

Advanced Growth Guide for Local Service Businesses

(Based on Alex Hormozi's \$100M Lost Chapters)

Now that you understand the core concepts from the simple playbook, let's uncover an Advanced Growth Guide. This version digs deeper into Hormozi's frameworks and applies them specifically to local service businesses that want to scale beyond "just getting leads."

1. Advanced Avatar Strategy – Scaling Up Your Ideal Customer

Beyond Basics:

- **Tiered Avatars: Don't just identify "the best customer." Create tiers (A, B, C).**
 - Tier A: High-spend, high-retention (ideal).
 - Tier B: Decent spenders, upgradeable with upsells.
 - Tier C: Time-wasters → politely disqualify.

Advanced Tactics:

- **Content Mapping: Each tier should have its own buying journey.**
Example:
 - Tier A: Already educated → need authority content & proof.
 - Tier B: Need education → long-form case studies, free workshops.
 - Tier C: Filter out early with pricing requirements.

👉 **Action: Build a qualification system into ads, landing pages, and sales calls. Only accept customers that fit Tier A/B.**

2. Multi-Layered Offer Design (Offer Stacking 2.0)

The Value Grid:

- Map all customer problems → solutions → offers.
- Example for a Home Service Company:
 - Attraction: Free home inspection (low barrier).
 - Core Offer: Repair/replace service.
 - Upsell: Maintenance package.

- Continuity: Annual subscription plan.

Advanced Stack Framework:

1. Front-End (Attract) → Free or “loss leader” offer.
2. Mid-Tier (Monetize) → Main service, packaged with urgency (bundles, fast-track).
3. Back-End (Scale) → High-ticket projects or long-term contracts.

👉 **Action: Design at least 3 layers of offers so every customer has a next step.**

3. The Economics of Scale – Customer Financed Acquisition (CFA)

Key Metrics to Master:

- CAC (Cost to Acquire Customer): What you pay to win them.
- LTGP (Lifetime Gross Profit): Total profit a customer brings.
- PPD (Payback Period): How fast you recover CAC.

Advanced Levers:

- Shorten Payback: Add tripwire offers (e.g., \$49 intro service) to recover CAC in days, not months.
- Increase LTGP: Use upsells & continuity → a one-time \$1,000 customer can become a \$10,000+ lifetime client.
- Tolerate Higher CAC: Outbid competitors by knowing your numbers. If you can afford \$500 CAC while they can only pay \$200, you'll win the market.

👉 **Rule: Your $LTGP \div CAC$ should be at least 3:1. Scale fast when you see this ratio working.**

4. Advanced Promotions & Wrappers

- Premium Wrappers: Position services as luxury (e.g., concierge-level service, white-glove delivery).

- Free Wrappers: Not just free trials—use Pick Your Price, Freemium models, or lifetime guarantees to disarm objections.
- Discount Wrappers: Combine scarcity + urgency (e.g., “Founders Club pricing for first 50 members”).

👉 **Lesson:** The *wrapper* is just as important as the offer. It’s how you frame the gift.

5. Continuity & Predictable Cashflow

Recurring revenue turns a service business into an asset.

Models for Local Service:

- Maintenance Packages: HVAC, plumbing, landscaping → monthly/annual check-ups.
- Subscription Plans: Spas, medspas, gyms → memberships with perks.
- “Club” Models: VIP tier with faster response times, priority booking, or exclusive bonuses.

👉 **Goal:** Have 30–50% of revenue on autopilot so you’re not chasing new sales every month.

6. Advanced Hiring & Scaling People

- Makers vs Managers Framework:
 - *Makers*: Produce (technicians, installers, stylists).
 - *Managers*: Direct (sales managers, ops leads).
- Hire for Outcomes, Not Tasks: Every role should tie to revenue or retention.
- Pay on Performance: Use bonuses tied to LTGP (not just one-off jobs).

👉 **Lesson:** Every hire should multiply revenue or reduce churn.

7. Multiplying Visibility with Local Ads + Content

- Local Ads: Run hyper-targeted offers (e.g., “Frisco homeowners – \$49 AC tune-up this week only”).
- Authority Content: Mix testimonials, how-to tips, and behind-the-scenes proof.
- Boosting Strategy: Don’t just post → put \$5–\$20/day behind your best content to guarantee locals see it.

👉 **Formula: Hook → Value → CTA in every ad. Pair content with an offer that fits the stack framework.**

8. The Scaling Roadmap

Stage 1 – Get Flow

- Use free/discount offers to acquire customers fast.

Stage 2 – Monetize Flow

- Introduce upsells, bundles, and premium options.

Stage 3 – Add Continuity

- Lock customers into recurring memberships/contracts.

Stage 4 – Expand Margins

- Raise prices, prune low-value customers, refine avatar.

Stage 5 – Scale People & Ads

- Build systems, hire performance-based employees, reinvest into ads.

👉 **Endgame: Predictable lead flow, high LTGP, low churn, and scalable staff.**

🔑 Advanced Takeaways

- Dominate with math: Know your CAC, LTGP, and PPD cold.

- Out-market competitors: Use free/discount wrappers to crush volume, then upsell premium.
- Engineer revenue ladders: Customers should never “end” with you —there’s always a next step.
- Scale with continuity: Build subscription-style models wherever possible.
- Hire for multipliers: Every employee must move revenue, not just fill time.

Final Word:

This advanced guide is about engineering growth—not guessing. Once you’ve mastered the basics of attracting clients, your focus should shift to stacking offers, maximizing lifetime value, scaling people, and using math to outbid competitors.

Get these right, and you’ll move from “local service provider” to local market dominator.

👉 *This guide is designed so you can print it, keep it on your desk, and use it like a playbook for your service business growth.*

**Breakdown courtesy of @MegerMedia and original source material from Alex/Leila Hormozi & Acquisition.com*