



## Episode 102: Converting Prospects Faster – The Marketing Funnel Blueprint, With Laurel Mintz

### Episode Summary

Picture the marketing function of your business like a funnel. At the bottom is the conversion into sales. “But the top of the funnel is really important, and that's where the marketing conversations come in,” explains [Laurel Mintz](#), founder and general partner of Fabric VC and CEO of Elevate My Brand.

Tune in as Laurel shares with host [Geoff Cockrell](#) how smart marketing conversations close that gap between the first point of contact and the close of business.

### Transcript

Voice over ([00:00](#)):

This is the Corner series, a McGuireWoods series, exploring business and legal issues prevalent in today's private equity industry. Tune in with McGuireWoods Partner Geoff Cockrell, as he and specialists share real-world insight to help enhance your knowledge.

Geoff Cockrell ([00:19](#)):

Thank you for joining another episode of The Corner Series. I'm your host Geoff Cockrell, a Partner at McGuireWoods. Here at The Corner Series, we try to bring together deal makers and thought leaders at the intersection of healthcare investing and private equity.

([00:33](#)):

Today, I've got a returning guest, Laurel Mintz. Laurel is the Founder and General Partner of Fabric VC Fund, and also the CEO of Elevate My Brand. Laurel brings some unique characteristics to her investment strategy and we're going to jump into some of that in a little bit. But Laurel, can you give a little intro of yourself as well, and maybe an update on the fund?

Laurel Mintz ([00:54](#)):

Yeah, thank you so much for having me back. Big fan of the McGuireWoods team in general, and the podcast is fantastic. So as you said, I'm the GP of Fabric VC, we are wrapping that raise up this year, so that's really exciting and I'm hoping we can talk about some of those investments today as well. And then the tie-in between the fund and the marketing agency is that I started my career as a corporate M&A attorney as you know, which is kind of how we got connected, and then ended up launching the agency after having to take over a family business. And then this fund is like the spin-off of that agency, because we started working with a lot of private equity and venture firms. So it's a pretty natural evolution and fit, and we're super excited to have 15 portfolio companies under our belt, which maybe just started when we talked last.

Geoff Cockrell (01:43):

15 is a lot, that's tremendous. I'd be interested to hear your discussion of what you encounter at these companies. So if they're a venture capital, they maybe have already a round in, maybe you're part of an initial round, but when you kind of walk in the door, what kind of expertise in marketing and branding do you encounter or are you usually just kind of starting from scratch?

Laurel Mintz (02:06):

Well, to your point, we're usually the last check in. This is my fund one, so I want to make sure that we're getting into good deals. Because of my network, I've been very lucky to have a lot of lateral VCs reach out to me and say, "Hey, we just need to close up this round. We need an extra 100, 200, 300 in. And then the other side of it is, a lot of times these companies will kind of hold out some of the round for a more strategic investor, and that's when we come in. On about a quarter of the deals we write cash checks to, we match with sweat equity on the agency side, so we can really control the narrative of success through the marketing lens for these portfolio companies. And that's been really interesting because we wouldn't have otherwise gotten into some of these deals were it not for that marketing expertise. And some of these companies are really great marketers and others are really, really bad marketers, so it's kind of 50/50 on both sides.

Geoff Cockrell (02:56):

What makes the difference, from your perspective, of a company that you would describe as great marketers and branders, versus those that are not? Is not just not doing anything, they're not doing enough, are they doing the wrong thing? What's the difference between good and bad?

Laurel Mintz (03:11):

That's a great question. And we try and come at it with a little bit of art and science, because everyone has an opinion about marketing, I always say opinions don't really matter. So we actually run a marketing diligence software that we've been using for a decade plus on the agency side, we're just now using it in a nuanced and differentiated way on the fund side. And what that software tells us is, are their numbers real across from omnichannel marketing perspectives? How far are they from their direct and aspirational competitors in their space? Which ultimately tells us if our checks going to meaningfully close the gap. And so I would say the line between good and bad is really metrics driven for us, but you can see a huge differential between the more consumer facing brands or even the B2B2C, versus the B2B brands who don't understand usually the value of brand.

Geoff Cockrell (03:59):

Humorous anecdote, I once famously told a newly hired chief marketing officer at my firm that I didn't really believe in marketing, that I only really believed in sales. The idea being is that I understand creating brands out in the marketplace, but I think of most things, and I'm an M&A lawyer like you are. But a lot of what we do is sales oriented and I'm much more a believer in kind of the direct component of that, which has certainly something to do with branding, but also a lot to do with just a lot of legwork. How do you balance those two ideas?

