU. Take the responsibility, lose your ego, and find what you need to grow. Through overcoming your pain will come your strength. This is the domino that will start the chain reaction that will be your success.

2. Create The Growth Vehicle: Use Your Personal Growth Experience To Develop The Culture

After the stagnation, we needed a massive change, and a massive goal.

At the time we were doing about \$100k / month and we set a goal 5X the business to \$500k a month.

That was a bit scary, since we hadn't really officially set goals like that previously. Even more difficult was that I didn't really know what it would take to get there.

We had to change a lot, but the most important thing that had to change was how WE operated.

Anything that works well and consistently is a system.

As an operations guy, I'm always looking to create systems. These can come in many forms – processes for creating products, marketing, services, training docs, SOPs, hiring protocols etc.

This is where most businesses go wrong and why some of the top business books of all time are essentially operations books that teach well-intentioned business owners to create systems.

But the MOST important and often overlooked system that needs created is your Culture system.

WARNING: I know that last sentence might stop you in your tracks as pictures start racing to your mind when you hear about "culture": hippy business books, corporate jargon, nonsense vernacular like "synergy" etc. Hear me out on this one, I'm going to show you some raw and vital tactics on how to drastically increase the numbers in your bank account.

We have a document called The HOTH Culture Doc. It defines our purpose and dictates how we, the people of The HOTH, operate by working together as a company.

It's an evolving document that became vital especially after we started to struggle – and that's exactly what it's for:

The Culture Doc should allow us to solve any problem that we run into.

In reality it's just a simple Google Doc that evolves over time. Every person that gets hired goes through it in their on-boarding and has access to it all the time.

The secret about The Culture Doc, while it's masked as a company operations document, is that it's really a personal development

and growth philosophy. It gives purpose to waking up in the morning and shows how we should act during the day.

In this case, to get to that 500k, we had to redefine and follow our own Culture Doc. This was the practical application of the core beliefs that we have.

To create your own, you need to clarify YOUR PURPOSE, and use your ideas about how the world works (from your growth experiences) to create a set of principles that will guide your company.

As defined by our doc: Our #1 purpose is to help as many people as possible achieve success with SEO, and our number #2 purpose is to have a blast while doing it.

By really defining that, we knew what we had to up our game.

If we wanted to serve more people, we had to reach more people. We <u>drastically scaled our marketing</u>, we released new products to broaden our scope, we brought on some amazing talent to get us to the next level and we went to WORK.

The main reason we were able to make it through this period and hit that goal was because we lazer-focused on what our mission was and HOW we were going to get there. This all came from what we wrote in our culture doc.

The second step is to use your experiences, your personal revelations, your own ideas about how the world works to create

your own Culture Doc. The Doc will give structure to dealing with and crushing the inevitable problems your company will face and become the operating manual for your growth vehicle.

3. Coming Full Circle: Find The Hidden Rockstars And Give Them The Opportunity Become Their Best Selves

In 2016, we hit the goal of \$500k a month and then set out to do something even bigger in 2017:

Get to \$1,000,000 in a single month.

Despite that number seeming unfathomable, a recurring theme had been pounded into my brain is that YOU create the future.

Your job is to DREAM UP what you want, then be a professional problem solver to get there.

Once your revenue gets high enough, you'll have to bring on people to support that revenue. It will no longer, and can no longer, be you making all the decisions.

In the beginning of the company, it was our goal to create a lifestyle business, specifically so we did NOT have to go to an office.

We had previously been a "virtual" company with the majority of people working from home.

But as the company grew and we defined our mission, our path to get there also clarified – and that included expanding then team in an office environment.

Thanks in great part to George's (our now COO) leadership, we were able to bring on a rockstar team of talented people and introduce them to the culture that we had defined.

Every single one of these employees got the HOTH Culture document in their onboarding.

In the beginning of 2017, we had everyone sign a huge banner pledge declaring our goal of \$1MM in a month.

That buy-in that we got from everyone started working, and it came to the point that we were bursting at the seams with employees working from bean bags due to the shortage of desks.

Just a few months later, we moved into a brand new office with a million dollar view.



The train took off.

On top of the office, we hit the <u>Inc 5000 list</u>, the <u>Tampa Bay Fast</u> <u>50</u>, and George won a spot on the <u>Tampa Bay Business Journal Up</u> and Comers Under 30 list.

The culture that we defined was alive. We knew our purpose. We clearly knew where we were going. And everyone was working HARD to get there.

The day that we hit a million dollars in a single month was September 30, 2017.

What's strange is that even though it was a Saturday and the office was technically closed, we had a full house.

From the beginning of the day, 1 by 1, the whole crew started showing up, and by the time we crossed the finish line there was a PARTY.

Everyone was working together to make it happen. We hit the \$1MM mark and the slack channel lit up with pictures of celebration, cheers, and people hanging out for the rest of the night.



[The face your boss makes when you make a million bucks in a month]

In that moment, what was previously impossible became possible – and it was a blast.

But what was more interesting was the WAY it happened.

It was clear that the #1 reason we were able to get there was not what most businesses focus on. It wasn't because we had some big investor, some marketing trick, or the latest startup app.

It was THE PEOPLE.

This was the culmination of the work of every single person on the team, together, working inside the culture that we created.

We have found some of the best people on the planet to run The HOTH. True rockstars.

When you think about hiring the best, you might think that an hiring an A player means getting someone that's the best in your industry.

But the truth is that biggest rock stars, the true A players on our team are former Target employees, babysitters, bartenders, rock band members.

What we did differently is give these amazing people an environment to thrive through the culture – a place for growth, personally and professionally.

"The greatest gift you can give someone is the power to be successful. Giving people the opportunity to struggle rather than giving them the things they are struggling for will make them stronger." – Ray Dalio, Principles

By creating a growth culture, and taking the right people and putting them in the right environment, you'll be blown away at what you can create together.

The growth culture permeates through the employees not just in the workplace, but also into our daily lives.

It's not just a job. These are hours of your day, hours of your life. This is your growth vehicle.

It comes full circle – the culture is sustained because we get buyin. The employees protect the culture because they see the value. The output of all that combined is the ability to create something bigger than you.

The last step is to give the right people the right environment to succeed within a contagious growth culture. Everyone has something in them and it's up to you to create the culture vehicle. When this happens, it all comes full circle as each individual creates their own growth path.

That's how you get a whole office full of employees to show up on a Saturday, crush down a million bucks in a month, and enjoy the shit out of it.



Clayton Johnson CMO @ The HOTH

P.S. If you'd like to join our team of rockstars, <u>check out our open</u> <u>positions here</u>. We're always hiring!