

The Five Phases of Business Development Episode #242

Presenter: Ray Edwards show episode 242. The five phases of Business Development you must not skip.

Automated voice: The Ray Edwards Show. Live your destiny by design start run and grow your own internet based business and create the life of your dreams. You can do it. This is the Ray Edwards Show.

[music]

Speaker 3: Well, here we are again.

Speaker 4: Yes. Here we are again.

Speaker 3: It's a profound statement. Because can you really ever be in the same place twice?

Speaker 4: No. It's like you like you can't step in the same river twice.

Speaker 3: Exactly. All right we got a good show for you today.

Speaker 4: So many times, people have asked us for a business roadmap.

Speaker 3: Yes, they have.

Speaker 4: People just walk up to us in the streets and say-

Speaker 3: They're like, "I want a business roadmap. You have a business roadmap?" Yes. It's weird. I know that doesn't really happen to other people-

Speaker 4: but it happens to us.

Speaker 3: Yes. I don't know why.

Speaker 4: Okay, they don't use exactly those words. We frequently here questions when we have conversations and it feels like or sometimes it's fired out. People would say, "I need a checklist Just give me the steps."

Speaker 3: Right, yes.

Speaker 4: My response is always, "Well, there's like a hundred things you need to do." The real question is what are the hundred things?

Speaker 3: Yes.

Speaker 4: We're not going to give you the hundred things on this.

Speaker 3: No. That will be a long episode.

Speaker 4: What we did figure out is you could break it down into five major categories by phases, if you will, developing your business. We're going to cover those over the next few episodes. Just as a public service to help you make sure you're not screwing up your business big time.

Speaker 3: Absolutely.

Speaker 4: Because we'd hate to see you do that. That's what's coming up next.

Automated voice: Putting your first things first and creating prosperity with purpose. This is spiritual foundations.

Speaker 4: You ever feel afraid?

Speaker 3: No.

Speaker 4: Me neither.

Speaker 3: Never.

Speaker 4: I understand other people have that feeling.

Speaker 3: I don't even really what fear is. I just have to observe it and deduct it from other people's behavior.

Speaker 4: You ever lie much?

Speaker 3: No. Why would you ask that question?

Speaker 4: Just came to me.

Speaker 3: Okay.

Speaker 4: Most of us deal with fear at some point in our lives maybe at some point each day. Fear is useful in one context, that is, when you're in immediate danger. That's why it's there. So that if you're in the woods and you see a bear, you have a little fear and you do something to get away from the bear, so the bear doesn't eat you. That's the usage of fear. The problem is most of us don't encounter any bears.

Speaker 3: No.

Speaker 4: Not in our day-to-day life.

Speaker 3: I haven't encountered a bear in quite a long time.

Speaker 4: Or a tiger?

Speaker 3: Well, I have a little one.

Speaker 4: It's Kitty cat

Speaker 3: Easy catty.

Speaker 4: But fear-

Speaker 3: It's an external character I'm not just weird.

Speaker 4: Fear-

Speaker 3: I am weird, though.

Speaker 4: -as a part of your everyday life is not healthy. It can ruin your life. Anxiety makes us sick and sometimes the solution to anxiety -- and a lot of people deal with anxiety disorder. Sometimes the solution to that is medical but I think that often we are trying to use a medical solution to a spiritual problem. Depending on the translation you use there are 365 "Fear not" commands in the Bible.

That's one for every day of the year. It seems like God doesn't want you to be afraid. In fact, almost every time -- I would say every time but there might be one or two that I'm missing. But I believe every time an angel of the Lord in the Bible appears to human beings or the post-resurrection Jesus appeared to human beings, they start the conversation by saying, "Don't be afraid."

Speaker 3: Yes don't freak out."

Speaker 4: It seems like God does not want us to be afraid. What's the cure for fear? Well, let's start with this, the opposite of fear is not courage the opposite of fear is love. In fact I'll give you this Bible verse you can think of this as your verse for the day, maybe for the week, the Bible says, "There is no fear in love but perfect love drives out fear." That's in first John chapter 4:18.

How do you experience love if that's what drives out fear? Well, God is love and the more you fill your life with God, the more you fill your life with love the less fear you're going to experience. Unless you have something neurologically wrong with your brain.

