

# Scaling an Agency with Derek Justin

In this interview, Derek Justin discusses how he scaled his real estate lead generation agency to 87 clients using UpHex and shares insights on building a successful agency model. He covers topics like client acquisition, fulfillment costs, setting expectations, and the importance of customer experience.

[WATCH THE VIDEO OF THE CASE STUDY](#)

**J** by Jacob Morris

# Introduction to Derek Justin

Derek Justin runs a real estate lead engine, which is a traditional social media marketing agency (SMMA). He has been in the marketing world for about 8 years and is passionate about growing and scaling his business. Derek recently reached out to share that he had scaled to 87 clients after starting to use [UpHex](#).



# The Challenge of Scaling an Agency

Derek discusses the challenges of scaling an agency, particularly the costs associated with fulfillment. In the past, he had to pay \$200-\$250 for a media buyer every time he signed up a new account or needed to redo ads for existing clients. This model was not sustainable for scaling, as it significantly ate into profits.

1

## High Fulfillment Costs

Paying \$200-\$250 per ad set for each client

2

## Profit Margin Squeeze

As client base grew, profits were diminishing due to high fulfillment costs

3

## Unsustainable Model

The traditional model of hiring individual media buyers was not conducive to scaling

# The UpHex Solution

Derek explains how implementing [UpHex](#) allowed him to streamline his operations and scale more efficiently. By using [UpHex](#), he was able to hire one media buyer to manage all of his clients instead of paying individual media buyers for each account. This significantly reduced his fulfillment costs and improved his profit margins.

# Client Experience and Expectations

Derek emphasizes the importance of setting proper expectations for clients and creating a streamlined experience. He explains that it's crucial to have a well-organized onboarding process, clear communication, and a support system in place. This approach helps clients feel valued and part of something, which is often more important than the actual number of leads generated.

## Clear Onboarding

Implement a structured onboarding process with videos and clear next steps

## Consistent Communication

Regular check-ins and updates to keep clients informed and engaged

## Support System

Provide accessible support channels like Slack or group coaching calls

## Value-Added Experience

Focus on creating a positive client experience beyond just lead generation

# The Importance of Niching Down

Derek strongly recommends focusing on one niche to scale an agency effectively. In his case, he works exclusively with realtors. This specialization allows him to tailor his services and messaging specifically to the needs of real estate professionals, making his offering more attractive and effective.

# Overcoming Market Challenges

When asked about the challenges in the real estate market, such as higher interest rates, Derek emphasizes that there are always opportunities in real estate. He suggests reminding clients that transactions are still happening, and it's about positioning oneself to capture a share of the market. Derek advises looking at MLS data to show clients the volume of transactions still occurring in their area.

1

## Identify Market Activity

Use MLS data to show ongoing transaction volume

2

## Reframe Perspective

Help clients see opportunities within current market conditions

3

## Position for Success

Guide clients to capture their share of available transactions

# The Concept of List Building

Derek introduces the concept of list building as a key value proposition for clients. He explains that leads should be seen as a way to build a valuable list of potential buyers and sellers. This list becomes an asset that clients can continually nurture and leverage for future business opportunities.



## Build Your List

Collect contact information from leads to create a valuable database



## Nurture Relationships

Regularly engage with your list to maintain connections



## Long-Term Growth

Leverage your list for sustained business opportunities



# Setting Realistic Expectations

Derek emphasizes the importance of setting realistic expectations with clients. He suggests framing lead generation as a process of building a list and nurturing relationships over time. This approach helps clients understand that not every lead will convert immediately, but each contact adds value to their business in the long run.

"There is no such thing as bad leads. Leads are an ingredient in the process. Ultimately, the leads build my list of potential buyers and sellers."

# The Journey of Entrepreneurship

Derek reflects on his entrepreneurial journey, noting that it took him about seven years to figure out and streamline his agency model. He emphasizes that the process of building and scaling a business is not just about making money, but about personal growth and becoming a better version of oneself through the challenges and learning experiences.

# The Importance of Learning from Others

Derek stresses the value of learning from others who have already achieved success in the industry. He admits to spending significant amounts on coaching and courses to accelerate his learning and avoid common pitfalls. Derek encourages entrepreneurs to be open to guidance and not feel the need to figure everything out on their own.

1

## Seek Mentorship

Find experienced professionals who can guide you through challenges

2

## Invest in Education

Allocate resources for courses and coaching to accelerate learning

3

## Embrace Collaboration

Be open to learning from peers and industry leaders

# Streamlining Agency Operations

Derek discusses how he has streamlined his agency operations to manage 87 clients efficiently. He mentions using tools like [UpHex](#) and [High Level](#), as well as implementing internal systems and automations. This streamlined approach allows him to manage a large client base with a relatively small team, consisting of himself, a salesperson, a client success manager, a media buyer, and a virtual assistant.



## Centralized Management

Use tools like [UpHex](#) to manage multiple client accounts from a single dashboard



## Efficient Team Structure

Organize roles to maximize productivity and client service

# The Cookie Shop Analogy

Derek uses an analogy of building a cookie shop to explain the difference between a basic marketing service and a well-structured agency. He compares many marketers to selling cookies from a cart on the side of the road, while his approach is like building a proper cookie shop with displays and a curated environment. This structured approach allows for better pricing, improved customer experience, and more efficient operations.

# Offering Mentorship

Derek expresses his desire to give back to the community by offering mentorship to other marketers. He is open to helping people who are struggling to scale beyond 3-5 clients, sharing his knowledge on building infrastructure, systems, and hiring the right team members. Derek believes in the importance of helping others succeed and sees it as a way to contribute to the industry.

## Quick Consultations

Offering 15-20 minute calls to help with specific issues or questions

## Scaling Guidance

Providing insights on how to grow from 5 to 50+ clients

## Systems and Processes

Sharing knowledge on building efficient agency infrastructure

# The Value of Persistence

Derek concludes with words of encouragement for aspiring agency owners. He emphasizes the importance of continuing to learn, push forward, and consume valuable content. Derek reminds viewers that their work is impacting lives and helping families in their communities, which should serve as motivation to keep going even when faced with challenges.

"Keep pushing forward, whether you figure it all out on your own in seven years or do it in six months, keep going because don't ever forget, you're serving people in your community and other communities and you're helping families and you're impacting lives."

# The Success of the UpHex Model

The video concludes by highlighting the success of the [UpHex](#) plus [High Level](#) model in the agency world. It's mentioned that one out of every three SaaSpreneur awards in the [High Level](#) community went to agencies running on this model. This statistic underscores the effectiveness and attractiveness of the automated SMMA approach for both agency owners and their prospects. Viewers are encouraged to try [UpHex](#) with a 14-day free trial to experience its benefits firsthand.