

## Systemize and Optimize the Enterprise Episode #247

**Co-host:** Ray Edward show episode 247, phase five of your business plan. Systemize and Optimize the Enterprise.

**Automated voice:** The Ray Edward show; live your destiny by design start, run and grow your own internet based business and creates the life of your dreams. You can do it. This is The Ray Edward show.

[music]

**Co-host:** I just like to re-emphasize a point that we made at the end of last episode and that is, we are professionals.

**Ray:** We do this for free.

**Co-host:** We had to say that at the event, at some point of the event I can't remember what was going on. Something inky was not working right like I don't know, the-

**Ray:** The air conditioner.

**Co-host:** Or whatever, I don't know, we are like, "Excuse us while we figure this out", on the stage everyone is looking at us and one of us made the comment, "We are professionals, we know what we are doing."

**Ray:** "Don't try this at home." Here we are, we've gone through the first four phases of setting up your business development plan.

**Co-host:** Yes in the correct sequence.

**Ray:** We are up to phase five now, we figured out who our market is, what their pain is, what their problem is, we help them solve. We figured out the products that will solve the problem and we know that it will sell, that it is marketable; we've written our copy that effectively communicates our message about where we are coming from, how we are helping people, what are-

**Co-host:** Basically the value that we have to offer to our prospects.

**Ray:** Correct, and we've set up our marketing systems so that more leads are coming in and we're spending less on generating business and we are generating any revenue which means we make a profit.

**Co-host:** Make a profit.

**Ray:** How do we keep that going?

**Co-host:** That's what phase five comes from and we going to talk about that in this episode.

**Ray:** In mere moments.

**Automated voice:** Putting first things first and creating prosperity with purpose, this is spiritual foundations.

**Ray:** Now this will freak some people out a little bit, both those who follow Jesus and those who don't. That's my favorite kind of spiritual foundation episode.

**Co-host:** That freaks everyone out.

**Ray:** Yap, a little bit, I admit I take a little bit of, it's a little fun to do that.

**Co-host:** A little, you take a little joy at a rock in the boat.

**Ray:** I do. If you've ever wondered like, "I don't know what to write in my copy or what I'm going to say during this talk that I'm giving," or "I got to have a conversation with someone I don't know exactly the right words to say." I've always been the kind of person that I try to script it out in advance. You may or may not know this about me but sometimes especially when I'm going to have a difficult conversation I'll actually write out the conversation before I have the call.

**Co-host:** Oh really, I did not know that.

**Ray:** I've kept it pretty much a dark secret for as long as I possibly could.

**Co-host:** I just go through the conversation like 20 times in my head.

**Ray:** Oh, well that's much less obsessive.

**Co-host:** Yes. [laughs]

**Ray:** In 1st Corinthians 1:4-5 it says, "I thank my God always concerning you, for the grace of God which was given to you by Christ Jesus that you ere enriched in everything by Him in all utterance and all knowledge."

**Co-host:** Utterance; that has nothing to do with milking cows?

**Ray:** [laughs] No it's, that's utterly ridiculous. You're going to milk these jokes for all it's worth don't you?

**Co-host:** I'm saving the cream at the crop for me.

**Ray:** We'll be here all week ladies and gentlemen, tip your waiters and waitresses. Let's unpack this just a bit as preachers would say, I probably shouldn't say that because I'm not really a preacher. But let's examine exactly what this means because it sounds very hipholute and it's kind of biblical language that for a lot of people as in media like-

**Co-host:** Oh it makes sense because it comes from the bible.

**Ray:** I think God always concerning you, that's pretty plain. I'm thanking God for you. It's awesome to be you.

**Co-host:** Right, God thank you for them.

**Ray:** For the Grace of God which was given to you by Christ Jesus so we get grace.

**Co-host:** Who is also thanking God for grace?

**Ray:** Grace is unmerited favor, we don't even have to deserve it, we can't deserve it, and we just get it.

**Co-host:** We just get it.

**Ray:** Then you were enriched, now listen carefully, you listening to my voice right now, you were enriched in everything by Him in all utterance, in other word at everything that you say and all knowledge.

