



**17-Jan-2021**

#### **VISION: EXECUTIVE SUMMARY**

- Vision needs to be Crisp.
- Vision is not a Strategic Plan.
- With your Vision – you should know what NOT to do or want.
- Vision, one either knows what one wants or develops that as we work on it over years.
- Vision gives you Clarity and Conviction.

#### **VISION: RECAP DETAILS**

- When Sergey Brin and Larry Page presented their vision to their VC Partners- they had an incredibly crisp vision: To organize world's internet data. With a webpage and a simple search box. A Vision that was marked with Simplicity and Crispness.
- Marc Randolph took a different path than Google founders, and even went on to say that “No one knows anything.” Which is inherently true that there is no guarantee of success in a business. Unlike a professional career where things are somewhat guaranteed, with a business one keeps taking steps that increase the probability of success.
- You must know where you are headed, otherwise it would be like using Google Maps and while it can tell you where you are but cannot tell you how far you are from your destination.
- When you know where you are headed, it gives you conviction like Bill Gates had when he refused to build custom OS for IBM PCs or Marc Randolph and Reed Hastings didn't go into DVD Sales.





- Without sacrifice, one cannot succeed in business, one needs to give it ones all. You either know where you are headed or discover it over time, but it will take a lot of passion and sacrifice of pleasures. There are no days off, or even on your days off you could get a phone call which could ruin your vacation or perhaps enhance it even more.
- When you have a deep conviction of where you want to go, it will give you a sense of conviction of what's the right thing to be done. Make sure you do the right things as opposed to doing what makes you liked. Like Steve Jobs said, "I am not here to win a popularity contest." If you are not afraid of not being liked, then a lot of decisions become easy to make.

### SALES: EXECUTIVE SUMMARY

- Don't sell a product – tell a story – the product will sell itself.
- Make connection with your customers and pay attention to details on everything going on with the customer. Don't overpromise, focus on the core message of the product or service.
- Never take your customer for granted, big or small. There is no greater ignorance than to judge the customer.
- Cut the noise and make it easy for them to say "Yes."

### SALES: RECAP DETAILS

- Customers don't buy products or services – they buy a better version of themselves. For example, people tend to buy houses with neutral colors since it helps them better visualize themselves in it. This is the core principle of sales – to help your prospective customers visualize what life will be once they avail of your services or buy your product.
- Never sell a product, sell a story. Tell them the "why" behind the product. Connect with your customers emotionally. Your relationship with the customer will determine your sales. People love the idea of buying but hate being sold to. Innate psychology of Reactance emerges in people which makes them say, "No", when you pressure them to buy. Instead tell when how their lives will be better with your product. Let them convince themselves.
- Every person in you company should be a salesperson. They should know why we are doing this and what the company is about. Once when you accomplish this you vision gets aligned and great products come out of it. Once you have great products – it will evoke an emotional response in your customers which leads to word of mouth sales. Great products do what they say and have a soul when everyone in the company knows what it's about, this results in products which moves the customers.
- Never ever ever – let down your customers down. If you want to keep that customer – do everything it takes to regain the trust and take giant steps to rectify what is bothering them, so that you can satisfy the customer.





## FOCUS: EXECUTIVE SUMMARY

- Focus on your top 5 goals. Defer working on the next 20 till top five are taken care of.
- Your personal and company's attentional space is limited so choose carefully what you will focus your and company's attentional space on.
- Stay Focused no matter what. Catch only one rabbit at a time. There will always be things going wrong. As a CEO, leader, entrepreneur you need to stay focused no matter what.
- Focus on your Customers, Prospective Customers, Products, Employees, and Core Business.
- Quantify the results you want to get from your focus area, use OKRs.

## FOCUS: RECAP DETAILS

- Focus is best exemplified by Warren Buffer asking his pilot to make two lists, the top 5 goals and then rest top 20. The list with 20 goals should be avoided at all costs and only focus on the one with top 5.
- One has a limited attentional space, use it wisely. Even organizations have attentional space – don't spread it too thin.
- Jack Ma gave us the analogy of catching 9 rabbits, one may want to catch them all, but catch them one at a time. Change your tactics but focus on one rabbit at a time.
- Five areas to focus on
  1. Focus on Customers
  2. Focus on Prospective Customers
  3. Focus on your Product
  4. Focus on your Employees
  5. Focus on your Core Business
- It's never a good idea to hire your close friends since they would be similar to your thinking and background. Don't engage in charity before the business is established. They maybe good honest people – but you need to hire the most competent people who can deliver the results.
- Japanese art of "*Osoji*", where once a year they gather in living room and get rid of things that they no longer need. Similarly take a hard look at the business and find out if you are doing too many things and decide which all do you need to forego and focus on the absolutely necessary.
- Mindfulness will help you maintain your focus. Even five minutes a day of meditation will help enhance focus.

