



Transcript

Episode 048
[PART 1]

“The one with Dan Sullivan”

ilovemarketing.com

Joe: My name is Joe Polish. I am one of the cofounders of ILoveMarketing.com. I do it with Dean Jackson, who is based in Florida half the year and Toronto the other half of the year.

This guy sitting next to me is Mr. Dan Sullivan. Dan is the founder of Strategic Coach. Babs, his partner and wife, she runs the company. She's in control, Dan's in charge, something like that. Sort of.

Dan: We won't argue over that.

Joe: How many of you have heard of Dan Sullivan before? I just figured this out with Dean the other day. We were actually recording some episodes live together, in Atlanta, and I said, "We have mentioned Dan Sullivan or Strategic Coach on every single episode of I Love Marketing. And the reason being is Dan is truly the smartest human being I know. From my perspective of what I consider smart and brilliant and successful, I would say this guy.

And what I mean by that is you'll hear him say things – at least I do, when I listen to Dan – that I don't really quite hear anyone else talk about.

Strategic Coach is the highest-level coaching program in the world for successful entrepreneurs. So, this is a man who has coached more successful entrepreneurs, more than anyone else in the world, close to how many years now?

Dan: 37.

Joe: 37 years. So, he's had more discussions with successful entrepreneurs than anyone. Some of the most successful people I know are clients of Strategic Coach.

I say this very seriously. I go to Necker Island every year, with Richard Branson. And spending 30 minutes with Dan, I'll learn more about business than spending a week with Richard Branson.

Dan: True.

Joe: And you're going to spend some of that time with him tonight. He's offered to come by here and share some of his thoughts. Actually, you can share whatever the heck you want to share. It doesn't matter.

What I asked you to talk about, though, is the power of discussion, because he has spent countless hours in discussion groups with people. And really, what we have here is we have a bunch of individuals with a bigger future of getting better at building, growing their entrepreneurial enterprises, multiplying their success, and doing it in the context of coming tonight, my office, and having a discussion.

So, I'd like Dan to actually speak to that. So, that is what I have to say for now.

If I was to ask you to introduce who you are and what you do, how would you best describe that, Mr. Sullivan?

Dan: That's a good question. First of all, I always appreciate, enormously, the opportunity to be in a group that Joe creates. Joe's just got an amazing ability to create an environment where people can come and learn.

So, I appreciate I'm here for the next 2 days, with Joe's 25K group. Joe recommends people into my group, and I recommend people into Joe's group.

I want to be real specific tonight, about what you are doing here. First of all, I just want to point out something fairly significant; that I'm watching you sitting here tonight, and you've come here to learn, and you're doing it at nighttime. It's past 5:00. Most people don't work past 5:00. And here you are, tonight.

And I was thinking of the contrast between you and the people occupying Wall Street and occupying Oakland, and they're bitching about somebody just loaned them \$200,000 for an education, and they're really pissed off that somebody loaned them \$200,000, but somebody's not giving them a lifetime job now.

It sort of brings it home to me, that you're here because you want to create a future of your own, and you want to use your skills and use technology, and use your ambition to actually create a future for yourself.

And I think, really, the program that Joe and Dean have put together is about marketing, but what it's really about is creating the kind of future that you would really like to have for yourself.

And it just happens to be that if you aren't born with a lot of capital and you're not born with a lot of advantages, and you're not born with a lot of privileges, there's only one vehicle that can allow you to actually create the future that you want, and that's actually marketing.

Marketing is the great equalizer on the planet. It doesn't matter where you came from, doesn't matter what your background is. Marketing allows you to equalize the playing field.

The thing about it, marketing is a multiplier. But then, the other aspect about the multiplier is if you can get together with a group of like-minded people, because each of you is going to come at this from a different direction. Each of you has a past that's different. Each of you has unique abilities that are very different, how you organize your thoughts, how you present your thoughts, how you capture the attention of someone out in the marketplace.

You can sit here and already, just from your sharing, know there's people who are going to want to come and talk to you, how you did it, who's Phil Tyrone anyway, and how did you line it up?

So, immediately, just by you sharing, there's probably a lot of people who already have different ideas about how they're going to approach their thing.

You just did the number one thing that you have to do to start a great discussion group, and that is you have to share a successful experience, or you have to share an unsuccessful experience in such a way that other people can ask you questions about it.

And that's really the start-off of any learning. It always starts with someone actually sharing a personal experience.

The reason is that people are intensely interested in people. And everybody wants to know how other people are approaching the future, to make it bigger for themselves.

So, I've been in discussion groups of one kind or another probably for the last 45 years, and I have to tell you a little story.

I went to a college. The only reason I graduated from college is because I went to a very special college. I'm an Ohio farm boy. Didn't have any money. Went off to Washington, DC. I worked nights, I went through 2 years of university, got real tired, dropped out, did an Outward Bound program in Great Britain, came back, was going to go back to college, and Vietnam started and I got drafted. So, I spent 2 years in South Korea, in the army. Came back, and I had the GI bill, and I borrowed the rest of the money.

I went to this interesting college outside Washington, DC. It's called St. John's. And all you do at St. John's is read and talk about the great books of the Western world. Plato, right up to Einstein. It's all talking. It's all just like this. It's a room just like this.

So, I went through the 4 years, read all of the books. The reason I went to the college is because I wanted to read the books, and I would never do it on my own. So, somebody organized it for me, so I went.

But the whole thing is that there was very little writing. It was just sitting around and reading the books, and talking about it. And you got really skillful about talking about ideas; 4 years there, you really get kind of skillful of how to talk about ideas and how to talk about other people's approaches to the ideas.

