

# Life of a Daymaker

I am writing this on my way back from the E0 learning conference in Buenos Aires, Argentina, where I participated with all my colleagues and friends to see a great conference come together. I want to focus on two speakers that were really inspirational



and knocked it out of the park. The first was Rick Kash of The Cambridge Group, whom I've written about before, but seeing him in person was super special and why I am proud that I invited him to speak to us. The other was David Wagner, whose story was extraordinarily inspiring.

David's book, Life As a Daymaker, was born as he was running his beauty salons and creating an exceptional experience for people as they came into his specially-designed salons, and even now are treated to having their day made, in one way or another. David tells his story of how he saw the difference of changing people with the new looks, pampering, and the personal treatment and care he gave to each person.

This became especially clear to David in two main examples he gave. First was a young lady who came in because she was getting married and wanted a new look for the wedding. David gave her the new look she desired, and helped her to find her confidence, as well. Later, when he found out the wedding was called off and that she'd kicked him out, he was astounded that he had helped her walk away from a mentally and physically abusive relationship.

On another occasion, a regular customer came in weeks early for a visit and said she just wanted to look good and feel better about herself. He just felt like she needed some additional attention, so he gave it his best to make that 30 minutes as special as possible. David got a note from her a while later thanking him for making her feel so special – that the reason she was coming in was because she wanted to look beautiful as she ended her life that evening. She explained that in their time together, she had decided not to go through with it. What a difference that 30 minutes had made!

David went on to tell other examples of how to make someone's day and to do it for little or nothing in cost. He spoke of buying a present for his wife, Charlie. Struggling to find the right gift, he bought a picture frame for \$1.99 with two kids on the beach and wrote a poem using the letters of his wife's name to start each line. He also encouraged us to look to his book to pull out other examples.

David closed the presentation by sharing with us his mission of helping cancer patients and their families cope with their illnesses. His salons have opened their doors to 4,000 people going through chemotherapy. By coming in with their families, he offers a special experience of letting them participate, not only in the haircut, but also in the private photo-shoot that is held in the guest's honor. He then turned inward and began to share of his recent experience of being diagnosed with bone cancer in his hip. He invited his wife, Charlie, and their two young daughters to the salon to partake in shaving his head, which he explained made the experience easier on the family. He showed pictures of his struggle and his healing, spoke of how going through this had changed his life, and how he had beat cancer and is now in remission.

David's amazing story was greeted with a standing ovation. We all left that night knowing we have the power to affect those around us by being a Daymaker with every action.

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# Key Parts to a Great Strategic Plan



As I head to Buenos Aires for the EO Argentina University, I am excited to see how it all unfolds. Unlike other university events I have been to, I was on the committee that put this University together. So in a sense, like your own business, you get to see a creation come together that you had a hand in making happen. I look forward to seeing all my friends and experiencing a great conference together.

Recently, I wrote a blog on bad strategy, so I wanted to make some points of what goes into good strategy. If you want to dig into any of these points in more details, there are a lot of good books out there. One that gives a good understanding and overview of each point discussed below is Stephen Lynch's book Business Execution for Results.

Here are what I feel are the key areas that should be part of an overall strategic plan:

- What is your vision for the future? (This could be your BHAG or long term direction on where you want to take the company.)
- What competitive forces will determine how your industry is likely to play-out in the coming years (competitors,

new entrants, substitute offerings, suppliers, customers) – and what moves do you need to make to address the trends in these areas?

- What macro forces will impact your business environment (political, economic, social, technology) – and what moves do you need to make to address the trends in these areas?
- What geographic areas do you plan to serve, and how will you access those locations?
- Who is the ideal target market/customer for your brand?
- What is your target customer trying to achieve, and how will you address this need (now and in the future)?
- What core activities will you perform (now and in the future)?
- What non-core activities will you stop doing? How will you strategically position your brand in the marketplace?
- What benefits will you offer?
- What blunt, overt promise will compel your customers to take action?
- What key strategic moves do you need to make within the next 3-5 years to position your firm for future industry success?
- What goals and milestones will measure your success along the way?
- What is the current reality that you must deal with?
- What projects will you implement in the coming quarter to address your current reality and/or move your business in your chosen strategic direction?
- What Key Performance Indicators will track and drive the success of your current business model?

With answers to these questions, a lot of the guess work will be out of the way. Ultimately this will put you on the path to a successful company. Does your strategic plan answer most of these questions?