**Co-host:** Right.

**Ray:** If you ever get stuck for what to say, if you will trust, it says it elsewhere in scripture, "Don't worry about what to say because the Holy Spirit will give the words to you." Now, for those of you who are biblical fanatics and I say that in the most loving way, I'm right there with you. I know that scripture of this reference is taken a little bit out of context, but I still think it's applicable; God gives us the wisdom that we need to say the right words in every situation.

And so sometimes, this is where people are going to freak out a little bit, sometimes when I am writing a copy and I am stuck, I will just say, "Lord, I don't know what to write so I'm waiting for you." And then I just start writing. Some of my best copies come from that place so you want to talk about the muse? I know the muse, personally.

**Co-host:** You know the band, the muse?

**Ray:** No, I don't know them. I would like to. If you guys are listening muse and 100 bucks. That is right.

**Automated voice:** Now, simple hacks that make life cheaper, easier and faster; Ray's tip of the week.

**Co-host:** You know that 100 bucks thing is -- it's become a thing now.

**Ray:** It's catching on. We had people at the conference even say it.

**Co-host:** Without any prompting, they just shout out from the audience, "A 100 bucks."

**Ray:** We actually had somebody send us a 100 bucks.

**Co-host:** We had to tell people don't actually do that now because someone did it.

**Ray:** It's just a joke.

**Co-host:** Someone did it and we had to-

**Ray:** It's just a joke, not a sponsor. My tip of the week is actually a little piece of hardware that really been pleased with and this will show you how geeky I am, but I get excited over a seven port USB hub.

**Co-host:** Whoa.

**Ray:** This is from Asentay, a company I have never heard of.

**Co-host:** It sounds like one of those Chinese.

**Ray:** Sweat factories.

**Co-host:** Unfortunately.

**Ray:** But I don't know that for a fact.

**Co-host:** No.

**Ray:** And they make hardware that looks suspiciously similar to apple hardware.

**Co-host:** That's weird, why would they copy apple?

**Ray:** I'm not sure but it worked on me. So this is an aluminum 10 port hub. It's seven ports USB 3.0 and three charging ports and if you use a MacBook Pro like I do, you'd know that one of the limitations of the MacBook Pro is there're only two USB ports in the thing.

**Co-host:** Clarifying question, the three charging ports, are they also data transfer ports?

**Ray:** This is a good question because I thought that was true but it's not.

**Co-host:** They're just-

**Ray:** They are just charging ports.

**Co-host:** Bummer.

**Ray:** Yes. That was a bummer but it's still so useful.

**Co-host:** So cool.

**Ray:** Because I do things like, I like to plug in my Ethernet, internet connection here at the office but it had to be a choice. Whenever we did a zoom call with our master mind group, am I going to have Ethernet, internet which is just a hardware connection to the internet which is faster and more reliable or am I going to use Logitech C920 camera to do this.

**Co-host:** -Which is a better camera.

**Ray:** I had to choose now I don't have to choose because I can plug both end into this hub.

**Co-host:** That is nice.

**Ray:** It is a fairly inexpensive.

**Co-host:** What does it plug into your computer with?

**Ray:** USB 3.0.

**Co-host:** I'm wondering if they did thunderbolt. They could probably have all them be charging and data points.

**Ray:** That would be awesome but I didn't see that offered. It's pretty small, low profile. It works with PC desktop, if you have one of those. With a Mac desktop, with a MacBook pro, a Mac mini or any Notebook that you might find in the market, it's a mini hub and it's very useful and it's powered, you don't have that phenomenon where you plug thing into it and they don't work because they don't have enough power coming through it.

You plug this in to the wall and there is power for all your stuff. There is a link in the show and I'd just go to [ReyEdwards.com/248-1](http://ReyEdwards.com/248-1)

**Co-host:** Seven.

**Ray:** 247-- /247 and you can find the link to get this hub and you can get on Amazon and I think it was like 40 bucks. Pretty cool deal.

**Automated voice:** And know our future in presentation.

**Co-host:** All right, we're in phase five.

**Ray:** Phase five. We've got the enterprise humming long, not the starship.

**Co-host:** That'd be fun though. I wish...

**Ray:** I'd like to have one of those.

**Co-host:** Me to.

**Ray:** I'm not really a materialist kind of person but I would like to have a mini enterprise. That's like the ultimate motor home.