Speaker 3: Right.

Speaker 4: If that's the case then I'm not condemning you for that but I'm just saying that most people who deal with fear on a daily basis that's not the problem. A good way to practice this is just to ask a few questions of yourself like maybe just take a moment and ask, "Well, who do I love? Who in my life loves me? How has God shown me his love?" And just be more conscious of the reality of love in your life and that will drive out fear

Automated voice: Now, simple hacks that make life cheaper, easier and faster. Speaker 4's tape of the week.

Speaker 4: I am not the world's greatest typist. I may be the world's slowest typist.

Speaker 3: I don't think so. There was that story you always tell me about the guy who spent all that time writing one sentence.

Speaker 4: Oh, well, that's Stephen Hawking.

Speaker 3: No.

Speaker 4: Oh, I know you talking about-

Speaker 3: Not Stephen Hawking I wouldn't make fun of him. You would make fun of this other guy though.

Speaker 4: James Joyce.

Speaker 3: He didn't have the words in the right order or something.

Speaker 4: Yes. That's one of my favorite writing story. I forgot about that. He works excruciatingly slow. His friend dropped in and said, "How was the work today James?" And James was in despair. He was distraught, he was disheveled and many other [sic] dis words. He said, "I only got one sentence today." His friend said, "One sentence that's good for you, isn't it?" He said, "Yes but the words are not in the right order."

Speaker 3: [laughs] No.

Speaker 4: So I'm not that slow but I am a big fan of dictation for writing faster. Even if you're great typist you cannot type as fast as you can talk.

Speaker 3: Talk, right.

Speaker 4: I've just been trying out a new tool by the folks that bring you Dragon Dictate or just the Dragon app on the Mac and it's called Dragon anywhere for iOS. Now you may say to me, "Speaker 4, iPads, and iPhones have dictation built in." Yes but there's a limit and when you hit that limit it will stop. I don't know it used to be four minutes it might be-

Speaker 3: I don't know what it is now.

Speaker 4: It's pretty short. Dragon Anywhere is continuous dictation. You can dictate a whole chapter of a book if you want to using Dragon Anywhere. My experience has been so far it's more accurate than Dragon on my Mac.

Speaker 3: Weird.

Speaker 4: It is weird because it has to use internet connectivity to operate and one of my Mac is on the local drive. How can that even be true? I don't know. Try it out, just google Dragon Anywhere. We will put a link in the show notes but I won't tell you the link because it will be too difficult to type. If you have a problem typing and you want to dictate you probably don't want the URL verbally. Give it a try. Dragon Anywhere for iOS. I don't know if they have it for Android or not.

Speaker 3: I don't think they would but who knows.

Speaker 4: Yes. I don't know.

Automated voice: Now, our feature presentation.

Speaker 4: What are the five phases of business development that you must not skip? Why do we say you must not skip them? We're going to take them one by one.

Speaker 3: Yes. We're not going to give you all of it at once

Speaker 4: Because we want you to keep listening. Think of it as a mini-series.

Speaker 3: That's right, totally.

Speaker 4: The first phase of business development is the phase where you haven't started your business yet but you have an idea for business. For those who have a business you may be saying, "Well, I've already started my business so I should probably tune out now." Right?

Speaker 3: No.

Speaker 4: Maybe not because what we're running to a lot is people who have businesses who are struggling or who have an opportunity to grow and they have missed some part of this phase.

Speaker 3: Yes. One of the reasons that we laid these phases out is because quite often people will do things out of order. When we work with people doing this in small group settings how many times have we had to say, "Now you're in phase one, right? Why are you working on a phase three problem?"

Speaker 4: That is the source of most of the stress that our people that we work with encountering. A friend of mine, Armand Morin had a term for doing things out of order. He called it out of sequentialism.

Speaker 3: Out of sequentialism. I like it.

Speaker 4: I like it too.

Speaker 3: So it's really important that you latch on to something, the frameworks going to be powerful. When we've used in small group settings before people have really liked it.

Speaker 4: And it's benefited them, it benefited their business. It helped get them back on track. So, often what you don't need is some big heuristic algorithm or a team of forensic accountants to come in and figure out what's your challenge is. It's just to ask, "Am I doing things in the right order?"

