

-- Special Strategy Report --

**Chet Holmes on
How Strategy Makes Every Tactic
Work At Least Five Times Harder
- Part 1 & Part 2 -**

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By Chet Holmes

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[Note from Jay: Chet Holmes is one of my partners working with me on entrepreneurial businesses to strategically re-orient their marketing, help them focus on marketing and sales execution. He has also co-lead with me a very successful and highly regarded program called PEQ – Performance Enhancement Quotient.

*This is a transcript from the program, on specifically one topic--- **STRATEGY. How to make it work five times harder for you.** Chet's take is a very useful way of looking at the difference between strategy and tactics, PLUS he offers some great methods to begin to structure your strategy and some useful case studies to learn from. All with a hands on practical, doable and implementation perspective.*

Chet will also be with me at the Strategy Setting Super Summit on April 28th to May 2nd to focus on ONE thing--- Making sure that whatever SuperStrategy we devise for you is implemented successfully. As you will read, Chet's a master at implementation and execution. Enjoy! - Jay]

This is THE big one, the difference between strategy and tactics. And Jay is big on this as well. Let me just promise you something. If you get this and get it good, you will absolutely dominate your industry. Because almost no one is strategic. No one. Every company I start to work with is mostly tactical. And when you're strategic, before your' tactical, everything you do works harder, smarter and better and your competitors won't be able to compete. Now I'm going to explain that thoroughly before we're done here in the next hour or so.

So this is strategy and your core concepts. These are your super-strategies that I outlined at the beginning of telling your story, and then we'll go to your sub-strategies, all right?

So let's start by talking about the challenges, the problems that you guys put up on that board. Because the fact is that you will get out of the next four days the way to solve almost every problem up on that board. – There's not one there, really, that can't be dealt with in an extremely positive way. Meaning I could say there's not one there that can't be solved. I mean, those of you who are in declining markets, that we can't solve that. But what we can do is get you whatever business is left in that market. What we *can* do is maybe find you a way of looking at your business in a different way, so that you might have more opportunities than you really thought you had. What we *can* do is improve every aspect of what you're doing now. And those of you who have only the limitation of your skills and time and talent – well, we're going to blow your doors off.

So if you're serious about solving your problems, you're going to get the ways to do that here, and we're going to help you do that. So I want you to think of yourself like a military leader, and you have a dozen soldiers, and you're outnumbered ten to one. And the question is, how are you going to deploy your troops? Let me tell you what a bad military leader would do. Let's say that this is my team, and we're going off to war, and we're outnumbered ten to one, and that's the enemy. And I turn to you guys and go, "Good luck. Go fight the enemy." That's a bad military leader. And yet, that's how most entrepreneurs run their businesses. "OK, go get customers!" instead of - well you know what?

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(All right, now, refresh my memory on the names. Your name is Bob, and Terry? Derrick, OK. Eric. I knew that. Just testing to make sure. And you are Erin? Darren. And you are Rick. OK, Rick, thanks.) But if we know that Darren is good at this, and Eric is good at that, and Rick is good at this, and Bob is good at that, then we should be looking at those as our resources. If I was a great military leader I need to look at every resource and deploy it with the maximum effectiveness that it can have. And since I only have ten, twelve soldiers and I'm outnumbered ten to one, then I've got to not only look at my people, but my resources that I have available to me. And I have to make that military operation really count.

So the strategist says, "All right, what's the landscape? What are we up against? What do we need to – what's our battle plan?" You know, they really think it through – and that's how I want you to look at your business. What's your battle plan? What are you up against? What's the landscape that you're dealing with? Because within all that are solutions, and I'm going to show them to you, and you're going to go, "Oh my God!" Because I'm going to show you *impossible* situations that we completely change just by looking at them in a different way. And again, Jay's the master of that.

If I could take all of your customers – or all of your potential customers – and put them all in a stadium, and give you one opportunity to present to them...what is the ultimate accomplishment you want to achieve from that particular interaction? Because if it's just to get them to buy today - that's not very strategic. You're not a good military leader. That's just saying, "Go get business." But if it's to build a reputation... if it's – well I'm going to lay it all out for you, OK? And then we're going to develop – I'm going to do this. We're going to do this over the next several panels.

So now let's go more in-depth on this whole concept, because now I want to deal with it. Before was like an overview. So what is your story – again, I put you in that stadium – and you're a military general and you're going to go out there on stage. What is the maximum thing that you want to accomplish when you're in front of that audience? Yes?

This is the really - this is one of the biggest challenges that you have today that is not – really didn't come up there, but it is a big challenge that you have. And that's what we call the "clutter factor." The average consumer receives 3,000 messages per day. Actually that's from 1996, and I read recently it's up to 30,000. And the Internet has not helped any. In 1995 there was only five million people on the Internet in the United States. Anybody know how many people on the Internet now in the United States? It's 180 million. It's like all but the 4-year-olds and the 84-year-olds are on the Web. Almost every person is on the Web.