Laurel Mintz (04:31):

It's a great question, and one that we get all the time on both sides of the fence. And marketing really needs to be thought of like a funnel, a marketing funnel, literally. Of course, at the bottom of that funnel there's conversion into sales or whatever that conversion method is for you, hiring the firm, etc. But the top of the funnel is really important and that's where the marketing conversations come in. So if marketing is done properly, it closes the gap faster between that first point of contact and close of business. So they are, both things are inherently intertwined in how you should be building a successful firm, a successful company.

(05:08):

And the other important piece is that there's so much more digital competition than there was historically back in the day. So we need to have more presence again from an omnichannel perspective, because our audience, regardless of what you're selling, even if you're a service-based business, have so many options out there and we have the attention spans of a goldfish. So that is the value of really great branding, and marketing is really capturing that audience in a very short period of time and if you're doing it the right way, shortening that first point of contact to that sales model.

Geoff Cockrell (05:42):

And what are the steps you do in shortening that and bringing the funnel down? What are the things that people do or don't do? How should they think about that?

Laurel Mintz (05:49):

Well, I think that it's important to understand the numbers again. I think there's a lot of agencies out there that are more creatively focused. We certainly have a creative bend to what we do, but on the agency side, we consider ourselves to be center brain, so inspired by creative but really driven by the data. And that's, if you were and I were to have that conversation, I would have shared that data with you and that is that each step along that path, your audience only converts at a one to 2% conversion rate.

(06:15):

And we also know that pre-pandemic, it took maybe five to six touch points before someone converted. Now we know it takes 12 to 20, and of course, that is industry dependent. But if you think

about it, if your goal at the bottom of the funnel is 10 million, 20 million, a 100 million in revenue, and you work that backwards at that one to 2% conversion rate up 15 steps or 20 steps, you can see how the top of the funnel needs to be a 100 million eyeballs or a billion eyeballs. So it's really more about understanding the structure of your industry, how many conversion layers we need, and how to do that more effectively by AB testing, content creative and targeting along each of those paths.

Geoff Cockrell (06:58):

I know you work with a lot of different company sectors. Our podcast and the work that I do focuses very, very heavily on healthcare and life science type sectors. From a healthcare perspective, do you think that healthcare companies do a good job in marketing and branding, or are they kind of singularly bad?

Laurel Mintz (07:18):

They're usually pretty bad. It also depends, again, if they're direct to consumer or B2B2C versus B2B. Right? So we've made several investments in the healthcare sector. We really truly believe in category. And the companies, for example, we have a company called Active Armor that does three printed custom casting at hospital systems. So they are B2B2C, so we've done a lot of really great work marketing and branding that company because it's really important that the end consumer understand the value add of this new type of technology to solve for broken bones and sprains, etc.

(07:52):

Now there's other companies, we have a company called Kinemetrics, and they're going into hospital systems as more of a SaaS platform. So the marketing and branding there is less important because the end consumer never sees it, but there's still value in it. And as an M&A attorney, you know more than most that there is this goodwill layer that you have to think about when you're building a brand, if you're building that brand for some sort of transaction or a liquidity event.

Geoff Cockrell (08:18):

Can we go back to the handoff between marketing and sales structures? You mentioned it takes now maybe 10 to 20 points of contact for that to actually get traction. One of the things in my world, and I think this probably exemplifies other scenarios as well, that you go from what I sometimes call kind of long list activities where you're doing a lot of low intensity points of contact with someone out in the world, but you're needing to transition that into a more intensive type of thing. And in service industries, there's often a struggle of, okay, I know what to do for two or three points of contact, but I run out of stuff. How do you advise people on extending those points of contact? And what are good points of contact, what are not helpful points of contact? But that's an area where, as I kind of advise attorneys a lot that are thinking about kind of business development, which every attorney eventually gets to that spot, it's an area where they really struggle. How do you think about that when you're talking to people?

Laurel Mintz (09:18):

Yeah, it's a great question. And again, it's very much industry specific, right? So if you're selling a pack of gum, the number of points of contact is going to be much lower than selling a service like a premier law firm. So part of it starts with that analysis of, what is happening in your market, right? So we have to see, are other firms doing X, Y, and Z and what channels are they on and how much are they spending on those channels as well? Because you have to think about both the organic side of the fence and the paid side, and those two in tandem are what really makes a strong marketing campaign. So it starts with a layer of data to understand the channels, how much people are spending, etc.