So, I came out of there and I went right into advertising. I was a writer with BBDO, one of the big agencies. And in '74, I kicked off Strategic Coach. And ever since then, this college has been hitting me up for money. Their pitch is that

because they've given me this invaluable gift, that for the rest of my life I'm indebted to them for the 4 years that I borrowed the equivalent of \$60,000 to go to, and that I should be in their debt.

I was trying to think, "Is there a set of thoughts that I could have, right now, that would free me up from them?" So, I began thinking, "What did I really get out of St. John's?"

So, I read all of the books, then it came to me that they had a trick at St. John's, that they had actually created a structure around how you talk about the great books. And it consists of 5 parts.

The first one is to have a great discussion, you have to have great ideas. You can't have a great discussion about lousy ideas. You have to have an idea that really, really fascinates people.

Well, Babs and I, on our way to the office and our way home from the office, for the past, what is it, a year now, Joe, that you and Dean have been doing it? Or $\frac{3}{4}$ of a year?

Joe: Yeah, almost a year. Coming up in about a month and a half.

Dan: Almost a year. And we just sit there, we're driving to the office or driving back, and we're listening to I Love Marketing. And I have to tell you, I've been around marketing and advertising and selling my whole life, and I don't think in one organized package, there's greater wisdom, greater insight, more usable suggestions on how to market, anywhere in the world, that would even compare to I Love Marketing.

Two of the brightest people I've ever met in the area of marketing, and it's not theory. This stuff just works. If you just do what they tell you to do, it works.

You can go to Harvard and study marketing for 4 years, and what you would get is some of the top theories in the world about marketing. Or, you could listen to

I Love Marketing, and you can skip the tuition. This is just the greatest marketing stuff in the world.

They're very open about the fact of who they've learned from. Like Dan Kennedy and all the other great people that you've learned from. So, they're very open. Nobody invented the sun. We inherited it from other people.

But these are great ideas. So, if you're going to have a great discussion about I Love Marketing, you've got to start with the actual ideas that are in the program.

So, on an ongoing basis, there's ideas in every single module, every single podcast. But what they've done is that they've actually summed it up there. And this is a phenomenal structure that Dean and Joe have actually created.

There's another structure that goes along with this. If you think of a matrix, there's one side of the matrix that has the 8 profit activators coming down the side, and there's another matrix that goes across the top, and that's before, during and after.

So, basically, you've got the equivalent of 24 ideas. You've got each of the 8 things before, each of the 8 things during, and each of the 8 things. So, right off the bat, you've got the potential for 24 great ideas to actually talk about.

The other thing that you really, really need to do, is before you come into a group, people really have to be informed. And that is you shouldn't really let anybody into a discussion group on I Love Marketing unless they have special dispensation, like the people in the back of the room, unless they've actually listened to the stuff. Because unless they've listened to the stuff, then they're not informed. And they're going to want to make up for their lack of knowledge by talking.

Have you ever noticed that people who are really ignorant want to talk over, so people can't really understand. So, one of the things that I think, because these are happening all over the world, a group like tonight, these are happening all over the world. And the more that people listen to this, more groups are going to be formed.

What I just have to feel is: 1) you have to have great ideas; 2) the people who are coming into the group have to be informed about the ideas. It's not fair to the other people in the group to come into a discussion group and not having read the material. Is it in transcript form?

Joe: Oh yeah.

Dan: It's in transcript form, and it's also in audio form, so that you're fully engaged in the material.

So, that's #1, is the ideas; #2 is that you have great questions. And one of the things I would recommend, Joe, as you develop this, is that you take each of the modules and you break it down to 3 key questions.

So, right off the bat, you have about 120, 130 questions.

What I would do is I would have those questions as a mystery pack; so that when you have a discussion group, you put the questions so that people don't see the questions, and they pick them out at random. And a question gets thrown out to the group, so that people are hitting it cold.

Because nobody thinks more clearly, except when they've been hit with a question that they didn't know was coming. Your brain really speeds up. If you have a question and you have a lot of time to prepare for it and think it through, you don't think as clearly and you don't give as good an answer as if you're just hit with it.

So, one of the things, in doing the discussion, you've got all these ideas, but what you want to do is break the questions down into really good ideas.

So, #2 is really good ideas. And then, you have to have a really good discussion. A really good discussion means that everybody participates in the discussion. It's not really great if you have like 20. This is a big group here tonight. But I would break it down into modules, this whole room. I wouldn't have it entirely just as a whole group. I would break it down into groups of 4, groups of

8. And then, everybody gets a chance to talk, and everybody gets a chance to talk about the experience, talk about the questions, what the question means to you, what's your answer to the question.

Then, you're able to generate a lot of excitement. And maybe if you broke this room down into – what do we have, 40 people here today, Joe?

Joe: How many are here?

Man: 45.

Dan: 45. So, break down into 6 or 7 groups, and then everybody gets up and they sort of talk about what their group came up with.

The big thing here, and what we're discovering, the secret to the universe on this planet right here, because we now have the electronic communication capabilities to do that, the key to human progress is distributed intelligence.

And what distributed intelligence is everybody's intelligent about something. Everybody's uniquely creative about something. And the more intelligence you can get involved in a discussion, the better.

Babs and I have a discussion group in Toronto, that we've been running. It will be 10 years. In about 3 months, it will be 10 years. And these are about 20 of my Strategic Coach clients. And we have this really neat process, and this is how it works.

Throughout the quarter, up to a particular date, all our clients are looking online, they're reading newspapers, they're reading magazines. And what they do is they'll clip magazines, and they'll send them through to us. Articles. It has to be an article. It can't be too long, but it's on something that they think the other people in the group would be really interested in.

And then, we take these articles, and we pick 30 of them, and we form them into a booklet. So, we format them as 8½ by 11, and we Surelocks bound them. And we send out an article book, and it usually ends up being about 100 pages.