So the commercial clutter is out of control, and for you to get noticed in that clutter is difficult. Now those of you who sell business to business, your decision makers receive even more because not only are they dealing with all that clutter, they're dealing with all your competitors. So what's the single, most effective way for you to rise out of the clutter? And that's one of the things we're going to be covering today. How can you get that attention right off the bat?

The cost has tripled. The previous cost of ten years ago – the cost of getting in front of a salesperson – is now three times more than it was just ten years ago. I mean,

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not to get in front of a salesperson – to get in front of a customer. The cost to get you in front of a customer costs three times more. I actually have a movie deal with Warner Brothers – well, actually I’m a movie producer as well. And that’s a whole ‘nother story. But I have a movie deal, and they were telling me that they’re spending, to get the same amount of name recognition on a film today, they spent \$15 million, and they used to spend five – just, less than ten years ago. It was like 1992, for five million bucks – they got the same amount of recognition that they’re getting today for \$10 million.

So why? Because we’re so overwhelmed with so many messages, how are you going to stand out in that? How are you going to stand out in that? And the effectiveness is falling, because you’re spending three times the money to get half the result. It used to take 8.4 attempts – and again, this stat’s three or four years old – anybody think it’s gotten easier to get appointments? Or to get in front of customers? Now it takes 8.4 attempts.

So the bottom line is it costs three times more to get half the result of ten years ago. So what are you going to do about that? Are you going to work harder, or are you going to work smarter?

Now, typically when I present that problem I get to deal with three different types of executives. And this is all about working smarter, all right? There’s the strategic executive. Now these are very, very rare. The highly strategic executives – I would say there’s probably not one of you in the room that’s *highly* strategic – like that’s where your main mindset is. Because strategic guys can’t get stuff done. They don’t have the tactical implementation. And I’ve worked for a lot of these guys – they’re brilliant.

So here’s the problem. It says, the challenges presented to the strategic executive: “Our salespeople can’t get appointments. It’s getting really hard.” So the strategic executive says, “Well, let’s reposition our sales people as market experts.” And I’ve had these guys come up with these great ideas, and they don’t put the proper training and tools into place, and I’ve watched the programs fail. And I’ve actually participated in some of those failures myself early in my career.

A tactical executive doesn’t even understand strategy. So if you said to him, “Well, let’s reposition.” – Which is, by the way, not a bad strategy. If you position yourself as an expert in your field, as someone who can give advice – who does that? Was that you, Bob? You guys, that’s your strategy, is that you’re experts and you give tons of free insight and counsel, right? And so if your positioned in that way, it beats a path to your door and makes it easier. But if you’re not implementing that good at the tactical level then the positioning is worthless. So I’ve had – or you hire somebody who’s a shark, who has too much ego and not enough empathy, and they don’t care about educating the client. All they want to do is make the sale, and they’ll literally say to you, “What do I care about all this educational stuff?”

I worked for a legal publication when I was 27 years old, and I wanted to go after all these big accounts. And my boss said, “All you need is your circulation and your rates and your editorial story of what the magazine is about.” And we were serving a legal market. And I snuck around, because he wouldn’t let me do it, and found out that lawyers are the largest daily producers of data. They produce more data than any other

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business or profession. Lawyers – it’s a business of words. They put out more words every day than all the newspapers combined.

So I was able to take that information and parlay it into some of the biggest advertisers in the world like Xerox and IBM and Data General, and get them into our publication. Because they had no idea that lawyers were the largest daily producers of words. That means they need technology more than anybody else. And at this period in history they had the money. They were doing great. And they had almost no technology.

OK. So the tactical executive, he doesn’t even really understand strategy. He doesn’t want to be bothered with it. He just wants to make the sale. But the best executive – and hopefully this is some of you – is the ultimate executive, (he) develops the strategic solutions and implements them with piercing effectiveness at the tactical level. Develops the policies, procedures, and training and tools to see their ideas implemented at the tactical level. In large companies this is done by several layers of executives. And again, in your company it’s going to be done by you. So if you’re a great executive, you’re going to have a great combination of these two things.

So let’s keep defining strategy, because it’s going to make the difference of your long-term success if you want to be around in the future. It’s the long-range goal and the overall impact. What’s the strategic objective of each tactical effort? What is the ultimate accomplishment or ultimate position you want in the market, and how do your tactical efforts support that? Meaning that your salesperson is – I’ll just use you, Ruddy, because I understand your business pretty good. And you have a – you have two people you need to serve. You need to serve the getting the openings, and you need to place the physicians in those openings. All right, so those are your two customers, and that tactical interaction is very clear. I try to get an opening, and in that process there might be some opportunity to do some strategic things that position your company in the mind of the buyer, right? So you either are doing that or you aren’t doing that. And if you’re doing it on purpose, God bless you, you’re in the rare minority. If you’re doing it by accident, then you need to do it on purpose. And the same thing with those physicians, because they’re in a position to help you. So every time you deploy some tactic, you want to be sure you’re deploying the ultimate objective that you want to achieve for that tactic.