(09:56):

And then we have to look at where the white space is. So a lot of law firms, and we work on the agency side in this world quite a bit because of my background, are not great at building content and being thought leaders in their space. So I would say that's probably the lowest hanging fruit that we usually see within a service-based business. And when you think about the marketing universe, the volume of content you need to create to service your email campaigns, your social campaigns, your newsletters, etc, all these things, is pretty vast. So a firm, in my opinion, needs to really think about building long form content and then editing it into the different channels that you're then executing and potentially touching your audience on.

(10:40):

The other component to that is making sure that you're really being thought leaders in the space. That is how you kind of soft sell, I'm doing air quotes right now, your potential clients into the business. It's a lot like dating, Geoff. We don't want to just jump in, right? We want to make sure that we're having some cocktails and a coffee date and lunch and dinners and really building this long-term trust building process before we get married. Right? I think it's a good metaphor.

Geoff Cockrell (11:10):

Yeah, I often describe the impediment that I encounter with folks and say I'm in a service industry, so doing marketing and business development in a service industry, I often find that the impediment is not a lack of ideas, a lack of good stuff, it's a lack of the will to do the 100 things. You had the will to do three things and three things was not going to work, it had to be 100. And people just don't have the will to do that.

Laurel Mintz (11:36):

It's the execution, for sure. Well, one of the tips I'd give is, and we do this regardless of whether it's a product or service-based company, is batched content. This is not a new concept but, and I think we're going to talk about AI as well.

(11:48):

But you can use a ChatGPT or any GPT you like, to build out 104 topics that are relevant to your industry. And we say 104 topics because it takes two pieces of content to organically impact your traffic, and that's pre ad spend. So when you think about two times 52 weeks in a year, that's two

pieces of content using a GPT to build that program. And then what we do is we batch that content, we call it a shoot-a-palooza. And people don't need super polished content these days. In fact, I would say that it's a hindrance in terms of really connecting with an audience, and we walk this talk as well. So if you go to the [Elevatemybrand.com](https://elevatemybrand.com) website on our blog page, you can see, we shoot a ton of content and then we just edit it down into bite-sized snippets as thought leaders in the marketing space. But that's exactly what a firm should be doing, especially one that is industry specific.

Geoff Cockrell (12:41):

Coming back to, we said we're going to talk a little bit about AI, I'd be curious to get your perspective on it. You talked a little bit about capabilities of ChatGPT and other large language model drafting tools. In the legal profession, there's some different tools that are being developed that are kind of like that but supercharged, and it is really remarkable what they can do. When you think of marketing and branding exercises, you can definitely see how that technology can reduce the friction in doing the 104 things versus doing five things. You needed to do 104, five wasn't going to work, but it's also going to reduce the friction for everybody. Is that going to just create a flood of better quality content at a volume that is making it almost impossible to break through the noise in that exercise? How do you think that's going to play out?

Laurel Mintz (13:35):

That's a really great question. I think it's a little early to make a finite decision on that. I think that what AI is great for is, to your point, the acceleration and creating really strong starting points. I do think that there still needs to be that human layer on top of it. Do I think it's going to create so much noise? I mean, there's already so much noise, so I think it's more of using it to just be better at what you're doing. And people still haven't fully adopted it in any category at this stage. So it's a little early to say what's going to happen. We've been using it for some time and also playing with all of the different marketing tools out there that are layers on top of the GPT models. And it's just not quite there yet. So for imagery and video, you can really tell when something is AI generated and it's still not great.

(14:25):

So I think time will tell, I think in the next few years it is going to accelerate dramatically. I think the answer to that is, we need to see how the audiences respond to it at scale. And I think the data will show us how someone interacts with an organic piece versus an AI piece of content, and then we can kind of build from there. I know that's not a perfect answer, but I don't think that the systems are quite there yet.

Geoff Cockrell (14:48):

I think everything's going to get swamped, but to your point, not yet today, we'll have to see.

Laurel Mintz (14:53):

Right, but to the question, people need to get on board with it. Those are the ones that are going to be left behind. The people that are so scared of AI right now and not learning how to even just



remotely simply play with these tools are going to get left behind. So I think it might end up being kind of a generational gap.

Geoff Cockrell (15:09):

You mentioned kind of long form thought leadership and the short bite size. How do you balance those two? And is the world moving away from either an ability or desire to consume longer form things in favor of much shorter? It's not an accident that the podcast is like 15, 20 minutes, as opposed to an hour. How's that evolving in people's minds?