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# Embrace the Collective

When I was at the E0 Nerve conference in Charlotte last April, I met Captain David Marquet, who spoke to us about his perspective on Leading. He discussed his experience leading a nuclear submarine and how as a leader, he felt he was expected



to have all the answers. And ultimately, he realized that was not a realistic expectation. David learned this lesson the hard way when he was commanded to change from his original submarine he'd spent one year on, to a new vessel.

So what is most interesting about this? David is an advocate for “embracing the swarm,” which author Kevin Kelly discusses, as I will do in a future blog. “Embracing the swarm” is another way of saying that no one individual is as smart as the collective.

I've been thinking about this a lot, relevant to the interface of [bouncedit!™](#), where the gathering of opinions creates a higher level of feedback and knowledge than just asking one person's opinion. The importance here is gaining a large focus group. The more opinions, the more reliable the “market place” answer.

I was not quick to write on this topic because I thought it may not be easy to explain. And I knew it would be hard to compare to the message I heard David share with such passion and experience. He has now created a white board presentation,

during which he discussed while someone created a visual. I see this as a fun way to get an important and relevant message across. Enjoy the video.

## Inno-Versity                      Presents: “Greatness” by David Marquet

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### Joining the 1%



When you watch this short video, titled [“Less Than 1% Get Funded,”](#) you will see a key issue in the mindset of a lot of businesses. Businesses will come up with an idea and then go out, get a bunch of money, and it will GO BIG.

This mindset leads to 99% of people not getting funded. It takes a lot of grassroots to get you to where funding is the appropriate next step.

I am a firm believer that when you get going in any endeavor, it is important to build a “grassroots approach” to getting started. That means you should work to get your idea together in any way possible, even if that means doing it part-time while the full-time job is paying the bills. Be frugal to not spend unnecessary money before you are getting those first few clients in that bring some revenue. If securing money is necessary, you should start with the friends, family, and

credit card route first. Going after the serious venture capital dollars is not an easy endeavor, will be a difficult first start, and is left for that remaining 1%.

So how do we increase the odds of our success to reach the 1%? We must first get our product or service going by building out the offering, getting users, and showing some market acceptance. From there, we can begin to approach companies about additional funding. By using and providing some revenue help, you can then continue to build on this cycle. And in turn, you will slowly increase the odds that you will have success within the venture capital world, as I discussed in my recent blog, [Scaling bounceit!™ by Not Scaling](#).

Currently, I am in the process with my partners at bounceit!® to raise money and take the idea of this social voting mobile app to the next level. This week, we traveled to Columbus, Ohio to meet with a venture capital firm. As we discussed a plan to raise capital, they saw other opportunities for applications of bounceit!®. I am hopeful that this will be a very good arrangement for both parties. I will keep you updated as we progress.

We are at this point of approaching venture capitalist because we have followed the steps mentioned above. We have invested our own money and time, gotten bounceit!® out there, and been receptive to the users' feedback. Our first vertical is approaching campaigns and implementing a ground-level polling analysis. We are taking the next step and talking to businesses that are ready to sign up, and get a plan together to enter next year's political season.

My first two companies were done from a "grassroots approach" and not taking any outside money. The success of the IPS Funds were all grown with one new investor after another. Efficiency was grown from some money I had from IPS, but not from any outside investors. So this side of a startup will be a new experience for me, and we look forward to becoming part of

that 1%.

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## Delivering Happiness to Employees and Customers



Last week I went to the E0 Insignia/Quantum Leap Campus Conference in Las Vegas and met up with about 140 E0 members that are in regional forums around North America. It was a great opportunity to hang out with incredible entrepreneurs, share experiences, learn, and

grow together. I was fortunate to meet E0 Member, Mario Stadlander, who lives in Vegas. We discussed the opportunity he had to take his forum to tour the new Zappos headquarters. After our conversation, he offered to set up a tour for us during our stay.

I was excited about this opportunity because I have met and heard Zappos' founder and CEO, Tony Hsieh, speak a few times at the Fortune Growth Summit and an E0 event. I've heard him speak about the culture of Zappos and how their business approach is entirely customer focused. In his best seller, Delivering Happiness, he says that their key to success is giving the customer service reps the freedom to really connect with the customer by spending as much time as they want with each customer. The belief is by doing this, they create a WOW



experience for the customer.



Tony told a story of being out with friends and wanting a pizza. When they couldn't find one, the group called the Zappos customer service line and asked them to help them find pizza. Without knowing they were with Tony, the representative said, "Well let me see if I can help you." By the end of their discussion, the representative had given them several local options for great pizza!