Speaker 3: Yes, and , "Am I asking the right questions?"

Speaker 4: So, phase one of our system, our road map, if you will, actually starts with the first part of our PASTOR framework.

Speaker 3: Yes. Absolutely.

Speaker 4: Which is our copyrighting framework, we've talked about it extensively, you can go back in our last few episodes and get the whole thing. So, we won't go into that but the P in PASTOR stands for-

Speaker 3: The person, problem and pain.

Speaker 4: So, let us elaborate.

Speaker 3: Yes. This is foundational to any business, any business, any.

Speaker 4: What if I have an automated car wash?

Speaker 3: It's zero work for that one too.

Speaker 4: What if I have an art studio?

Speaker 3: It will work for that too.

Speaker 4: What if I sell scented candles.

Speaker 3: It will work for that too.

Speaker 4: Insurance-

Speaker 3: It will work for that too.

Speaker 4: [laughs] So, any business.

Speaker 3: [laughs] Well, because if you're selling to people-

Speaker 4: But you don't understand.

Speaker 3: They have problems and they have pain.

Speaker 4: I run an agency. Services are high-level clientele.

Speaker 3: We're business to business. Does it still work? Well, unless your business is a machine or an alien, yes. Yes.

Speaker 4: Because behind every business, is a person.

[laughter]

Speaker 4: So, by the way, if your business is a machine or an alien, we would like to meet it.

Speaker 3: Yes. Yes.

Speaker 4: But, sentient, just saying.

Speaker 3: But with a sentient machine I'm afraid, but I'm still curious. Okay, so, back on the topic. Every business, if you listen to our last episode, you know that when you're in business, you trade value for value. So, any business is going to be dealing with people and they're going to be trading value. Any business addresses a person, and addresses a problem that person has, and then attempts to solve the pain that they feel due to their problem.

So, every business must be built on the foundation of who are you serving and what are you, what value are you offering to them.

Speaker 4: So, this probably sounds very third grade, but, you'd be surprised at how many people apparently are not graduated from the third grade.

Speaker 3: Yes, I mean people are building products, opening shops, and they are answering some of these questions and I don't know what you're, did you just start reading them off, or that I'm here, or did you have a way that you want to walk through them.

Speaker 4: No, let's just walk through them one by one.

Speaker 3: Yes. So you've got to ask, the first question is, what is the problem that you're solving? A lot of people will say, "Well I don't have a problem, I'm a coffee shop," or "I sell luxury item." Or-

Speaker 4: "I sell art," or poetry.

Speaker 3: -something. Well, let's go to the coffee shop, for one thing. You are solving a problem.

Speaker 4: Caffeine deficiency.

Speaker 3: Right. [laughs] People are sleepy. I was at a coffee shop recently and I looked at the guy and I said, "Do you feel honored to have the privilege that you get to serve people this nectar of life every day?" He kind of smirked and I said, "Think about it. They come in here groggy, tired, unfocused, uninspired. They drink your delicious beverage and they leave focused, sharp and inspired."

Speaker 4: Yes.

Speaker 3: [laughs] Obviously. And so, then you look at things like luxury items and paintings. Yes, you're solving their problem there too. I have a pain because I don't have the super cool watch that I want. I so want the watch because it communicates value and I just like it, makes me feel good.

Speaker 4: Exactly, or another example, somebody that we've worked with for a while, was a home decorator. She felt like, "Well I don't really solve a problem," and I'm saying to her you do. People want to live in a beautiful, inspiring environment that fills them with a sense of grace and wonder, and the ability to feel an appreciation for their surroundings instead of thinking, "Oh, this place is a mess and it's dirty and-"

Speaker 3: How many studies have been done that show that you're surroundings affect your emotional and productivity state, your mental state.

Speaker 4: So, it's doesn't matter what exactly, right. So it doesn't matter what business you're in, and what product you're selling, you are alleviating some kind of pain.

Speaker 3: Right, and another way again you can think about that is if you're delivering value, well if you're delivering value then there has to be a deficiency of value on the other side, like there's a mathematical, philosophical way of thinking about it. But if someone is trading with you, they're paying you for something, they want value.

You also got to be thinking about the person that's having this problem, who is having this problem, that's important, so many people don't think about that but it's very important.