**Co-host:** Please.

**Ray:** It's my [inaudible 00:09:07] motor home.

**Co-host:** It will bite the caveat because technically apparently we could actually build something the size of the enterprise but it would have to be propelled by-

**Ray:** It couldn't go anywhere.

**Co-host:** No. If someone tries to send me the enterprise, I want it to have a functioning WebDrive drive.

**Ray:** Let me pause something to you. What if somebody built a space station that looked exactly like the enterprise and you can take a vacation there.

**Co-host:** Okay and you just pretend that it's an orbit around earth?

**Ray:** Yes.

**Co-host:** That would be pretty fun.

**Ray:** The only problem is there'd be no gravity.

**Co-host:** Oh yes. We just have to -- If you're going to give me an enterprise it need to have a functioning, fast the light WebDrive and artificial gravity.

**Ray:** And inertial dampers.

**Co-host:** Oh yes, you really need to have those.

**Ray:** Otherwise, you need to have seat belts. Okay we digress. We're actually talking about how to automize and automatize.

**Co-host:** We are professionals.

**Ray:** Optimize and systemize your enterprise you've got all your marketing systems in place. You've got the right audience to figure out. You've got the right products for them. You've got the right messaging that communicates the solution to their problem. And you've got a marketing system that's generating consistent, regular, reliable business for you.

**Co-host:** Right.

**Ray:** So you're done, right.

**Co-host:** No.

**Ray:** You can just walk away. Make money while you sleep. Ron Popeil.

**Co-host:** He did sell some cool stuff.

**Ray:** He did make money while he slept.

**Co-host:** That's true he did. So this is where I guess like the data geeks want to spend all their time.

**Ray:** It is like the perfect thing for that kind of person.

**Co-host:** And it is fun, I'm going to admit it I kind of like.

**Ray:** This kind is you.

**Co-host:** Yes, I do like. I didn't realize about myself but I kind of like taken all the numbers and comparing them and doing Excel-

**Ray:** Can I just share with you publically for the first time. I was so delighted, when I say for the first time publically I mean I haven't share this with you privately either. I was so delighted when I found out that you're this kind of person. Because I was like, "I'm totally not this kind of person," and for the fact you are I'm so grateful.

**Co-host:** I don't know there is something about compiling this data and then doing with the equations to see which she is converting into what and the cost per lead."

**Ray:** So for people right now who are like, “What the heck are they talking about?” First they are talking about starships and now they are talking about something equally alien to me. Describe what we’re talking about.

**Co-host:** These are stats and adjustments so you can’t just -- we’re assuming you’ve gone through all four phases you’ve done all that and now you’re running these ads. You can’t just let the ads run that would be inadvisable.

**Ray:** Even if they’re doing well right now, they will begin to be less and less effective.

**Co-host:** You have to have a running in one of the terms we use as KPI, key performance indicator. So you have to identify the key aspects of your marketing in business that you need to keep track of to make sure that your businesses on course. So some of those standard terms that you’ve heard that we won’t break down all of them right now but cost per lead which basically means how much does it cost for you to get someone into your funnel or your whatever.

**Ray:** Wait a second, I just saw something. Hey you, with your eyes begin to glaze over, pay attention. This is really important. Just listen for the next five minutes because this could change your life.

**Co-host:** Right [laughs].

**Ray:** Okay back to you now.

**Co-host:** Cost per lead but how much does it cost for you to get someone to opt-in your email list. That’s what most people when they think of a lead that such what we are talking about.

**Ray:** That’s why having an email list was free. You just give things away and people sign up and you make money by giving stuff away.

**Co-host:** Well, trying to you know, there is all sorts of small little costs. But for instance if you think your average because then people can calculate after they go the finals and people make sure sales after a while, you can calculate your average revenue per lead. Because not every lead is going to produce income for you but there will be an average that each lead will bring in money.

And that’s super important because then you know how much you need to be spending on those ads. And if that number goes over, if you spend more to get the lead then each lead will on average bring you in then you need to shut that campaign down or adjust it or something.

**Ray:** And tracking all these numbers also allows you to know things like the cost per customer acquisition.

**Co-host:** Yes.

**Ray:** And that's different than what we're just talking about. And if you don't know the accurate number for that you may or may not be making money in your business you may think you are.

**Co-host:** If you're looking at your QuickBooks profit loss sheet you could be like, "Look at that I got tons of profit."