So it’s again – you’re that military leader and you’ve got a certain amount of troops, and you’ve only got a certain amount of resources – don’t you want to be maximizing every single one of them? So if you’re going to run an ad you’re going to maximize that. If you’re going to have a salesperson talk to somebody you’re going to maximize that. If anybody interacts with your company whatsoever, you want to maximize that, OK? It’s just being smart. That’s Jay’s title of his book, is “*Getting Everything Out of All You’ve Got.*” Great title. What it means is that there’s a lot of stuff – there’s stuff laying all around you. This carpet cleaning company – the guy has 30,000 customers who turn every three years. Well we got them to sign up for a program where they’re turning every six months. What’s *that* going to do to his business?

So what is the ultimate accomplishment you want to make from every tactical interaction? So if you look at your tactics and then you start – and by the way, there’s no hand-outs of these. This is my intellectual property. It is on video, but I don’t know how well it’s recorded. But as you will notice, I read every word of what’s up here. So if you – later on, you’re like, “Oh, I can’t see the slides” it won’t matter. I read every single word, or at least the content on the slide.

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So long range goal, the overall impact that you want to achieve from every single tactic that you have. And the ultimate perception you would like to have – you would like to have your customers about your company. So if I ask you, “What’s the ultimate perception you would like your customers to have about your company?” Think about that for 30 seconds. Look down at your paper and think about “What is the ultimate perception I want my customer to have about my company?”

OK, stop, because I’m going to actually have you do that in full-blown splendor in a minute. Now my question to you is, does that mirror what they think? Who here can say that? Nobody. So that is a great objective, because if you know what it is you want them to think, well then let’s start at the tactical level deploying that. And how do you do that? Well, we’re going to show you, OK?

Here’s an example. We have – and this is on my video, but it’s now (it will) drive home with a lot more force. Two competing furniture stores. Salespeople sell furniture, sales are made, sales are increased by raising the prices and improving tactical effort. Sales drive strategy. So when strategy drives sales, your sales have a much bigger impact. When sales drive strategy, you’re just going to make sales. You understand? OK.

So in this store you walk in and I’m the salesman, and I come up to you and I say, “Hi sir. How are you?” “Oh, I’m just looking.” “Fine. What are you looking for?” (I know – I’ve worked in a furniture store.) And the guy says, “Oh I’m looking for couches.” “Oh, right this way, sir.” And you lead him to the couches, and you try to sell him a couch. That’s a tactical salesperson in a store that’s not even thinking about strategy.

But a strategic store says, “Oh really. OK, right this way to couches.” And on the way to the couches, you turn to the owner and you say, “First time in the store?” Yes, no - it doesn’t matter. I turn to the customer (I said the owner) I turn to the customer and I say, “Is it your first time in the store?” And they go yes, no - it doesn’t matter. You still do the strategic pitch. “Well let me tell you about the store. We’ve been in business for 47 years. We do this, we do that, we do this, we do that…” And all this is designed – it has all these strategic layers that you’re trying to accomplish.

Number one, it’s meant to preempt them ever going to anybody else. Would that be a nice objective for you with every customer that you have? How do you make it so that you preempt them ever going to anybody else? Hey, that’s a great goal. Write that one down. “How do I make it so I can preempt my customer from ever going to anybody else?” Well the only way you can do that is you have to think through a way where you’re positioned, and I’m going to put you through six exercises that’ll help you get there. But my point is that what we started to do in this furniture store, is we sold the store so good, so hard, so smart – that in the same period of time (these both opened at the same time) in that same four year period, this ended up with six furniture stores, and this massive database of loyal followers who would not go anywhere else. Or who because I had a great experience with you, Mike, when I went in there, and you pitched the hell out of that store – “We do this, we do that, we do this, we do that…” Half of those things everybody else does. But the salesman’s never told anybody. And the other half, nobody else would have thought of doing, and it doesn’t cost you anything, but it sounds really great when you say it.

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And so now, since I've bonded with you – and that's a strategic objective, isn't it? Because how many of you have, as a strategic objective, for your interactions, for bonding? That you have actually taught, thought about, worked on, and made it part of your thing? How many? We've got three of you. We've got four of you. God bless you. OK, great. The rest of you need to have that as one of your things. One of your strategic objectives for every tactic is part of bonding. Well how do you bond? You've got to get personal. How do you do that? You've got to have a workshop on it, because there's people in your organization doing it right now. Or if you, as someone who needs to be in that, would set that now – Some of you do it naturally. There's some of you that your emotional psychological profile has that empathy. Remember that – ego, empathy? And you so might be doing it naturally, and you take for granted that other people are going to do it. Well guess what? Other people aren't like you.

So we need to build in standards to make it so that everybody bonds at every opportunity, and that's another strategic objective of your tactics. You understand? So as you start to look at it – Jay calls it maximizing – it's the same exact thing, right? Right? How do we maximize every single thing that's going to happen, including the simple little interaction? If you say to me, "Here's our objectives from every little interaction with the customer. We want to bond. We want to preempt them from ever going to anybody else."

So now I go into that furniture store and the salesman does such a great job – Mike does such a great job pitching me in the store, that I'm sitting here talking to my lover, (just kidding) and I say, "You know, honey, we could use a new lamp." You should see his expression – priceless. I say, "You know, honey, we could use a new lamp." And he says, "Well why don't we go down to that nice guy Mike?"