Speaker 4: And we are not talking about necessarily knowing every single name of every single person who's going to buy from you, although knowing the specific names of some of them could be very useful.

Speaker 3: Yes, because if you're in a coffee shop, or let's not use the coffee shop example anymore, you're going to sell music to people, you're not going to be selling your new Indi music to 80 year olds, most likely, you could be but you're not going to do that, so you have to talk to the people that have this problem in a way that they understand.

Speaker 4: Yes, so one way you could do this is if you have customers already, you could just go call some of your customers and talk to them and don't say, "We're coming with a customer service survey, if you could answer a few questions." You don't do that, talk to him like a human being, so be like, "Hey Sean it's Ray, how are you doing? I just called because I wanted to say thanks for buying our album and just wondering how you liked it, and what are the kinds of music do you listen to, I'm just trying to get a feel for what the audience wants and you have any good acts and good shows that you like?" Just have a conversation.

Speaker 3: Absolutely and another way you can do this with surveys, it's not quite as good but if you send out emails, we've got great responses from people saying, "Hey, what are we doing that's helping you-what are some areas that we could expand" and what we're really asking there is what are the problems you are experiencing and the pain you're feeling from it and how can we help alleviate that pain.

Speaker 4: Yes, and another place to look for clues about the people that you're selling to is online comments, either in review sites or on blog posts or maybe even your own customer service desk.

Speaker 3: And the reason there are three piece here, person, problem, pain, pain seem redundant because we're talking about the problem, well when we say pain we mean what is the language that they are using to describe their pain? Because they have a vernacular to describe it.

Speaker 4: And they may be feeling the pain in a different way than you think they are, for example what I see a lot in the weight loss industry is a lot of people who are marketing diet programs or exercise program think that they're marketing to the logical person and they're saying, "If you lose weight then you'll live longer and you won't have diabetes and you will not have heart disease and your blood will flow better and your vision will last longer." That's not what people are-

Speaker 3: That's not the pain they're feeling, they don't look in the mirror in the morning and go, "Man, I should've—"

Speaker 4: "I think my blood sugar is going up, it looks like my blood sugar is going up." No, they look in the mirror and they say, "Disgusting fat, what happened to me? I used to look cool, how do I get rid of this jelly roll in my mid-section?"

Speaker 3: "I used to be attractive." I'm just being honest, that's what they're thinking and feeling.

Speaker 4: We're not saying that if you're overweight you're not attractive, what we're saying is this is what people are feeling as the pain in this market, generally. So if you don't talk about the pain in a way that's meaningful to them, then they don't feel like you get them.

Speaker 3: Right, there's no reason they should listen to you, you haven't connected the dots, is it true that they hear you seriously like, "We don't know who said this" but you need to enter the conversation as already happen in the mind of the prospect.

Speaker 4: It's usually attributed to Robert Collier and I did a little digging because I wanted to find the exact reference, because everybody says Robert Collier said it and he didn't, he said something close to it, so I guess it's fair to attribute it to him but it wasn't really him that said it.

Speaker 3: But that's what we're talking about here, people are having a conversation in their mind, "I'm fat, I'm ugly and I don't like how I look."

Speaker 4: And when you enter that conversation, when you start repeating their words back to them or their feelings back to them, the response you get is, "That's exactly how I feel but nobody has ever put it into words before."

Speaker 3: Right and so if you approach them talking about the logical scientific—even if you address the problem, which they don't like how they look and you're using language that they're not using, they're still not going to connect with you, they need to hear the words that they use. And so that's why these three things have to go together, person, problem, pain. They are all interlink in and they help you own and develop a product or at least your messaging for your product to the right person.

Speaker 4: Yes. So, beyond that, I mean, your initial analysis has also got to include, if they feel this pain are there enough of them, are they willing and able to pay money for this?

Speaker 3: Right, is this a sellable product? Is there a sellable market here?

Speaker 4: We are going to dig more into that in our next episode. That's going to be the focus, of next week's episode which is going to be, how to know your product will sell. Wouldn't that be cool? How many people have we meant who spent months or even years building a product and sunk tens of thousands or a hundred of

thousands of dollars into it and then couldn't sell a single unit? Or worse they do sell a single unit. I think that adds insult to injury because I sold one.