## COMMUNICATION: EXECUTIVE SUMMARY

- Purposeful Communication vs Purposeless Communication. Always have an intent in mind.
- Get "Yes" in conversations, it opens others mind to saying "yes".
- Ask Questions to Engage with another person.
- Use "If" to access the power of possibilities.
- Use "Because" – when you use "why you win their trust.
- Pay Attention to body Language.





- Remember *But Enhancer* – everything that comes after “but” and *But Eraser* – everything that comes before “but”
- Admit when you are wrong. Apologize honestly and truthfully correct the wrong.
- Keep the big picture in mind on why we are having this conversation.

## COMMUNICATION: RECAP DETAILS

- The fundamental rule of communication is when you can make the other person to see your perspective, because any transformation in them will come from that point.
- Good communication is never about “convincing”, because convincing them will cause the underlying resistance in them - “Reactance” to rise up in them. You can get your way as long as people can see your point of view, that they have an option and believe that they are making the decision.
- Competence and Communication is what’s required to go up the management ladder in your company, to secure customers, to be a good leader of your company.
- Purposeless communication is directionless talk. Average minds talk about other people, great minds talk about events, ideas, concepts. Purposeful communication is when it solves some purpose.
- Magic Word – “Yes”. Get some “yes” from your audience, even if it’s on non-core topic. Their mind opens up to saying “Yes” to you, as opposed to saying “No”.
- You can reject any “Idea”, but never reject the person. It will only make an enemy of the person or that person will never realize their true potential.
- Ask questions of other people. “Be Interested, if you want to be interesting.” Asking questions is the easiest way to build a relationship with other people. It’s a very good icebreaker, or else it could be a deal breaker.
- Magic Word – “If” – What If..., Would if you had this option... , when you engage the word “If” – it opens a whole box of possibilities. It makes it easier for your prospective customer to engage with you. A suspect would become prospect will become a customer.
- Magic Word – “Because”. Like the Simon Senek video, “Start with Why”. Anecdote of a person who wants to cut in the line “because they want to copy documents on xerox machine.” Just the use of word “Because” primes other individuals to be more receptive to your requests. People feel a part of the plan when you say “why”. You will be amazed what potential your people carry.
- Pay attention to your body language when you are interacting with your customers. Watch your body language and see how your customers. Most of our communication is non-verbal.
- Magic Word – “But”. Anything we say before is “Erased” from person’s memory, anything you say after “But” is “Enhanced”. So, try to say the negative portion of your sentence before “But” and then the remaining message after that. Immediacy Effect causes people to remember what you said most recently to remember the most. Unless the conversation is interrupted in which case, they remember the first thing you said.





- Always admit if you are wrong. It makes one a great person to apologize sincerely and change from it. When you mess up – be upfront and honest with it and fix what you did wrong. When you admit you did something wrong – it brings the other person close, because everyone knows what really happened and clean admission of wrongdoing allows the relation to be reset.
- Always remember the big picture, on why you are working on this idea or business or working for this company so that you don't let little things bother you.

## MARKETING: EXECUTIVE SUMMARY

- Be brief, be clear. Go back to the basics.
- Reflect on Segmentation, Targeting and Marketing.
- Don't try to appeal to everybody – like Steve Jobs said, “if you want to please everyone- go sell ice-cream.”
- 4 Ps – Product, Place, Price, Promotion.
- Use right pricing Strategy or a mix of Psychological, Dynamic, Captive, Competition or Penetration based strategy.
- Be Aware of the Sales Funnel and where your customer is currently and keep the process moving.
- Remember the rule of 17 and be prepared to engage your marketing message at least 17 times before people will connect with it.

## MARKETING: RECAP DETAILS

- People are going to remember one key thing about you – what do you want that to be.
- Let them love you or hate you or love you but they shouldn't ignore you.
- In useful marketing – there are two rules: 1. Be brief and 2. Know what you are talking about. 80% of the people read only the headline. Only 20% read the body. You have less than 3 seconds to gain their attention.
- Go back to the basics – like IBM's CEO Louis Gerstner sought which are the most profitable divisions. Where is money coming from.
- Building customer relationships is about emotions – not data.
- Undifferentiated approach is when you super deep pockets and don't care what market segments your address. In reality – most of us need to focus on Differentiated Marketing, where we need to remember the STP Principle – Segmentation, Targeting, Positioning.
- Segmentation – Demographic (Age, Gender, Income...etc.) Psychographic (values, attitudes, interests, ...), Behavioral (Purchasing habit, Spending Habit, User habits Brand interactions)
- Segmentation is to know – who can we appeal to
- Targeting is to know -is to want to know who we want to appeal to
- Positioning – is to create the appeal – where we stand in market, which space do we want to compete on – pricing, emotions, features.