And so that's the point, is that we just preempted it, and we go to Mike's store because Mike took the time to educate us on why this store is a better store. In other words, most people when they needed a new lamp, now they're going through the newspaper looking for lamps. But I just go right into the store. So what they did is they preempted the competition as one of their strategic objectives, and they started breeding brand loyalty on purpose. You might be doing it by accident, but when you do it on purpose it works really, really well.

OK, so what's your ultimate strategic position, and do your tactical efforts support that position? What is the ultimate strategic position? So here's a workshop: Ultimate objectives. Here's some that you could have. I want you to add to these. But these are really valuable. Let's just talk about them.

Most respected. Now, that's a lofty goal. How do you deliver that at the tactical level, that you will be the most respected company in your industry? The most popular? Let me tell you, I have been in companies where we were the most popular. We were the funnest damn company to deal with. That's all there was to it. We threw the best parties. I'll tell you guys, if I forget, those of you who are in a position where you're at trade shows, where you have an opportunity to bond with your clients, I'll show you a way to throw a party for nothing that makes it look like you spent a fortune, and it makes you the most popular. So when you walk onto that trade show floor, everybody says to you, "Hey, where's the party this time?" Because they know you throw the best parties. And I'll show you how to throw them.

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Most sought out for information. That's you, right Bob? Most educational, same thing. And again, how do you deliver these at the tactical level.

Other objectives – building customer loyalty as part of your tactics. Jay says it's maximizing. You're already doing all this...you're already having all these interactions. What have you built in that builds customer loyalty? What is specific about that?

Then the generating of referrals. What can you do at the tactical level that increases and enhances your – and again, I don't want you to answer these questions right now, because we're going to help you answer them better than you could ever think of, and we're going to get Jay's brain involved on you answering them. He's got more ideas on this than any ten of us. And then the preemptive positioning, again.

So now, I'm going to give you 60 seconds – I'll give you two minutes, actually. I want you to write these down if they apply to you. Maybe you don't care about being the most popular, and that's not your gig. You know, I can tell you it's a great place to be. The really popular place to go – it's a great strategic objectives. And then there's things you do when you want to be popular. What makes people popular? Great personalities, you know, fun, they're interesting, they're more... OK?

And then what do you want to add to it? What are your ultimate objectives that you want to achieve from your tactics, all right? You've got two minutes.

OK, so what we want to do is I'm going to give you about four or five more of these exercises, and then at the end we're going to go around the room and see what you guys developed, and then we can add our two cents to it. And that's when we get Jay's brain attached to it, and that's a great value for you.

Jay: Chet you know what? Could I make a suggestion?

Chet: Yes.

Jay: Why don't you use all of them, because what I've found is most people at a certain stage don't know what's appropriate for them yet, and they don't realize how different things can interrelate. In other words, I don't know where the difference is. What's the difference between being the most respected and being the most popular? And you know, it's a rhetorical question because you might want to have both of them. But I think that you might want to focus on as many because what I've found is the more you stretch your brain to the possibilities, the more clarity you get. You don't know what you don't want until you first experience a broader spectrum and you evaluate it. But if you don't even think about it... if you *were* to become the most popular...if you *were* to become the most respected... if you *were* to be the one disseminating the most information...what would happen? What would it look like? I'm sorry – go ahead.

Chet: No, that's good. And also, Jay was saying to me...he was saying, "If you look at your current tactics now and ask, 'What are they accomplishing strategically, I think you're going to find that you have a lot of room there for improvement.'"

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So let's do some more workshops. I'm not going to take five to ten minutes here, but create the three to five reasons why a customer should buy from your company over one of your competitors. So now we're getting a little more detailed. What are the three to five reasons why a customer should buy from you over any of your competitors? And these are going to get really good as we go deeper and deeper and deeper.

So again, I'll give you two minutes – two minutes for the three to five reasons why a customer should buy from your company over one of your competitors. And if you don't have it already developed, this is the time for you to develop it and to get our input on it. OK? Two minutes.

Next workshop. And then, what we're going to do is we're going to have you share these with each other and then pick the best ideas from each table, and then share them with the group. And so what you're going to see is you're going to learn from – you're going to get different perspectives. That's that whole cross-pollination that comes from these events that I *love*.

What little extras will you do to create customer loyalty and to build positive word of mouth? Again, this is not generating referrals, because that is a specific workshop. What little extras will you do to create customer loyalty and to build positive word of mouth? Now, they don't have to cost anything. In fact, Bob's strategy I adore, because it's free. It's work – it's a little more work, but if you can do something that helps your client succeed that is information or educational, that's a nice little extra that doesn't cost you anything, and the perceived value to them is enormous, and it accomplishes a lot of – if we go back, like five slides, a lot of those other objectives. So I'm going to give you 60 seconds on this one. What little extra will you do to create customer loyalty to build positive word of mouth? 60 seconds.

Let's go to the next one. And we're just going to go deeper and deeper and deeper. And then we're going to bring it all together for you. And then we're going to get Jay involved, and we're going to see how we can tweak it up for you guys and make it more real.