And then, everybody reads all the articles, and then we come together. We do this every quarter. We've done this every quarter for 10 years. It can be about anything. The articles can be about anything in the world that people think someone else in the group would be interested.

But the first thing that we do is we have a go-around, where everybody gets to have a say. You can only keep a discussion group going if everybody gets a say.

If people go and there's somebody who dominates the conversation, it falls apart. Life works that way, too. Maybe you've noticed that. If there's just one person talking all the time, pretty soon there's no audience.

So, it's to allow people to express how they responded to a particular idea. So, that creates a great discussion. And if everybody has this feeling, a couple feelings, I got to express what I thought were really, really great articles. But then, you sit there and you listen, and we also read a book every quarter. I read a book, and I think I've got it nailed. I know what this book is all about. And then we go around in a group, and there's 19 other viewpoints on this book, and I'm sitting there going, "I didn't see that! I didn't see that! I didn't see that!"

And what it shows you is that every human intelligence is really, really unique. And they have a totally different take on things. And as you're sitting there, I have my take, but I just got enriched by 19 other takes on the same book. So, my awareness of what this book, all the different dimensions of the book really mean, are just incredibly enhanced.

Joe does this, because Joe is a phenomenal networker. So, Joe's brain is always being informed by about 50 or 60 other genius intelligences in the world. He's always asking, always talking.

From a standpoint of really learning a subject like marketing, which you're doing, nobody's the expert on this, I have to tell you.

I've got a saying. Joe always calls me the most intelligent person in the world that he knows, but Joe just hasn't met very many people.

Joe: The area that I like, which is entrepreneurial intelligence, you would be right up there.

Dan: I have a rule. I don't want to be the smartest person in the room, I just want to be in a room where everybody's getting smarter.

The way everybody gets smarter is you allow people to really engage with really great ideas, respond to really great questions, then you have a really great discussion in which everybody really gets to talk about what the idea and the question really meant to them.

So, now we've covered 3. So, we've got great ideas, we've got great questions, we've got a great discussion.

Now, here's the thing that's really, really crucial. You've got to have somebody who's a great facilitator. There has to be a leader. You can't just have a discussion and expect that orderly democracy is going to break out. It's not going to happen. Somebody's going to dominate the group, unless you have a facilitator. And there have to be certain rules. And one of the rules is everybody gets a say.

But the other thing is you stick with the idea and you stick with the question that you start with, or have to be some rules.

There's going to be another discussion group next time. Other people can work at it. But there's a sense of order that actually instills itself, but you have to have a facilitator.

So, that's #4, you have to have a great facilitator. And people become great facilitators just by following certain rules. And I've just laid out some of the rules. You have to have an idea, you have to have a question. Everybody has to get a say. That's all the facilitator really has to do, is make sure that those ground rules are really observed.

And then the 5th one, you have to record the 4 or 5 really great things that came out of each meeting. And then when you start the next meeting, go back over

the 4 or 5 things that were discussed in that meeting. Because then there's a sense of growth; you've got a sense that you're making real progress here, and people will start referring frequent back meeting. So, there's a history and a depth to the whole experience.

Now, going back to my St. John's experience.

The reason I felt really good coming up with these 5 things is because it kind of told me that's what I got out of St. John's. I cracked their code. I know how their code works.

But guess what? You can apply those 5 things to anything in the world. So, they applied them to the great books, and that was great. Most of them are, by the way, really boring. They're really long, and they don't, at all, relate to your marketing plans.

So, what I feel is because you're all intensely interested in marketing, you're entrepreneurial, that the ideas that Joe and Dean have put together are the kind of ideas which, as you master them, will just get better and better. Like those 8 rules, you can live your lifetime out of.

When you're all in this room, sitting here and making 50 times more than you're making right now, those rules will mean even more to you than they do tonight. There's just a power to what they've put there.

So, that's how you hold a discussion group.

Now, we're talking about I Love Marketing group. But how many of you have great ideas that you could create? I'm looking at Kathy there. Kathy has this fabulous company called Z Health, and they have some phenomenal ideas about how the brain affects your body. These are cutting-edge ideas and things that we've just discovered about the brain and how it affects the body, and how you can heal the body, and how you can fix the body just by working with your eyes and working with your inner ear.

Babs and I are clients of Z Health.

Well, there's some phenomenal ideas. So, you can create a whole discussion group around that. There's not a thing in the world that you can't form a discussion group around. Kevin, you've got some of the greatest ideas in the world about webinars and how you put on webinars, and what's the whole technology and science of webinars.

Joe Sudjanisek, Joe's one of the most brilliant people in the world about wealth creation, preserving wealth, creating a future based on wealth. Every year, there's a magazine that puts out the top 100 financial wealth advisors in the United States, and Joseph's always right there, in that magazine.

So, Joseph could create a discussion group around really great ideas in the area of wealth creation and wealth preservation. And he could create a group. And the neat thing about it is, Joe, are you dumber or smarter since you started I Love Marketing, about marketing?

Joe: Uh, I'm quite a bit smarter.

Dan: You've got 44 hours that you and Dean have put together. And I bet every one that you do, you discover things about what you know about marketing, that you didn't know before.

Joe: Absolutely. This is an area where, when I first learned it, early on, after I read a couple of books and I thought I really had direct response down, I actually thought I was much smarter then.

Today, I realize it's such an expansive subject matter. There's always new things. There's always nuances. There's always different applications of it.

You can learn through the school of hard knocks, you can learn through the experiences of others, which is a much smarter, more effective way to learn, or you can even accelerate your learning by teaching and sharing with other people.

So, doing this, one of the big payoffs in doing the I Love Marketing podcasts, is it's just a great vehicle to not only distribute great ideas out into the world, but, my god, what it does for my education is enormous.