**Ray:** Don't trust that.

**Co-host:** Don't. That is like crazy fancy method accountants use.

**Ray:** That thing is like a snapshot of a moment in time but does not tell the whole story of your business.

**Co-host:** Yes. Who you're quoting when it says profit is theory, who was that.

**Ray:** Keith Cunningham. Profit is theory cash flow is reality.

**Co-host:** Yes. And so you need to keep track of that, a list of things you kind of think about is basically you need to log everything. Email sent, how many of those emails were opened, how many clicks do people click because as you stack those up against each other you can see after you done four or five campaigns. It can build an average of your list and how they're responding to your emails and you could see, "Oh that campaign tanged."

**Ray:** Well. And here is an example of what not knowing those things can do to you because this person you may recognize that we're talking about a conversation we had with you this is not criticize you at all, it's just an example of how important this information is. If you have been running a webinar campaign for instance and you say "It's not working I didn't make enough money."

And you don't know how many people clicked on the ads for the webinar, how many people opted in, how many of those people showed up, how many of those people watched free the entire webinar, how many people clicked on your offer even if the offer was just for consultation, how many people did you talk to, how many people bought, how much is it. If you don't know all these numbers you can't really tell if your campaign is working or which part of it may not be working.

**Co-host:** And that's the important part. You bring up good point and I know who you're talking about because I was there and a few other people may.

**Ray:** And we think the world of this person-

[cross talk]



**Co-host:** We've actually think they had a very powerful thing to offer people but there is a lesson in this example because once we start asking them questions about their campaign their initial question was, I don't think my webinar is working. And so what we had to go through okay, how are you getting people into those how, many people on the webinar, how you're getting them there? How many people are showing up for the webinar? And as we ask those questions we realize that the assumption was wrong. The webinar was working.

**Ray:** Yes.

**Co-host:** There was a messaging problem that was the break down because people were registering and getting on, and see if you aren't keeping track of that information-

**Ray:** You'll never know.

**Co-host:** You'll never know. Is it the webinar message or is it the ad to get people on the webinar. And you could spend tons of time trying to fix the problem by fixing the wrong problem.

**Ray:** And we run into this a lot. Many big successful businesses do this and the reason they can get away with it is that they have so much cash flow it covers over the errors.

**Co-host:** Right. And so you go through two things like you track emails, emails opens, ad clicks, opt-in conversions, the rate of opt-in to customer conversions how many push offs for webinars, when people leave, how many sales that you get for this type of webinar or video thing, what is your total conversion rate. And this helps you identify your weak links where things are breaking down.

And that's where you really start to get into the mechanics of things and you can just make small tweaks to, "Okay whom I advertising to. What is my email saying, what's the headline on my landing page I can just make that tweak? And that brings to another point where we split test things over and over again, you modified the headline to see if one headline.

**Ray:** Hang on one second. Hey you again, you're nodding off.

**Co-host:** [laughs]

**Ray:** Eyes upfront. This is important. Okay, so split testing headlines. What is that means, split testing a headline.

**Co-host:** So that means you use some pieces of software and there are a bunch different options, like lead pages has a built-in and bunch of different services have built-in that way too. But you basically put two version of the landing page, the sales page or whatever you're trying to test and let say you have two headlines for your sales

letter or your landing page, your opt-in page and you don't know which ones going to convert better. May be you are even a little confused on what is your audience going to respond to better, which pinpoint.

Well you set up a split test and it will be based on the ratios that you set when people travel that URL it will automatically just pick. If you do 50/50 they will get version A and then the next person will get version B and the next person will get version A and then you can track how those two pages compare to each other. And the one that converts better has the better headline. And so then you can just move through as detailed as granular you want to get.

**Ray:** And you got to be careful, I don't want to step into anybody toes too much here but sometimes there are super nerdy people whom I love and they'll get all caught up and saying things like we'll lead pages. They have a pretty good split testing system but there is another one is better and this one does all these fancy other things and they gets so caught up in finding the right tool or recommending the right tool to you, they can scare you and make you think, "Well what I have isn't a good enough, I have to go and find something else."

The fact of matter is most businesses in my experience, my observation and having seen behind the scenes and lots of big medium and small businesses most of them don't do any of this.

**Co-host:** Yes. And that's a real problem. We call this phase five and it's a final phase and we can't talk about what you do. We'll talk about what you do like after this phase.