In some cases the company needs the strategic position. In other cases the product or service needs the strategic position. Sometimes it's both. So in other words, a furniture store – what can you say about furniture? A couch is a couch is a couch. You buy this stuff from someone else. So here the strategic positioning needs to be on the store. Law firm – again, is it on the lawyers, or is it on the firm? There you could actually do both. Accounting firm – there, it could be the accountants and the way you select them, as well as the accounting firm itself. Calendar company – I had the biggest calendar company in the world as a client – calendars are usually picked – they have those wall calendars from racing cars to famous rock stars, that you buy the calendars. And you only see them in the fourth quarter, right? Because who buys calendars in July? Nobody. But they're on the wall, and you... And you know, they came to us and they didn't have any strategy whatsoever for positioning their calendar company. By the time I got done we tweaked that one up fantastically.

Buyers who buy for stores pick calendars based upon the pictures that they like. And since there are 5000 calendar companies, there's just tons of choices for them. So we went in and studied what attracts the eye and in retail what attracts the eye and we created this entire presentation for them that showed that their criterion for calendar selection was

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much more sophisticated than any of their competitors and that their calendars were specifically designed to sell better.

And more important, and this is really a lesson for everyone, we studied their market. Their industry. Most of you think you know your industry but I would bet you don't. You know your products, but you don't know your industry. A big shocker, for example, was when we found out that bookstores were outselling retail stores significantly when it came to calendars. Why? Because bookstores were putting the calendars right up front, so they were a better impulse item. It's December, Christmas, right, and you're standing on line to buy something and you see this calendar of Pam Anderson or Mustang and you know your boss loves Mustangs, and so you grab this \$10 calendar.

In any event, this company's sales had been flat for four years. Between presenting to all these buyers using the presentation that I built for them and getting a lot more places to put the calendars up by the cash registers, they got a 22% increase in sales in a single year. They were pretty happy. 22% increase when you do a million a year is good, A 22% increase when you do \$100 million is better.

So the question is, is it the products or services that you sell that need all this work – the little extras, the strategic positioning – or is it both, or can it be both? So it's not just the company. You guys from New Zealand, you need to position your company, because that's part of your strategy for growth, but you also need to do each product separately needs all this stuff going for it in order for you to be successful.

So just make sure you break that out – that it's not *just* the product, and it's not *just* the company. It's the company and the product, that they may both need some strategic positioning. Because again, we want to maximize every little thing that you're doing, OK?

So – setting the market's buying criteria. This is the killer strategy, really. And every company where I've made this happen, they just start taking market share. I love Jay's little analogy when he says, "If you're the first one to deploy a new idea that's never been done in your industry it can have the impact of an atomic bomb." And this is one of those things that has that impact. And in fact, when you develop it, you are so fearful that your competition will copy it – but being strategic is so rare that most of the time your competition will make fun of you, even when you're kicking their butt into the ground. And I'll tell you some specific stories.

So - setting the market's buying criteria. Now, what that means is, what is the current buying criteria for your product or service, or to choose your company for some objective? What's the current buying criteria? Now in most cases, most buying criteria's aren't that strict. Meaning that Bob here, he knows that his clients don't know what the buying criteria should be, so you're teaching them. Or maybe you're not on purpose. You're doing it probably by accident, but when you're done here you're going to be doing it on purpose.

Because if you call up the carpet cleaning company now vs. three months ago before we got our hands on them, they were like, "Yeah, Joe Carpets. OK, \$9 a foot - " or whatever "a dollar a foot, yeah, we'll clean your carpets. Yeah." Done, done, they're in, they're out. None of that strategic stuff is going on at all, and they sure as heck

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weren't setting the market's buying criteria. So the first thing I had the owner do is I had him call ten of his competitors from the yellow pages, and he was astonished. He thought he was pretty weak in the sales department, but he was actually way better than any of his competitors.

And so now, we set up a buying criteria where those people who call in – now the salesperson says, “Have you bought with us before?” (And this might sound familiar from the furniture store.) “Yeah.” “No.” (It doesn't matter.) Say, “OK, well let me tell you the four things that are most important about getting your carpet cleaned. Number one, you want your technicians to be ICRC certified. Number two, you want to make sure that any other carpet cleaner that you use has at least 300 hours of training for their technicians, because they can make all kinds of mistakes in cleaning your carpet. Number three, the EPA has studies on indoor air pollution now that show the importance of cleaning your carpet. You want to make sure that they're familiar with those studies. And number four, you want to make sure that they're going to be around because a lot of these companies are two guys and a truck, and they're here and gone tomorrow. And they can do terrible damage to your house and you'll have no recourse. We've been around for 109 years.”

Now, you know what that just did? I set up a buying criteria that *no one* can compete with. And it's already working. People call in, they hear the price, they go, “Oy, God. I didn't know it was going to cost \$400 to clean my carpet.” I said, “Well, you can get those guys who advertise \$19, but you can't send two qualified technicians and all the proper equipment and all the proper solutions out to someone's home for \$19. You can't do it.” So – oh, that's the fifth thing, by the way. The fifth thing in setting up the buying criteria is no bait and switch. “What we quote you is what we're actually going to charge you when we get in the house, and these other companies, what they quote you is bull because when they get in the house, if they can't step you up to \$700 for the same thing I'm going to charge you for \$400, they turn around and walk away. And they've been investigated on TV.”