Dan: Yeah. I've been in \$25K groups, this is the group that we're in, and people have walked in with a marketing idea, and Joe's mouth just popped open because he hadn't heard that one before.

I remember when Jon Benson brought in the video sales letter. That was a phenomenal breakthrough in marketing, when Jon created that. There's always stuff that smart people out there are coming up with, which are a total surprise to all the other smart people in the world.

So, if you create a format and a venue where that intelligence can emerge and where people can come up with ideas, it's all experimentation. None of us have human nature cracked. None of us have how human beings respond down pat. We don't all know that. Human beings are always surprising us with what they want, how they respond to things, and it changes. It changes from quarter to quarter, it changes from season to season.

So, this is a vast area of discovery. But if you create an intellectual structure, one of the most important things that you have to have in life, regardless of what area of life you're dealing with. You have to have an intellectual structure that actually allows you to sort out your experience when it happens, so that if you master this intellectual structure Dean and Joe have created, then all the experiences that you're having when you're actually experimenting with marketing and you're going out there and seeing what works and seeing what doesn't work, you have a box to put it in. Was it before the sale? Was it during the sale? Was it after the sale? Which profit activator was it?

And all of a sudden, your own experience starts to become extraordinarily meaningful, because you have this intellectual structure.

So, I can see, as you guys continue with the podcasts that these discussion groups start, there's going to be this incredible intelligence that's actually going to form, and there's going to be people out in these discussion groups who are going to come forward, and they've got a slant on things that you and Dean have never seen before. They're going to come up with connections that the 2 of you never made before. But you gave them the intellectual structure, so they could have their experiences and actually create the connections.

Joe: Yeah. It's a fascinating opportunity, and it's something that I love doing.

Also, one of the things that me and Dean really want to do is, for lack of a better word, re-brand the way that people think of marketing, because marketing is not respected anywhere near the level that I feel it could and should be. And the biggest obstacle, because there's a lot of obstacles to why people don't get success with marketing, and one of the biggest is they simply don't place enough value on it. They don't quite understand that it doesn't matter how good your product or service is, or what it does, until somebody buys it, and that there's no relationship between being good at what you do and getting paid for what you do.

Getting paid for what you do is called marketing, and marketing is way beyond just selling something. Everybody markets. Anyone that's ever gotten a date, you did some sort of marketing. All day long, people are marketing. They're positioning themselves. They're presenting themselves. They're persuading, or they're repelling people.

Part of marketing is repelling. Part of it, though, is you want the repelling to be your choice, not because you don't know what the hell you're doing.

Dan: The kind Chet's repelling.

Joe: Exactly. Thank you very much. What I'd love to have you speak to, because everyone here in the room I would consider being in an entrepreneurial results economy, Dan talks about there's the time and effort economy and then there's the results economy, I'd love to get your perspective on what is an entrepreneur. You

know the origination of the term “entrepreneur,” from John Baptist Say, and all that. What is an entrepreneur? What do they actually do?

Dan: It’s really interesting, because this is my life, and I’ve personally coached 6,000 entrepreneurs, 60 different industries, all over the world, from youngest around age 22, the oldest is now 83. So, men, women, shy, loud, outrageous, all them ADD.

Anyway, what was I saying?

Joe: Squirrels, squirrels, squirrels.

Dan: Anyway, the original definition, and this is the earliest definition we have, is 1804, and an entrepreneur is someone who takes resources from a lower level of productivity to a higher level of productivity. And that’s it.

So, what kind of resource? Any kind of resource. Anybody who takes a resource from here to here, through whatever means, is an entrepreneur.

A bureaucrat is someone who takes a resource from a higher level of productivity. In order to have a lot of entrepreneurs, you have to have a lot of bureaucrats.

Anyway, the essential is that you make things more valuable, you make things more useful, you make things faster, you make things easier, you make things cheaper, you make things bigger.

That’s really the whole essence of an entrepreneur. But the #1 thing you have to do is that every entrepreneur, for the most part, like all the people that I have, when they come into the program, they’re already successful by the standards of the world. But the vast majority of them got there because they were great salespeople. It’s actually the fact that they were a great salesperson that gave them the confidence to go out and be an entrepreneur in the first place. They knew if they were in front of somebody, they could actually get a check. And not everybody can do that. That’s not given to everybody, that they have the confidence and the ability to actually be in front of someone and get that person to write them a check. It’s

actually quite a fairly small percentage of the human race that actually has the confidence and the ability to actually do that.

But what it requires is your presence. So, you're limited, unless you can actually be present in front of people to actually sell, then you will become successful. You can become a very good salesperson. You can make a lot of money with sales. But you're limited, because you can't multiply yourself.

And what the equation is that allows you to multiply yourself is marketing. Marketing is everything that happens that doesn't require your presence, but is still making the sale. So, that's the real distinction here.

So, a lot of the entrepreneurs that I have in the program make well over \$1-million, \$2-million, \$3-million personal income, but they're still trapped. They are the brand, and there's nothing bigger than them. There's nothing that actually is bigger than them.

So, when they're not there, nothing happens. And what they're seeing now, because of the amazing breakthroughs in technology and what we can do to get the message out to the world, night and day, to many, many strangers, and preconditioning the marketplace to be very favorably disposed for your value creation proposition, your message, we have this amazing explosion now of marketing capabilities, so that a single individual with a bright idea and just a desire to create some sort of result up in the world can actually, with a very small company, become a very, very large marketing entity in the marketplace.

These are 2 guys who get on the phone, and basically they've created a worldwide movement called I Love Marketing. Well, you couldn't do that 20 years ago. You couldn't do it 10 years ago. The technological means were not there to multiply themselves.