Before arriving for the tour, I'd learned that Zappos had moved their offices to a very attractive former government building in downtown Las Vegas. They are currently providing public tours. Our tour included the full campus, from the human resources area, to the call center, to the merchandise buyers, to the group of 40-some people that manage Tony Hsieh's emails, and even included "Monkey Alley," where the executives like Tony hang out. We quickly learned what all the buzz was about and why it is such an exciting place to work. The culture they have created is truly amazing. All the areas, even including the human resource area, is in an open floor plan with exposed structure, mechanical and electrical systems. This allow each space to be reorganized and programmed as desired by the users. The space isn't broken up by walls to allow free flow and collaborative creative

thinking. And like the entire campus, “Monkey Alley” and Tony’s desk are open to all.

The only person in the company with a true office space is the on-site life coach. Her office is private for the nature of the program and sensitivity of the information shared. She offers a voluntary program to help those that are looking to grow and better their lives. We met with her to hear her philosophy’s first-hand. It was very impressive to hear her discuss how she works intimately with people to help them along with the full backing of all resources that Zappos provides.

The facility also includes some small, private rooms for quiet phone calls, gathering spaces, referred to as “Think Tanks,” and larger, more corporate conference spaces. They have numerous break rooms all over the building that have a team dedicated to stocking the rooms with healthy foods and drinks that employees don’t have to pay for. For a hot meals, a cafe is provided where meals are purchased for as little as \$3.

The place oozes with an excited and friendly group of people. As workers passed by our tour, they all spoke to us with welcoming smiles. It was obvious that they were very proud of their work place and wanted to share with us the environment they get to enjoy on a daily basis. If you find yourself in the Sin City, you will not be disappointed if you make the opportunity to stop by and tour the Zappos’ headquarters.

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**[Ask Key Questions for Change](#)**



Looking at your company from a different perspective is sometimes what is needed to make important changes that lead to moving forward. The problem with this is, it is hard to do. How can you put yourself in a perspective that will make decisions that will change everything? Rasmus Ankerson, who we are bringing to speak at the E0 Argentina University in November, has an answer for that.

In a recent [blog post](#), Rasmus discusses how one question can change everything. It is a question that helps to dig out and create some clarity in times of uncertainty and lack of direction. When Intel was evaluating the changes in the sales of memory chips, they were seeing a drop and in 1985 they had a big drop in memory chip sales. Founder Andy Groove was having a discussion with CEO Gordon Moore as they discussed this issue.

As Groove and Moore debated what to do, they discussed that if they messed up, the Board may replace them. So Groove asked Moore what a new CEO would do if they were replaced? Moore, without hesitation, said he would get out of chips and into microprocessors. So Groove said, let's get up and walk out the door and then come back in and do it ourselves! That is exactly what they did, and we all know the story from there.

So when looking for a way to get real with your situation, ask what your successor might do if he was brought in and didn't have the baggage of being stuck with all the decisions and dollars spent previously. Getting out of the quicksand of the past is tough, but maybe looking at it this way and asking this question is a way to do it.

As was discussed a few weeks back, the option of asking the

question, [“what is the job that our customer wants done,”](#) is another way to look at prospects and to open up an untapped white space for opportunities.

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## Make a Change – Make a Difference

One of the things about being an entrepreneur is the ability to affect change. Change the way it is done, change the way something looks, change the way everyone thinks about something, change the way we can be healed, change the way we live our lives, and more change, change, change! This is very empowering, and when you have it in your life, you feel how rewarding and motivating it can be.



In an interview in 1995, Steve Jobs discussed having the power to change things when he was at NeXT. He had success as an entrepreneur, but not the success he was getting ready to have with the iPod and iPhone development, starting around 2001. Even with the setback of being removed from Apple the first time, his passion to change and make things better was never stifled.

It is inspiring to know that everything around us is made up by others and we can go out and “poke life,” as he says, and make a dent in things. Making the mistake of believing that

life is just there and that we are stuck living it as it comes is not the way to maximize one's potential.

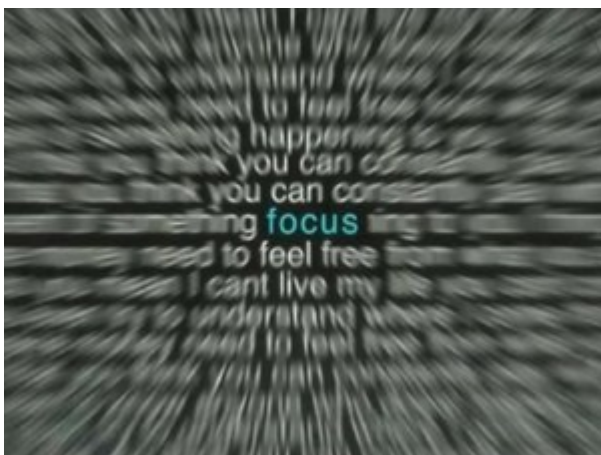
Check out the interview and be reminded that we have the power to change, and go out and make a difference in your own lives and the lives of others. Steve Jobs did this on a level that may seem hard to compete with, but even a small change can have a huge impact.