Laurel Mintz (15:33):

I think again, it really depends on the industry and watching the data. I say this as the answer to everything, it's a very lawyerly response. Right? It's like, possibly, you could argue either side. But what we do on the marketing side is we play with both long and short form content and then the metrics on the backend tell us, okay, our audience totally fell off in the three-minute mark, or our audience is clearly interested in this topic and we could do a 10 minute or 20 minute conversation.

(15:59):

But it also depends on the channel, right? So nobody's going to watch a super long reel, usually. You need to be very, very truncated in terms of the content on the Meta platforms. Whereas on YouTube, obviously you can do a bit more long form content. People tend to be on that channel to learn a bit more. TikTok, short form obviously. But then on your blogs or vlogs, you could go longer if that's what your audience responds to. I think it depends on the details that you're offering on the topic, and then of course reflecting that based on what the data's telling you, how your audience interacts with each of your marketing channels.

Geoff Cockrell (16:34):

Maybe a couple kind of sector specific questions. So I work with a lot of direct to consumer healthcare businesses, in the sense of provider businesses. So think like a dental office or an ophthalmology practice or a dermatology practice, where their patients are real individual consumers. For one of those practices, even ones with some scale that haven't done a lot in marketing and branding, what would be the first two or three things that might come to mind of where they should start?

Laurel Mintz (17:03):

That's a great question, and I would say that the best place that those kinds of companies can start is with automations. So automations in my perspective are kind of like the foundation or the foundation I would say, to stepping into more AI generated usages, use cases for those companies.

(17:22):

So there's a great platform called Zapier that allows different technology systems to talk to each other. So for example, if we have the website as the home base for any of these companies, and you have the consumer coming to the website, how are we getting them to sign up to capture them? And

then, what are we doing post capture in order to create a chain of communication through marketing efforts to convert them to sign up, show up, hire, buy, whatever that call to action is?

(17:51):

And so I think that if I were to come in and start with a more non-integrated, non-marketing focused firm, I would obviously start with the analysis, as I said before. And then the actionable steps would be setting up those automations and then starting to create a volume of content to organically impact their traffic.

Geoff Cockrell (18:10):

Laurel, maybe bringing it back to the funds work and investing. It's an interesting economic climate. From your investment perspective, how are some of the tariffs that are floating around impacting some of your investment decisions? What kind of impact has that had?

Laurel Mintz (18:26):

It's a little kind of 50/50. We have some companies that are certainly being impacted by the tariffs. A lot of them are going to be moving their facilities to Mexico, which has been an interesting thing to see. And then the others are hyper local, so they're actually going to be positively impacted by this. We've got a really interesting company called Chippin, they're a products company in the protein space, so they're really like an ingredients company. And I didn't know this, I don't know, maybe you do, but most of the proteins for pet foods that the Purinas of the world use come from China. So that company is going to be really, really set up for success because they are hyper local. But then of course, there are others that have more international ties, and that's going to be a challenge.

(19:05):

But I think that as always, the cream will rise to the top and this is impacting us on a global scale. So there are so many different companies that we're looking at and ones that are already in the portfolio that we're keeping an eye on because nobody knows what's coming down the pipe. It's kind of a wild west out there.

Geoff Cockrell (19:24):

Having 15 investments and in such a short period of time is a pretty fast pace. How has the economic uncertainty impacted the number of deals that you're seeing or pricing of them? Has that manifested yet?

Laurel Mintz (19:36):

Absolutely. I mean, we were already seeing, because there's just not that much capital out in the market right now in terms of deployment at early stage, so we were already seeing discounts in down rounds, and you know me, I love a deal, so I've been really excited about that, and I think that we're going to continue to see that. I am hopeful that we will come out of this quickly, but as someone who has cash to deploy, we're really excited about this environment. And this is when real money is made.



I think there's so many investors out there who are scared right now who maybe are not writing checks and who are just kind of waiting and seeing. I personally think that that's the wrong approach because this is when you can really capture value.

Geoff Cockrell (20:14):

Absolutely. With Warren Buffett retiring, you remember, I think his old adage was to be bold when others are scared and scared when others are bold, it's definitely the time.

(20:23):

Well, Lauren, it's always great to talk with you and you got tremendous insights and it's always fun to hear about your fund and your agency and wish you success in both of those. Thank you so much for joining.

Laurel Mintz (20:32):

Thanks so much for having me back, such an honor.

Voice over (20:37):

Thank you for joining us on this installment of The Corner series. To learn more about today's discussion, please email host Geoff Cockrell at [gcockrell@mcguirewoods.com](mailto:gcockrell@mcguirewoods.com). We look forward to hearing from you.

(20:50):

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