So, you're hitting this. I notice a lot of you are not as old as I am. The beautiful thing about this age, right now, is that you're hitting the sweet spot in history, right now, for individuals being able to multiply themselves. But you have

to have an intellectual structure for doing it. You can't just go out there willy-nilly. There has to be a process. There has to be a structure.

So, that's really what I'm seeing now. And that's all pure entrepreneurship, what we're talking about here.

I'm quite a student of history, and a lot of people who know me know that I really love history and I draw tremendous lessons from history.

But what I feel right now, in the United States... I live in Canada, by the way. I'm from the United States, but I live in Canada. I've lived there for 40 years with Babs. It's actually interesting living in another country for more than half your life, that isn't too far away from the United States, because you get to appreciate that the United States is really crazy. It's really a crazy country. And what I mean by that is everybody's always coming up with something new that's going to disrupt everybody else. There's a real disruptive quality about American culture.

I think it has a lot to do with the marketers; but more than that, I think it has a lot to do with consumers. I think the reason why the United States is the #1 economy in the world – and, by the way, always will be – all this talk about China and everything like that, it's very interesting to sell newspapers, but it ain't going to happen.

If you go outside of somebody's capital city and they're shitting in a hole, they're not competition.

Joe: I like that.

Dan: And all you have to do is check the migration patterns, and when there's more Americans moving to China than there are Chinese moving to the United States, then you'll know that China's the #1 country. But the flow is strictly in one direction. They all want to come here.

Why do they all want to come here, if their country owns the future?

Here's what I think is happening in the United States. I think we're in a civil war, right now. This is our 5th civil war. The first one was the revolution itself, which was actually a civil war between those who wanted to stay with England and those who didn't. And it was a civil war. And all the bitterness and the polarization and the meanness that we're noticing in the media, how people are attacking everybody else, what we're doing today would not even compare with what they did to each other back then. They were really nasty back then. So, that was the first civil war.

The 2nd civil war actually happened in 1828, and it was actually Andrew Jackson. They don't talk a lot about Andrew Jackson, but he was one of the greatest presidents of the United States. Because what had happened in 1803 is that Thomas Jefferson, who was president at the time, bought the Louisiana purchase. He purchased Louisiana. It was called the Louisiana Territory. And he purchased that from France for, in today's dollars, the equivalent of 50¢ an acre. Greatest real estate deal in history. He bought 15 states at 50¢ an acre. That's in today's dollars. That's the thing. Just the greatest. I don't care, that just goes down as a great real estate deal.

But what it did is, in a very few years, it meant that the country could go all the way from the Atlantic to the Pacific. And what happened was after the Revolutionary War, you had the original 13 states, and they were kind of like the clique, and they were going to say, "Well, we're kind of going to run the country." And Jackson came along and said, "No, we're going to go right to the Pacific, and we're going to have a lot more states than 13. And, by the way, we want to break the power of you guys and go to the state."

So, that was the 2nd civil war.

The 3rd one was what we actually call the Civil War, or what my clients from Mississippi call the "War of Northern Aggression." So, that was the 3rd one.

And then, the 4th one happened in the 1930's, with the New Deal and the depression. And what it meant was that now government took over a very central

role in society. We never had that amount of government before, and government began organizing everything from the inside. And that's gone on for 80 years now. And it's long past its usefulness.

So, we've gotten to a point now where government is just costing way too much, isn't creating very much value, and it's taking resources from a higher level of productivity down to a lower level of productivity.

But meanwhile, starting in the '70's, with the microchip and then the great revolution in the 1980's, with jobs and Microsoft and Oracle, all the guys who put together the microchip revolution, you have the possibility of a total entrepreneurial revolution.

But what's happening now is that you have a war between what I call the government class and the entrepreneurial class. And 2012 is going to be like Gettysburg. This is going to be the big one.

So, a year from now, it's actually a year yesterday, that's going to be it. And my conclusion is it's going to be an overwhelming win for the entrepreneurial class, and there's going to be a huge breakout in 2013. An enormous amount of energy is going to be restored to the economy. There's going to be a tremendous amount of confidence restored. And things are really going to bust out.

But you have to have your head in the right place, and you have to have your act in order to take advantage of it. So, this is the 5th civil war, and we're just coming up to it.

So, I'm getting all my entrepreneurs ready for it. I sense there's a big bust-out coming, and there's going to be tremendous gains.

Right now, you're kind of training with weights. Everybody's kind of doing their training, and it's harder right now. I've had swift currents and I've had currents working against me, and you've got a current coming against you in today's world.

But if you just keep getting smarter and more capable right now, when the breakout comes you're just going to zoom ahead.

The internet and marketing, the whole concepts of marketing, the people who have this down pat, are just going to be the winners in this new revolution.

Does that make you feel better? How many of you feel better?

I believe this in my soul. I started coaching in 1974, and I've spent roughly about 30,000, 40,000 hours in discussions with entrepreneurs about what works and what doesn't work. So, I truly believe that if you're just starting out, right now, you could not start out with a finer way of getting your head really, really filled with the right ideas and the right techniques, than Joe and Dean. This is a real gift to the world. It's a real gift to the world.

Joe: Thanks. I really appreciate that. And I'm really glad we got all that on video.

Since you are here, I want to take an opportunity to ask you a couple questions that are more bigger-picture thinking.

What is capitalism? There's a lot of anti-capitalistic people that every entrepreneur here encounters on a daily basis. It gets distorted. Parasites like Michael Moore pervert the whole term.

Dan: I hate those guys.

Joe: What is capitalism, and why does it get attacked?

Dan: Well, it's really interesting. Actually, what you do for a living is the perfect example of capitalism.

What capitalism is, is actually an ever-increasing system of greater cooperation among strangers. It's an ever-increasing system of greater cooperation among strangers.