### [Steve Jobs: The Most Important Thing](#)

What are you doing to poke life and mold it into something better?

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## Best in Class



One of the things that I've previously discussed is the importance of focused direction. It is paramount, from the standpoint of what your business is doing, but also tremendously important to the clients that you are pursuing. Once your focus is defined, one must

recognize the need for specialization. The more laser-like effect that you have when you are providing a service or product to someone, the greater the chance for success. This recognition comes only from vast experience in the business world.

Your specialization will naturally occur when you take yourself up a learning curve by digging into a focused area, and you start to really excel. As you practice this repetition, you'll experience speed, enhanced knowledge, and super-high process flow. All of which will lead you to a better reputation and referrals as an expert in the industry you are working.

I had an interesting reminder of this when I read a LinkedIn article, shared by Verne Harish in his recent blog. The article, written by Tim Williams, was titled *The Best-in-Class Approach to Brand Marketing*. Tim starts by posing the question, "What is the top reason marketers search for a new advertising agency?" Even though "creative differences," "cost," or "poor service" were mentioned, it was "the best-in-class specialists" that was the number one reason cited.

Tim says that in today's complex world, trying to take care of everything for everyone doesn't meet realistic expectations. There are two ways to focus your expertise – either in a certain competency or through expertise in a market. So what it boils down to, is that markets aren't buying a service, they are buying a solution. A solution that will solve their pains, or as we discussed in last week's blog, do the job the client is trying to get done.

When Efficiency was more of a custom software company, we built different types of software applications for people in different industries. This was hard since our team had a stiff learning curve with each new company, its systems and its industry – definitely not the right way to have success. As we began to focus on mobile apps, we found ourselves on a much better path. Now, we are building apps that integrate into an ERP system for a company called Infor. We are also honing in on companies within the cleaning distribution business that use Infor. This is helping to provide the opportunity to scale, and allowing them to tell a story within a target audience that is likely to share it. And in the process,

Efficiency is growing.

What are you focusing on and specializing in that helps you to have the best-in-class status for your respective products or services?

bounceit!™ Update: This past week, an article on mobile apps was put out by the Knoxville News Sentinel and also picked up by Bloomberg. Check out the [live news story](#) aired on WLTV. Also, we pushed to the [app store](#) a new release with a few important changes to share and use, along with some design changes. Check it out! Gary Hardin, CEO of bounceit!™, has had many meetings with investors and good-sized chunks of money have started coming in to support changes and marketing. Gary and Rick Metzelder will be at Everywhere Else, in Cincinnati, to showcase the app. We are excited bounceit!™ is the official voting mechanism used for the conference.

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## [What Is Your Job to be Done?](#)

When trying to find opportunities to grow during times you may have hit a lull, or even when you are starting a new company, there is a process that can help get you there. That is what I found when I



started to read the book [Seizing the White Space: Business Model Innovation for Transformative Growth and Renewal](#), by Mark Johnson. Mark will be speaking at the next Fortune Growth

Summit in Las Vegas. I was intrigued by him since he is partners with Clayton Christensen, who wrote The Investors Dilemma and shared a lot of break-through thinking in this book.

I assume that most think like I do, and we think that the cool idea happens when some light bulb goes off and then somebody is off to the races, trying something and seeing if it works. Mark says that you actually can get this innovation with a process that starts with asking, "What is the job to be done?" Other times, it may be when you do customer research and the clients tell you what they want from you. Doing it this way, Mark says, has shown that you are being held back from pursuing the game-changing, transformative, new growth opportunities.

To ask the question of what job needs to be done, it takes looking at things differently from the natural way that we see from the inside-thinking of our products and company. When you think of it as unmet jobs, you are looking for the things you are not doing now, but things potential customers want done. When we go about this by asking our clients what they need from our products, they usually put out answers like "less expensive," "easier to use," "less invasive," and "more features." When you think of it in this perspective and also look at it from a typical segment of target markets, it doesn't usually align with jobs customers might want us to do. Marks says, to be truly more customer-centric, you must stop asking "what do you need?" and start asking "what are you trying to get done?"