**Ray:** It is if you will the final frontier.

**Co-host:** The final frontier. But for any given product or service that you're running through this system this is going to be ongoing. Once you find the initial you get over the initial hump of phase five which is just finding like book of the bugs in your system and you work those out. Then it's not going to be nearly as much work but if you want to continue selling this product -- I don't know couple hours a week or may be few hours a month I'm not sure you got to have to -- at least have someone looking at these numbers to make sure that things are still working right.

**Ray:** Yes. Think about it like this, if you're flying, if you're a pilot of a jetliner and you set out for Hawaii from the West Coast to the US you don't just set your heading and then set everything in static mode and just sit back and wait to get to Hawaii. You're constantly monitoring your instruments for you position for the wind speed and resistances that your meeting. How far of course are you drifting?

You may cross corrections; they have two corrections, speed and engine power corrections. That gets you over time to the right destination. If you just set the cost and then just let things happen as they may, you will end up in the middle of the ocean somewhere.

**Co-host:** Right which is no one wants to actually like that analogy because just like the initial phases of phase five, where you have to start collecting all these information is like a plane taking off. There is a lot of work that goes in to take off, but once you get into the sky you can't just set in and forget it but it's not nearly as much work.

**Ray:** That's a whole metaphor.

**Co-host:** I know it's good.

**Ray:** We thought of it TM.

**Co-host:** TM, because the other side works to, when you get a wrap a product down are you going to land that plane?

**Ray:** Are you going to put that on the runway?

**Co-host:** Are you going to put that on the runway without crushing and burning?

**Ray:** I like it.

**Co-host:** Don't steal this anyone.

**Ray:** TM, they are plane metaphor TM.

**Co-host:** For business growth and sales.

**Ray:** Nobody has ever thought of it before.

**Co-host:** No of course not

**Ray:** Even with Pat Flynn with his book *Will it Fly?*

**Co-host:** No.

**Ray:** That's not what he is thinking about.

**Co-host:** No.

**Ray:** Well here is one angle of it but the rest of it TM. We're not talking about trance and little meditation either, TM.

**Co-host:** [laughs] Right that does raise the question of okay so I get up to cruising altitude, and I have my system in place for monitoring my flight path.

**Ray:** But there is like 100 things to monitor.

**Co-host:** Well I was going to say what now? More like so like, what comes after phase five? I was going to say well you have few options, A you got to constantly be monitoring the business to make sure the ads, you got to make tweet, you got to make course of directions, but if you got multiple products just go through it again. Go back

through phase five, I mean go all through all the phases on a different product or whatever.

**Ray:** Correct, and even if you're the most valuable company in the world, Apple 100 bucks you can afford it.

**Co-host:** You can afford it come on.

**Ray:** You guys can actually send us the money, nobody else.

**Co-host:** Yes we buy so much stuff from you.

**Ray:** You can send us 100 bucks, but even if you look at their business, they regularly sunset products or takes them off the market. They regularly develop new products-

**Co-host:** Right with new marketing materials.

**Ray:** Sometimes it doesn't work well at first; I'm looking at you Apple watch.

**Co-host:** [laughs] Mobile me.

**Ray:** That just gives me a full body shutter, mobile me. I think watch will eventually turn out to be successful.

**Co-host:** Well it's still beating all the other smart watches.

**Ray:** That's true but I did stop wearing mine just for what it's worth which is about 100 bucks. You need to be thinking about the fact that there is going to come a point, where you are going to sunset or retire products and have to start new ones. Ideally to keep your cash flow going you'll want to start the project of the new product before all your old ones expire.

**Co-host:** Yes so you should be starting this now, and you might in a year or two need to go back to this process for the same product.

**Ray:** Now I'm already in phase five, I'm already in the, optimize and systemize my enterprise phase, so if I'm going to start a new product I just start from there right?

**Co-host:** No.

**Ray:** No that was a total set up no.

**Co-host:** That's a total set up.

**Ray:** You start with phase one at the beginning, you begin appropriately enough at the beginning, phase one.

**Co-host:** Yes and I was even going to say sometimes you have to do it again for the same product, because how many times has Apple released a new version of their MacBook Pro or some product, and their marketing materials are completely different?

**Ray:** Well and that's because the market place, the people that you're marketing to and the pain that they experience changes.