So what I just did is if you called me, I just totally disempowered all my competition. So now they have people going, “Well, I just want to check some other places.” So they get off the phone, they call some of those other places, and they go, “Are you guys familiar with the EPA standards on indoor air pollution, and da-da-da?” The guy's going, “Huh?” “Well what about your technicians – do they have ICRC certification?” “Yeah, yeah, all my guys are certified.” “Who certified them?” “Oh, we certified them ourself.” Mm hm. That's a question that the salesperson put in their head so when that woman's calling to check the competition – and *every one* of them is calling back. And that's just setting the market's buying criteria.

The strategic things that I've got them doing - in preempting the competition, in building customer loyalty, in getting referrals – I mean, this guy's having the biggest – he's 109 years in business, right? He's having the biggest months of his entire career, just by being way more strategic at the tactical level.

So what is the current buying criteria for your product or service? Most companies have a very – your customer – OK, here's the question. How sophisticated is your customer at buying your particular product or service, compared to you?

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From a strategic standpoint then, he's got a challenge where he's not at the right level where that decision is being made. So there's a way – in other words, if you hire me – I went in there as your sales guy, the first thing I would do is I would design something that goes to the person who's got the ultimate approval. Because as a strategic objective, if I'm getting this lower-level person and they're going to this person above them, and now I'm getting out to bid – well I want to design something that scares the hell out of this person up here so that they don't even want to go out to bid. They want to use me. Now that's a strategic objective, and I say that off the top of my head. But I can tell you, I can guarantee you – not maybe...guarantee you – that if tomorrow I were working for you that's what I would do. And I would make it work, and I've done it a hundred times.

So what can you do, as a strategic objective, that will reset the buying criteria? Let's work on that exercise first, and then we'll talk about who you get to see and how you get to see them. What is the current buying criteria for what it is that you sell? And if you have the chance and you were in that room with every potential buyer of yours in that stadium, and you were going to teach us, your customers, your potential customers, how to buy what you sell – how would you set up the buying criteria? What are the things I should look for? Here's the question – write it down. What you should look for when you're buying – and then fill in your type of company or product. Here's what you should – the five things you want to look for when you are buying, blank – fill in your company. So let's come up with five at least. What are the five things you want to look for?

Let me give you a couple of examples. (Again, this is on my video so I don't want to be redundant, but it works so well that I just have to use it as an example.) I go out to buy a car. I'm looking at the top of the line Mercedes. It's \$100,000. I'm about to buy it, and the sales rep does not return my phone call. Two phone calls, he does not return. So I'm insulted. I'm complaining to a neighbor of mine. He says, "Hey, have you checked out the new Cadillac?" You know, Cadillac has this image of not – it's not like a cool car, or whatever. So that was – my buying criteria for buying a car was, big car. I need a fast car, not because I'm a madman – I used to be, but I still have a little bit of that in me, and every now and then I just gotta have it, you know? I've got to have a car that if I want to step on it, I have a little power. And because of my position where I could be picking up the Chairman of Wells Fargo Bank, I need a car that's not embarrassing. I can't show up in a Taurus. No slam on a Taurus, but it's not what you would expect from a Fortune 500 consultant. I have to have a car with a certain panache to it. So a big, fast luxury car – that's my buying criteria. Beyond that, I could care less.

Now, most car salespeople are so weak, they're not resetting anybody's buying criteria. They leave that up to the ads. They leave it up to the television commercials. They leave it up to *Car & Driver*. But I can tell you right now, if I own a car dealership, every salesperson I have would be a master at resetting the buying criteria. And when you walk in my car dealership, you are not leaving there ever to think any car would outperform the car that I sell. Because I'll find the ways to communicate that.

So let me give you an example. So I go down to the Cadillac dealership – no real intention to buy. I just thought I'd check them out. The guy opens up the hood. He says, "Have you heard about the North Star drive train?" I go, "No, I haven't." He said, "Well you see those platinum spark plugs?" I go, "Yeah." He says, "Well it cost us plenty, but they won't cost you a dime. Because this car won't need a tune up for 100,000 miles."

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“Really?!” “And you know, that Mercedes you’re looking at, you’ve got to have that thing tuned up. It cost \$3,000 every 30,000 miles, did you know that?” “Well no, I didn’t really know that.” And so – next thing I know... So this guy takes me through my buying criteria, and by the time I’m done, it’s BOOM! I drove out of there in that Cadillac. And that’s a whole ‘nother story, but – you know, “Second fastest luxury car in the world.” You can hear this guy pitching. He was *great!* He *totally* reset my buying criteria.

So what’s the buying criteria now? If I’m your customer, what is my current buying – or I’m your potential customer, what’s my current buying criteria and how can you change it - and in the process, by the way, make more money? Because if you can set up a buying criteria where you’re the only logical choice, you can take more money from your marketplace.