He uses a very cool example of this when a company was trying to improve the sales of its milkshake. They initially tried to define the market in terms of the product and then its demographic segments. When they asked the target person what they wanted, they got more of the inside-out answers by supplying categories like thicker, more chocolaty, cheaper or chunkier. They made changes, and then they didn't get any



increase in sales, so they brought in a researcher who watched to determine what the target person was trying to get done when they “hired” a milkshake.

The researcher noted things like, who was with them when they were buying, what time they were there, did they eat there or when they left, and on and on. From the perspective of looking at the job to be done, they determined that buyers hired a milkshake for two different reasons. The buyer was the same for both, a working father. The difference was that in the morning, dad didn't have time to eat breakfast so he grabs a shake for the daily commute. In the latter part of the day, the dad brings the kids in for an afternoon treat or after meal milkshake. The job to be done is to fill working dad up in the morning, so the shake needed to be thicker, maybe with chunks of fruit. In the evening, dad with kids wanted them to hurry up, so a not-so-thick, fruit-free shake was better.

This information could not be obtained by asking the customers what they wanted. To do this, the mind-set had to be one of paying close attention to the jobs that customers are having a tough time fulfilling. So when you look around your product or service offering, what are the jobs not being done that your customers need done?

bounceit!™ update: Over the past few weeks, we have been working on some improvements for bounceit!™ that will include a new look and improvements with some of the features. This will be in the Apple store next week. We have also been doing some venture capital presentations and looking to get some money from some angle investors. We have some good press going, as well. Gary Hardin was interviewed on a local TV show in the live segment and an article was out Sunday in the Knoxville News Sentinel. I will have links for you on both of them next week.

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# Bitter Sweet for Brock Candy



A few weeks back, I wrote a [blog](#) on the experience I had going to the Volkswagen plant in Chattanooga, TN, with my [E0 Forum](#). Along the way of doing the tour, my forum mate, BJ Miller, met a gentlemen by the name of [Frank Brock](#). Frank happens to be of the Brock Candy Family of Chattanooga, which was founded in 1909. He was friendly to chat with, and when we told him we were an entrepreneur group and asked to spend a few minutes with him, he was very gracious to do so.

Let's first share a little about the Brock Candy Company. Its founder was [William Brock Sr.](#) who, after traveling a lot, settled in Chattanooga. He invested, with some associates, in the Trigg Candy Company, but bought them out in 1909, and named the company after himself. He focused on making penny candies, and sold to his relationships he made as a traveling salesman to his former clients in small country stores.

The company had an interesting history, and went through quite a few challenges over the years that were turning points of the company. Frank pointed out three of them to us, and described how they went through them.

The first challenge was during World War I, a time in which sugar rationing occurred. This hampered the business to get enough sugar to make the amount of candy they needed to keep

the business running. To substitute for some of the quantity of the sugar, Brock Candy put peanuts in a candy bar and added a light coating of chocolate. This five cent bar soon became a big seller, and is what is known today as the Baby Ruth bar.

Then, after they were hit hard in the Great Depression, Brock Candy needed capital to continue running its operations. At that time, it wasn't like it is now with so much bureaucracy, regulations and paperwork. Things were done at that time based on relationships, and with the great relationships that Brock Sr. had, he was able to get the money he needed to keep his business going with a hand shake.

The last challenge was trying to compete as times were changing and the rise of supermarket chains began eliminating the independent rural stores. The company depended on this network of small outlets to sell its candy. Also, the bigger candy companies, like Hershey and Mars, had more of an "in" with the supermarkets, pushing the company to change to survive. They stopped with focus on the penny candies, and went to a more expensive candy. You know them today for Chocolate Covered Cherries, Old-Fashioned Crème Drops, and Gummy Bears, which was a much more profitable outlet for them, and proved popular in the market place.

Brock Candy went on to become a public company in 1993, and after only a year, was taken over by Chicago's Brach to become a private company again. The new company was named Brach and Brock Confections, Inc., and was headquartered at the facility in Chattanooga. The merger put them just under the big boys, like M&M/Mars, Hershey and Nestle in the American candy business. Then in 2003, with \$340 million in sales, they were bought by Barry Callebaut AG, a Zurich based company, to become the world's leader in cocoa and chocolate products.

So I guess sometimes you just don't know what lessons you will find in a friendly face. Thank you, Mr. Brock, for sharing your family history and some tough experiences of an

entrepreneur to adapt and survive.