So, think about internet marketing, how much that's an ever-increasing system of greater cooperation among strangers. It's pure capitalism. What you guys are into is just pure capitalism.

The reason why capitalism has a bad name is because it was named by its enemies. Capitalism actually isn't about capital, it's about cooperation.

I'll give you an example. What's your name, by the way?

Attendee: Patrick.

Dan: Patrick. Anyway, except the Irish. There's no cooperation among the Irish. You're not Irish, are you? No. You've heard about Irish Alzheimer's?

Attendee: No.

Dan: They forget everything except the grudges.

Anyway, any Irish people here? Well, now you have a grudge. Something about a grudge.

My name's Sullivan. Daniel Sullivan. There's some Irish there.

So, just kind of look at what you did the other day. First of all, it was cooperation between you and Phillip. Were you strangers before that?

Attendee: Yes.

Dan: Yeah. So, 2 strangers get together, they create a product that goes way beyond both of them. You do it for your reasons, Phil does it for his reasons. But both of you now get a much bigger result because you cooperated.

But now, it's online. Right?

Attendee: Correct.

Dan: You put it online, and now it's going out to a whole bunch of other strangers. One of them calls you up, and immediately says, "I don't like what the other guy's

doing. I love what you're doing." Now, you've got 2 more strangers cooperating with each other. It's all strangers.

See, you can't grow the economy if you're only working with your friends. And in most of the world you can't do business with, except people in your family or your friends. The entire Arab world, it's sitting in the 16th Century, as far as economic development, because you can't trust anyone outside of your own family.

The amazing thing about the United States is, generally speaking, you'll take a risk on almost anybody. We will. It's an amazing, trusting company. But part of the reason is we've got a legal system that, if you don't do what you say you're going to do, we're going to put your ass in jail. No, it is. There's recourse.

Joe: There's recourse and consequences.

Dan: There's recourse and consequences in the system, or you'll get blackballed. You'll just get a bad name.

In the internet world, it's very easy to get blackballed if you don't live up to your promise and you're not trustworthy. You get a bad reputation. Google will just eliminate you from the known universe if you don't do the right thing.

And that's what you need. There have to be some real high penalties if you're living in a trust community, because if somebody breaks the trust, if they don't deliver on what they say they're going to deliver on, if they don't follow-through, there's got to be some really severe consequences to do it.

But the whole system is based on constantly expanding the system of increased cooperation among strangers. So, if you think of building a list, that's what building a list is. Building a list is constantly adding to the number of strangers who you are getting to know and who know about you, and know about your value.

And then, increasing the possibility and the ease with which they can cooperate with you and do that. That's capitalism.

Joe: Awesome. I've mentioned this many, many times over the years. I talk about the difference between selling and marketing. And those of you that have never heard me say this, selling is what you do when you're on the phone or face-to-face with somebody. Marketing is what you do to get yourself on the phone or face-to-face with them, or on your website, however you want to position it, so that people are pre-interested, pre-motivated, pre-qualified, and predisposed to give you money.

So, marketing is selling in advance. And if you do your marketing right, selling becomes easy and ideally unnecessary, because you have accomplished so much of the rapport building in an ELF manner, Easy, Lucrative and Fun, versus a HALF manner, which is Hard, Annoying, Lame and Frustrating.

So, basically, like you were saying earlier, it doesn't even matter if someone's making millions of dollars. They're still limited, if they're a guy or gal. No matter how great of a salesperson you are, you're limited by the clock.

However, the first job of the entrepreneur is to go out and get checks. If I had not had the ability to sell early on, I remember when I was a really – actually, I don't really remember it, I was just told this, but it's probably true – when I was a little kid, my father was a locksmith. And he had a locksmith shop. And he used to prop me up on the counter and I used to smile. I was smiling all the time. I was crying inside. But I would smile, and people would come up and give me money.

Dan: It's still working.

Joe: Exactly. It's amazing how long you can drag this shit out.

Dan: It's the fundamental structure of your life. Why'd you take all those drugs? You had it down pat.

Joe: That is comic. When I used to sell newspaper subscriptions door-to-door, I used to use a sympathy plea like, "I want to win a trip to Disneyland."

However, as I've become an adult, making the sale, the transaction, is one thing, but the relationship is far more important because there's more money to be made in relationships than there are in transactions.

So, people that don't respect selling and even see themselves as salespeople, have a really difficult time transitioning into becoming a great marketer. So, one of the first things you need to know how to do is you need to sell.

Gary Halbert had this great way of breaking complexity down, as do you. He said, "There's 3 things you need in order to sell. You need a product or service," is the first thing. "The 2nd thing is you need a sales pitch, and the 3rd thing is a delivery system."

What I learned is that most people in business, including myself before I actually learned direct response marketing, which is the type of marketing that I Love Marketing is all about, meaning instead of just getting your name out there, which is what brand-building, image advertising, institutional advertising, most of the advertising and marketing they teach in college is about getting your name out there.

Direct response is about getting your name out there and getting a response back.

So, when I first started learning this, when Gary said, "There's 3 things you need: you need a product or service, you need a sales pitch, you need a delivery system," most business owners focus on what it is they sell, their product or service, and how do we tell other people about it. Do we do that through the Yellow Pages? Do we do that through TV or radio? Do we do that through postcards, direct mail, the internet, social media, Twitter, mobile marketing, whatever?

But if you have a lousy sales pitch or a lousy marketing message, you're just going to be delivering not that effective of a message.

So, part of great marketing is being able to tell the story, communicating it in a compelling manner. And no matter how many times I would tell people that, I

would find people constantly having like this negative perspective of selling, like selling's a bad thing.

So, one day I asked Dan, probably like 5 or 6 years ago at this point, "Dan, what's your definition of selling?" And he rattled off... Eunice, since you have the most beautiful handwriting on the planet, do you mind writing it up here for me? Eunice, my wonderful assistant of 16 years. Do you believe this?