The carpet cleaning company is three, four times anybody else – well, at least in the ads. Well, he doesn’t advertise his price. But these other guys advertise these little Mickey Mouse prices that they have no intention of ever fulfilling. And he sells the price that he wants to get. And they call and get lower price and still come back to him, because it scared the hell out of them. They don’t want to go to anybody else. That’s a brilliant preemptive strategy, isn’t it?

So work it out. What are the five things that you should look for in blank – my kind of company, OK? Take two minutes and work that through.

OK. Let’s go deeper. What three things would you like your customer to say about your company – gain, this might get easier now because you might have some things written down that are going to make this a little easier. But if you want me to get other people to come to your company, what three things do you want me to say? OK? And again, we’re slicing it from every angle. Some of it may be duplicable over what you have, but each one is to stimulate more and more strategy...more and more objectives.

So what do you want me to say about you to another customer who I might want to send to you? What do you want the customers to say about your company when they turn to somebody else? Take 60 seconds.

OK, let’s keep going deeper here. I put restaurant and retail store up there just as two examples, but you know what makes the finest restaurants in the world? It’s the service. I went and I had an occasion where, remember I said the most popular? So I ran a magazine, and one of our strategic objectives, besides being all those other things that I’ve already said, was to be the most popular. And man, that bought us so much – you have *no* idea. It was just so easy to throw the best parties. And I’d take the best advertisers in our magazine to Spago at the annual trade show that was in Los Angeles. (So this is many years ago – twelve years ago.) And I took 18 people to Spago. So everybody – you know, there’s guys from Lincoln, Nebraska, and backwoods Oklahoma, and these are people who – they’re big companies that own - big software companies, but they don’t get to Spago very often. You can’t even get in there, and when you call and make reservations for 18 people a month in advance you can get it.

So I went in there, and sitting next to us at the table right next to us was Sidney Poitier...Carol Channing was over in the corner... you know, it was movie stars

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everywhere. So I bring these clients in this place, and we're having a great time. Wolfgang Puck comes over and shakes my hand. So he asked his maître d', or whoever, "Who's party is that?" He said, "That's Chet's. Chet Holmes, that guy right there." And he comes over – "Chet, lovely to see you again. Nice to see you again. How's it going? Is everything all right? I had some veg'tables (he doesn't say vegetables) veg'tables I had some made just for you. It's a little treat, just from me, OK? Thank you." Like this.

And I mean, these guys think, "He must come here all the time." I had never been there in my life! And I'm thinking, "Whoo! No wonder this place is full of movie stars!" And so what makes the finest restaurant? It's the service, OK? It's making every single person feel special. And if you have a favorite restaurant... See, I tend to work at having extra service at the restaurants because I do everything last minute... I'm flying in and out of towns... and so what I try to do is I try to create a special situation with the four or five finest restaurants in my area. And I teach them how to develop customers for life. And so, when I go into any of the restaurants in the area, and they say, "I'm sorry, you can't get in." And I say, "Well, this is Chet Holmes. Tell the owner Chet Holmes needs a table." And they get back from hold – "Right away, Mr. Holmes. Come on in." And I get a table right away. But that's because I deliberately cultivate a relationship with the owner.

Now it *should* be the other way around. Because what is a customer worth to you who's eating – me, I eat out three nights a week, four nights a week, OK, out of self-defense because my wife cannot cook. But what's that worth to you, if I'm spending a hundred bucks a week, I'm a \$5,000 a year customer, and if you're a popular restaurant in my Rolodex for three to five years, that's a \$25,000 - \$20,000 customer. Now if you, as a restaurant owner (just because I know we have one here) treat every single person like they are a potential \$20,000, not \$100 – how's that going to change how you treat them? Because every person that comes in there is like a \$20,000 customer, and so you need to greet them. The owner, the maître d' needs to stop by. You need to make them feel special. You need to ask them some personal questions. Because you can't bond with people if you're not asking personal questions. Now you wouldn't say, "Ever have any illegitimate children?" You're not going to ask those kinds of questions. But you know – "So, you live in the area? How long are you here? I thought I saw you guys with kids. Do you have kids?" Any time you get in deeper with people it's going to help you be more effective.

So tactical execution of the strategy, that's what that was. That's like, show you that your strategic objective is to bond, is to preempt, is to build customers for life, is to make them feel special, etc., etc. Tactical execution is – at the tactical level you need to be deploying all those strategies and maximizing.

So here's – write down the three highest compliments you would like to hear from each customer. So we probably covered that in the last workshop.

Features tell, benefits sell. Do you know the difference? If you're a sales warrior, you sure know the difference between features and benefits, right? But a lot of people don't. Because I'll say, "Well what's the main benefit - " If we actually cover, we ask you guys, "What are the main benefits you wrote down that you give to your customers?" And I asked you those benefits? I bet you a lot of them are features. Because here it says, "Largest landscape company." Is that a feature or benefit? That's a feature. "Smartest manufacturer representative." Feature or benefit? That's a feature.