- Four Ps of Marketing Mix – Product, Place, Price, Promotion.
- If you are creating intrigue – you will have a higher chance of success. Clickbait are a negative way of doing it, this doesn't work. Headline should create the intrigue.
- Pricing Strategies,
  - Psychological Pricing Model – “Sales Ends Today”, “Gift of Christmas”, “Father’s Day”, “Mother’s Day”, ...
  - Dynamic Pricing – Different Geographies or different customer segments you price the product differently.
  - Captive Pricing – Printers are cheap compared to lifetime purchase of ink toners, similar to Razors and Blades.
  - Competition based Pricing – based on what competitors are charging, discounting by 5-10% .
  - Penetration Pricing – going below the build price even at a loss to gain the market share.
- Sales Funnel - influence all four stages by right level of marketing to keeping the sales process moving forward.
  - Awareness – that leads to greater Interest
  - Interest – leads to Decision
  - Decision – leads to Action
  - Action – leads to the Sales
- Rule of Seventeen – one needs to repeat the message about seventeen times before it yields results.

## BUSINESS PLAN: EXECUTIVE SUMMARY

- We need to be able to succinctly say what the business does- an elevator pitch.
- The eight elements of business plan
  - What do you want to do – the vision
  - Why do you want to do it – the mission
  - Who are you doing it for – the customer
  - Who else is doing it – the competitors
  - Why should you do it – the secret sauce
  - Who will be doing it with you – the team
  - What do you need to do it – the funding
  - What will you give back – the ROI

## BUSINESS PLAN: RECAP DETAILS

- The number one rule as per Swam ji is to avoid debt at all costs. If you have to choose between avoiding ruin and avoiding debt – avoid debt. If your business, idea has any merit – can get venture capital by giving up some equity.
- One can build a business without a blueprint, but your chances of success go up a great deal with a blueprint.





- The eight elements of a good blueprint:
  - What do you want to do – The Vision. the 10X idea – is it at least 10 times better than what is out there in the market and how big is the opportunity. Is it good to have product or must have product? Are you selling the equivalent of multi-vitamins or painkillers?
  - Why do you want to do it – The Mission. Why are you passionate about it? Why is it so important, if you are passionate – it will outlast your fears and outlast the rejections the failures this meeting business will encounter. Making money is not the mission, instead the freedom to follow the dreams it brings should be fascinating. With passion even difficult things become easy.
  - Who are you doing it for – Your Target Market or Customer.
  - Who else is doing it – Your Competitors – what alternatives exist in the market, direct or indirect? It really helps to understand where one stacks up against the competition.
  - Why should you do it – The Secret Sauce – what’s your competitive advantage and when you pick your team you need to be very candid if you have the secret sauce and advantage to enter this industry.
  - Who will be doing it with you – Your Team. Can you earn the respect of strong individuals, can you hire those who challenge you, can you hire strong personalities, or do you feel more comfortable with personalities who just agree with you on everything? Because people who are really competent, they hire people who are better than them. Experience the joy of working with people who are experts, are good at what they do. Have the courage to hire the best, don’t settle for friends – it’s not good enough, it will not work in business, you want people who are passionate about their craft.
  - What do you need it -Funding or Resources. The investors like to go with the exceptional. No body is going to back you if you are doing ok – they want to back you because its grand.
  - What will you give back – the ROI, Profitability. Building profitable business is tough, as per Elon Musk, it’s like,” eating glass and staring into abyss.” Sometimes a business is like no light at the end of the tunnel, but that’s what makes a great leader – the one who has the tenacity, the determination, the passion to see it through, the humility to accept when you are wrong, the graciousness to acknowledge it. Everybody who burned the midnight oil must be part of success.

## SUMMARY

- Running a business is an extended period of extreme pain. If running the dragon is walking the dragon – then it can be very rewarding but also unforgiving. Mistakes in business or with dragons can be unforgiving
- Vision is Dragons Harness – it’s the reins you put on dragon to steer it to go in a given direction.
- Sales is to a company – what water is to a home. This the fire in the dragon, no sales means dragon might as well retire.
- Focus is dragon’s eyes – a blind dragon is a very vicious beast. It can burn you as if you don’t focus it.
- Communication is mounting the dragon – you have to pat it, coax it, cajole it, so it lets you get on it. Every decision is going to cost you something and you cannot stop the dragon inflight.





- Marketing are the wings of the dragon – without marketing it will never take a flight - you need to actively think of marketing.
- Business Plan – is your map, it's the compass with which you will take your dragon on a flight.

It's a precious life, do something priceless with it!

*Notes compiled by a lovely student in Om Swami's "Walk the Dragon" Leadership Program.*

*P.S. The student wishes to remain anonymous.*