Dan: Boss.

Joe: Yeah, my boss. Definition of selling is getting someone intellectually engaged in a future result that's good for them. And getting them to emotionally commit to take action to achieve that result.

So, when I first heard that, I was like, "Wow, man, that is like really profound. This is a really important distinction.

I think about half of you here in the room probably are familiar with that and have heard me talk about it, but I got it from Dan. And the reason I wanted to bring it up here is because this definition actually changed my life, and it's changed the life of many of our clients, when I allow them to actually discuss it and go deep with it.

So, those of you that have never heard this definition before, can we get this on video? Can you see it okay, or should I move it up to the front?

The reason I'm doing this on video is I actually want the other Meetup groups to maybe play this video.

So, the definition of selling: getting someone intellectually engaged in a future result that's good for them, and getting them to emotionally commit to take action to achieve that result.

What do you think are the most important words in this definition?

Emotionally take action?

From the standpoint of doing ethical selling or ethical marketing, what are the most important words? “Good for them.” Exactly.

See, if you say, “Getting someone intellectually engaged in a future result and getting them to emotionally commit to take action to achieve that result,” we see that all the time. McDonald’s does a great job with Happy Meals. Right? You ever seen a beer commercial? The closest to reality you’re ever going to see, good-looking people, all happy, no one’s drooling on each other. They don’t show the next day, when they’re hung over and hammered, and they slept with someone they probably shouldn’t have slept with, stuff like that.

There’s all kinds of marketing that is done to get someone intellectually/emotionally engaged in something destructive, like watch this pornography, smoke this cigarette, eat this crappy food, drink this soda which is i.e., liquid Satan, things like that.

So, what I started doing is I started posing this question to people at some of my events, and I would ask them, “What are the most important words here?” And again, all this came from Dan. I said, “Okay, so how many of you consider yourselves great salespeople?” And I would do like a survey.

I’ll do it right here. How many of you consider yourselves great salespeople? How many of you are no good at selling, you hate selling, you think you’re ineffective at it? Okay.

Thank you. There’s more people that feel that way, but they’re like, “What’s going to happen if I raise my hand?”

How many of you sort of had that feeling? “What would happen if I actually raised my hand?” How many of you are capable of being honest, right now? Thank you.

Dan: Can I ask a question of that?

Joe: Yes, you can.

Dan: Those of you who don't think you're a great salesperson, how many of you, if you totally sold yourself on what it is that you want to sell, you're actually a good salesperson?

See, the first sale always has to be to yourself. If you're completely sold on it, selling is actually kind of easy.

Joe: You want me to move it where? Over? Okay.

So, basically, how many of you in the room have ever eaten at a restaurant, read a book, or gone to a movie, and you liked it so much that you told someone else about it and they actually either ate at the restaurant, read a book, or went to the movies? Anyone ever had that experience?

Okay, how many of you have an experience like that weekly? So, everyone here is effective at selling, it's just a matter of your ability to persuade. Everything is selling.

So, the bigger question is how many of you have products or services, whatever it is that you sell, whatever your entrepreneurial endeavor is, how many of you have something that creates value for other human beings? Okay.

And how many of you feel that you would be able to impact the world in great ways, if only you were to engage, intellectually and emotionally, more people into that bigger future, which involves your stuff? Okay.

So, what is the vehicle? How do you do that? Marketing and selling. That is the only vehicle. You can read *The Secret* and you can wish and hope and read it out loud, and maybe to a certain degree, intention and all that's good, but getting off your ass and actually communicating something.

I went to a restaurant once, and there was like a little sugar packet. I don't know why, but I have a weird brain. I remember certain things, and many things I don't. There was a sugar packet, and it had a little caption that said, "Advertising."

And the quote was, “He who has something to sell and whispers in a well is not as apt to make the shiny dollar as the guy who climbs a tree and hollers.”

And I thought, “That’s pretty cool, because if you have something to share with the world, you have to get it out there. You’ve got to put your message out there. The way that you do that is you sell.

So, part of it is, first off, really having a true respect and appreciation for selling. Salespeople are looked down upon by bureaucrats and by corporations. See, people love to be sold, they hate to be pressured. So, people confuse manipulating somebody in a bad way with selling.

How many of you have ever had a friend, be it a family member, someone that was in trouble, or was going down a path that really wasn’t all that good for them – it could have been behaviorally, it could have been buying something that you had a bad experience with – that you really stepped in and you started talking to them, listening, doing whatever you needed to do in order to persuade them? How many of you have ever done that?

So, when you think of some of the greatest salespeople in the world, who comes to mind?

Dan: You.

Joe: Me.

Attendee: Children.

Joe: Exactly.

Attendee: You never say no to a child.

Joe: Name some individuals that you think of, when you think of a salesperson. What’s the first person that pops to mind?

Dan: Steve Jobs.

Joe: Steve Jobs.

Attendee: St. Paul.

Dan: Jesus.

Joe: Jesus. Yeah. Willie Mays.

Attendee: Billy Mays.

Joe: There was a Billy Mays. He was awesome.

Dan: Walt Disney.

Joe: Walt Disney. Was Gandhi a great salesman? Mother Teresa? Martin Luther King? Clinton?

Now, here's the thing. Hitler. Was Hitler a great salesperson? Yep. Now, he got people intellectually engaged in a future result of murdering people, however he was persuasive.

See, it's not the selling or the marketing that's bad, it's the application of it. Marketing is like a gun; you can use it go out and hunt for food, or you can use it to rob people. And unfortunately, people have a negative connotation towards it, because everyone's had an experience where someone talked them into something. It's like the used car salesperson sort of belief that someone has, you're going to walk them to a car lot and some shark's going to come after you.