Speaker 3: Yes, yes. [laughs]

Speaker 4: So we'll talk about, how you'll make sure your product will sell, that will be on the next week's episode.

Speaker 3: But what is important when you are talking about the person, the problem and the pain is you know one of the things that I see here is that, are they willing and able to pay money to solve it? And this goes into the person part of the question because we've worked with clients that are -- I don't want to give too many details out but they come and they talk to us and they tell us the products that they are designing and the person and the problem and the pain they don't have any money. That's the demographic that does not have money to spend.

Speaker 4: Yes, the keys are you've you have to identify people, where is the problem that causes them pain, who have money-

Speaker 3: Who have money and are willing -- who want to fix the problem.

Speaker 4: -That is the basis of the business.

Speaker 3: So many people don't think through those elements to build their business and it's so foundational. That's what we mean when people are going, "Okay, so how do I get traffic to my website? Okay, I'm having problems with my membership area."

[cross talk]

Speaker 3: "Who is the person? What is the problem? Where is the pain?" And they look at us, we are like a deer on a headlight look. It's like, "So what is the purpose of your business? What value are you trying to offer to them?" "Ooh, that's a good question."

Speaker 4: "I'm trying to sell some stuff."

Speaker 3: "I think I can help them be a better leader." "Okay how?" I don't want to be mean to you guy -- to people who do that, but if you haven't addressed these foundational problems, everything you do on top of it is-

Speaker 4: It's like rearranging deck chairs on the Titanic.

Speaker 3: Yes, and if you have success, it's totally by accident. I'm sorry but it is.

Speaker 4: Yes and that happens, that's maybe the worst thing that can happen to you because you think, "Oh, I don't have to do this I have done it before."

Speaker 3: "I've done it before I can just shoot from the heap and make it happen." No it was an accident. [laughs]

Speaker 4: Yes and those things happen. God's grace kept you from going broke once, thou shall not test the Lord thy God.

Speaker 3: But were going to dive more into that next week.

Speaker 4: Just hang on, but in the meantime be thinking about this idea of finding a person, who has a problem, who feels pain from the problem, who has money to spend to solve the problem and is willing to spend it. That will get you a long way down the road toward having a viable business idea.

[music]

Speaker 4: Ooh and one more thing, we'll have to answer this next week, what if it's too late? Then what do we do? If you got a big product inventory where we realized we don't have those things.

Speaker 3: Well, as we learnt from Jeff Walker, that's a copy problem.

Speaker 4: Yes.

Speaker 3: [laughs]

Speaker 4: That will be week after next.

Speaker 3: [laughs] Awesome. If you want to help us with our show please subscribe to the show on iTunes and give us some rating and a review. Make sure to put your real name and your website in the text and we'll mention you on the show.

Speaker 4: I got one thing I got to mention, I almost totally forgot this. We got a letter in the mail I was trying to find it; I think I left it at home, so I'm so sorry about that. The website is "Thin2Win" John Doe and he sent us a hundred bucks.

Speaker 3: What?

Speaker 4: We mentioned his website on the air he sent us a check for a hundred dollars.

Speaker 3: No.

Speaker 4: Which we are going to send back, but thank you John. That whole hundred bucks thing, just so you know you're the only person.

Speaker 3: [laughs] we didn't actually think anyone would ever do that. [laughs]

Speaker 4: I just laughed out loud.

Speaker 3: Oh, that's funny.

Speaker 4: So, Thin2Win, T-H-I-N-2-W-I-N.net.

Speaker 3: We are also on Stitcher see if you can find us there if you liked that. Connect with Ray on Facebook, Twitter, Google Plus or LinkedIn. If you would like the transcripts, please go to rayedwards.com/242. I would be there, probably, hopefully.

Speaker 4: So until next week. I pray that God continues to bless you and peace to your house.

Automated voice: Thank you for listening; this has been the Ray Edward Show. Find the archives of this weekly show at Rayedwards.com/podcast or on iTunes. Contact Ray at Rayedwards.com this podcast copyright by Ray Edwards Internationals Incorporated. All rights reversed. Each week we bring you a message of prosperity with purpose and freedom and remembering the true freedom is available to all through Jesus Christ.

[End of Audio 00:25:48]