**Co-host:** And the language they use to describe that pain.

**Ray:** Changes, and so when they were marketing some of their early MacBook Pros the story was a lot different, than when they started marketing the new ones with the red on a display. Because suddenly people were very interested in the quality of the display they were looking at and that was one of their pains.

**Co-host:** Really so where do we go from phase five? Well until you sunset that product or you learn that product you got to continue to optimize it, but you just go back through the system for the next part whatever the next chapter is.

**Ray:** You can set the auto pilot but that doesn't mean the plane flies itself, just like it doesn't mean the car drives itself just the FYI. Auto pilot is only is you think of it like an automated assist. You still need the pilot just like in the car you still need the driver paying attention.

**Co-host:** Actually they're supposed to have their hands on the wheels to, do you know that?

**Ray:** Yes I did know that and I think the whole idea of naming an autopilot was probably not a good choice.

**Co-host:** No.

**Ray:** Driven by marketing but not driven by -- I think not driven by the best interest of the customer, because it lead people making assumption that's why you want to call it auto pilot. I'm getting out of track here but.

**Co-host:** Well that kind of gets into marketing as something you do for people not to them.

**Ray:** Yes we do say that and we mean it.

**Co-host:** Yes because that's a little deceptive.

**Ray:** That's a subject of another podcast. Now that being said I like e-learn mask, I like where he's leading us.

**Co-host:** I like what he's doing.

**Ray:** I like what he is doing; he's just a few stumbles along the way here and there.

**Co-host:** Just made some comments that I don't agree with.

**Ray:** That's correct but I've made some comments that I don't agree with.

**Co-host:** Right and he has really revolutionized the electric car industry.

**Ray:** He is really pushing us toward a more sustainable model of providing energy for the planet transportation and those kinds of thing, and we do need to be thinking about that. I wouldn't call myself a nut case when it comes to environmental issues, but let's be realistic. We live in an environment and if we don't take care of it we won't be able to live in it eventually. That's a problem and he's working on solving.

**Co-host:** Even if there was the -- to quote batman, even if there is just 1% that we think the environment is in danger because of humans, even if there is just a 1% chance that we're behind it, then we need to treat it as a threat because this it's our existence.

**Ray:** Because otherwise we'll get the environment we deserve not the environment we need. Okay we have really gotten off on a rabbit trail or off in to a bat cave.

**Co-host:** What happened to us? Well you killed a bunch of people and you forgot to smile.

[laughter]

**Ray:** Do little goggling you'll figure it out.

**Co-host:** I think that's a good place to end this episode. [laughs]

**Ray:** I think you are correct and for those of you who are confused, I believe the next week's episode will be better.

**Co-host:** All right if you'd like to help get the show into the hands and on ears of other people of-

**Ray:** Just because you want to confuse them even.

**Co-host:** That's just a weird image, if you want to help this get podcast into other people's ears.

**Ray:** We'd like to put our podcast into your home.

**Co-host:** If you'd like to help us do that, go on iTunes and subscribe please, and we'll give you some rating and review. If you put your real name on website we'll mention you at some point, because we haven't done that in a while.

**Ray:** At some point because we haven't done that for weeks, we're going to catch up.

**Co-host:** We have a whole episode of just reading reviews.

**Ray:** Just reading names.

**Co-host:** That won't be self-serving at all.

**Ray:** No.

**Co-host:** All right the tenth review of our podcast. [laughs]

**Ray:** This sounds like fun.

**Co-host:** This is really helpful for you people running your own business, listening to entire episode of our positive reviews.

**Ray:** Yes learn from it.

**Co-host:** We're also on Stitcher you can subscriber there, you can connect on Facebook, Tweeter, Goggle plus and LinkedIn, and if you'd like to get the transcript go to [rayedwards.com/247](http://rayedwards.com/247).

**Ray:** Until next week, live long and prosper.

**Automated Voice:** Thank you for listening this has been the Ray Edward show; find the archives of this weekly show at [rayedwards.com/podcast](http://rayedwards.com/podcast) or on iTunes. Contact Ray at [rayedwards.com](http://rayedwards.com). This podcast copyright by Ray Edwards International incorporated all rights reserved. Each week we bring you a message of prosperity with purpose and freedom, and remembering that true freedom is available to all through Jesus Christ.

**[00:28:08] [END OF AUDIO]**