However, every great thing in life, every innovation, would not exist if someone was not incentivized for selling it. So, the carpet, the shoes, the clothes, the lights, the internet, all of that exists because some salesperson out there, some entrepreneur was taking resources from a lower level of productivity to a higher level.

My way of being entrepreneurial is actually making people more capable in the area of marketing, so they're more effective at communicating. And therefore, the way that I can impact the world is I just help people that already have great products and services to actually use more effective means of marketing and communicating it.

And that's what I Love Marketing is all about. And more than anything, I would love to have everyone, even if it's just like 5%. If you had a 5% more appreciation for marketing, how much would that change your income? How much would that impact?

Let's think about that. If you increased your marketing capabilities by 5%, just 5%, we're not talking doubling, tripling, quadrupling, 5%, what do you think some of the benefits would be to your current business or your life, right now? Anyone? What do you think?

Attendee: More referrals.

Joe: More referrals? Okay. What else would happen?

Attendee: Better clients.

Joe: Better clients?

Attendee: More fun.

Joe: More fun, yeah.

Attendee: Connect with more strangers.

Joe: Connect with more strangers.

Attendee: More results, more cash.

Joe: Yeah, more cash.

Attendee: It would be exponential; 5% would grow.

Dan: Compounded. That would be compounded.

Joe: Exactly. Marketing is not an event. Sales is not an event, it's a process. And just like learning, there's only so much that we can cover on one episode of I Love Marketing, or one I Love Marketing Meetup group.

But if you make the whole process of developing your skills as a better marketer, things will continually get better and better and better. Because it really is about consistency. It's also about being committed to it.

Can I ask you to talk about what you touched on? Will you stop that, please, Tim? It's very hurtful of you to be doing that.

What do you guys think of Kevin, by the way? Had it not been for Kevin, this I Love Marketing Phoenix Meetup group would not be where it's at right now, and Eunice helping. I don't know where the hell it'd be at, right now.

What Dan was saying about the first sale you have to make is on yourself, can you speak to what that means? Because until someone sells themselves on the fact that they're a salesperson, they're not going to do well with this. And the people that I know that are not great marketers, they have this issue with marketing, like it's a bad thing. And until you can give them a mental enema and get them to understand, "No, it's a great thing," they suck at marketing.

Dan: Well, first of all, I wanted that definition. Probably the greatest sales or marketing pitch that I can remember in my lifetime, because I was involved in advertising at a fairly high level back in the '70's.

But Schaefer Beer, back in the '60's, came out with this great line, which as "Schaefer, the one beer to have when you're having more than one." And I thought it was perfect, because there's total intellectual engagement and total emotional commitment.

They totally know their target market. How many of you feel they totally know their target market, "The one beer to have when you're having more than one"?

As I said, I went to college near Annapolis. This has nothing to do with his question, by the way. There was a little brewery in Baltimore, and it was called Schmidt's Brewery. It's too bad it didn't happen during the age of the internet, because they would have gone viral with this. But as good as Schaefer was, I

thought Schmidt's really was better, because Schmidt's was "The one beer to have when you're having more than 6." And I just think they really know their target market, emotionally.

What was your question?

Joe: I almost want to tell the Schlitz Beer story. Maybe I will. We'll see if I have enough time.

Selling yourself on it. Because it's one thing to go out and persuade other people, but if you're not sold...

See, the reason I think people dislike selling is they feel like they're talking people into something that they're not committed to. And I would hate that, too. If I was in a position where I had to go sell someone and lie for a living, who would like that? That's ridiculous.

Dan: It's really interesting, because it really relates to the whole issue of entrepreneurship. I've had a long span now. I'm going on 4 decades of dealing directly with entrepreneurs. People are always asking me, "What's the difference between entrepreneurs and non-entrepreneurs, and then really successful entrepreneurs, and people who aren't really successful?"

The more I go along, it's just that the really, really successful entrepreneurs have a phenomenal internal ability to sell themselves on everything they do, before they do it. And other people don't. They just don't have an ability to sell themselves.

And that's why they make such great salespersons. Your name is...?

Attendee: John.

Dan: Before I would approach John, I would sell myself on why I wanted to sell something to John.

What that means is that I freed up my mind completely now, just to try to figure out what John really would like to have. And I'm not sitting there, conflicted inside myself.

Most people are trying to sell with an internal sense of conflict. "I don't know if this is really good. What happens with this?" And they've got all this conflict going on.

So, more and more as I've gone along and tried to get better as an entrepreneur, I made rule #1 "I never sell unless I'm sold." Never sell unless I'm sold.

That has much wider applications than just being in marketing or being in selling. And we were talking yesterday, because Joe and I are starting a podcast of our own, called Genius Network, which will be up and on the iTunes pretty soon, he asked me, "What's contributing to the overwhelm that people are experiencing in modern life? There's a lot of overwhelm. It's just coming at people."

And I said, "It's because they are over-obligated." And what over-obligated means is you keep giving promises to things that you're not sold on.

So, people say, "You're over-committed." No. The problem is that they're over-obligated and under-committed. So, they're obligated to do things, but they're not actually committed to do the things that they're obligated to. And that creates enormous mess inside your mind.

How many of you have had that experience, of being obligated to something that you actually weren't committed to? It's kind of being the executor of someone's estate who you really hated during their lifetime. You get it.

So, to make your life really simple, and this really contributes enormously to your ability to market and sell, is just have this rule, "I'm not going to say a word, and I'm not going to try to sell anything that, in my own mind, I'm not completely sold on."

When you're completely sold, other people pick up on that. They just pick up on that. They're like, "Got it! Totally sold."

How many of you can tell when somebody else is totally sold on what they're doing?