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Until it's translated to something of value, it's a feature. "Most stylish architectural design firm." You know, until it's designed... OK, "The plaque company that gives the highest quality gifts and incentives for the lowest possible rates." So now we're getting more toward benefits, OK? "To make you successful" would be an even bigger benefit, OK?

So again, we need to start getting strategic – this is a killer exercise, man. This changes everything, especially for you guys in the mature businesses.

Develop the broadest possible view of your business, focusing on the ultimate benefit to your customer. This changes everything, guys – this one right here. This changes *everything* about how you execute at the tactical level, all right? You've all heard the story, but I'm going to drive it home like you've probably never heard it before.

So the railroad companies – in 1907 Henry Ford built the first truck, assembly line trucks. And they came off the assembly line – 700 of them in his first year – at like \$652 apiece or something. That's what it cost to buy a truck in 1907. That's the cost for a tire today, right? And at that time the railroad companies were the captains of industry. These were the monsters. These guys running these railroad companies, they had \$100 bills falling out of their pockets. They could have bought all – all 700 of those trucks. Wouldn't even have noticed it on the balance book.

But *they* thought they were in the railroad business. (You guys heard this before? Anybody not heard this analogy before? Well it's worth going over then.) The basic definition of their company is that they were in the railroad business. Now if they thought of themselves as the transportation business, then they should have bought those trucks, because what happened is, railroads could only go so far. And so when the trucks came out and the trucks could take them right to the door... Today, by the way, 85% of all transportation of goods in this country is done by truck. 85%. Trains, like 11% or 6%, I can't remember what the number is. But I know 85% is done by trucks because I had a trucking client. And when I have a client we go *so deep*, they learn from me about their own business. So it was so funny.

So the broadest possible view would have been to dominate all forms of transportation. And today Pennsylvania Railroad would own Ford or General Motors *and* United Airlines. But do you know where Pennsylvania Railroad – a captain of industry in 1915 – you know where they are today? They are bankrupt. They are gone. Now that's silly. So you guys, what's the broadest possible view – what is the ultimate benefit – to what it is that you provide? Let's give you some more examples, OK?

Sell suits. So you are George Zimmer of The Men's Warehouse. And I call him up, and I say, "I have an idea that will double your sales." He says (and I'm on tape, so you know this is true) he says, "There is no idea that would double my sales. If there was, I would have thought of it." And he followed that with, "I *guarantee* it." (No, I'm kidding. You guys from another country, you don't know who George Zimmer is, and Men's Warehouse.) But – and that's because their perception was that they sell suits.

Now if you sell suits, what do you need to know? You need to know what a suit looks like, this and that. But if you are a wardrobe consultant, well then you need to know more than just about the suits. You need to know what you should wear with what suits, what you shouldn't wear, etc., etc.

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Plus, if I think of myself as a wardrobe consultant, and Chris over here is my customer, then I'm going to take a much different interest in him than if I'm just trying to sell him suits, right? Because I'm a wardrobe consultant. I need to know what do you need suits for, Chris? When do you need to wear them? Under what kind of occasion? Who are you seeing? What do you got in your closet? Right? See how that changes everything? And yet, does that position put me in more control of Chris, or in less control than a guy just trying to sell a suit? Which one is going to get me a higher result with the customer? Which one is going to preempt my competition? You guys get what I'm saying here?

So what's the broadest possible view you can have of your company? Because then that changes how you're going to service them. It also changes the things you can add to your offer. Because if I'm a wardrobe consultant, boy, I might have all kinds of things that I would not have if I were just a suit salesman. I might have – in fact, let's take it a little further.

If I'm an image consultant. Now imagine that, that I've got in my Rolodex, and I'm talking to Jay, and I say to Jay...and he says, "Well, you know, for this event coming up." And I said to him, literally, I said, "How do we dress?" He said, "Just blue jeans." (Kidding) But I said, "How do we dress for this?" And he said to me, "Well, my image consultant says that..." And I go, "Image consultant? Well!" So imagine, I mean, that would be *so strategic*. Because now, think of the impression that that makes. Jay has an image consultant.

And what would it take, by the way, to be...the difference between selling suits and being a wardrobe consultant and an image consultant? Would it take a huge financial investment? No. It takes you reading that book, *Dress For Success*. It takes you to follow, or maybe hire a top public relations person about building images, and get the five rules to building the perfect image. And then when you come into my store, right, and you're going to buy a suit and I lay this rap on you – man, I *own* you! You don't want to go to anybody else if you can get the same suit as somebody else who's not going to do any of this, and I'm going to do all of this. Where are you going to go next time you want a suit? And, if I'm *really* slick at this, I'll have your wardrobe in my file. I will know what it is that you have.

So I got this idea because I read an article about the top suit salesman in the world who works at Nordstrom's. Sells a million dollars a year in suits. And he has a full profile on his clients. And he knows them so well, he's got their measurements. He doesn't just measure the length of their arm. He measures the width of it. So when you get a shirt from him it fits like you wouldn't believe. And he knows that I have a pinstripe, double-breasted blue suit in my closet, so he would never even offer me that. But when he gets in that new beige, summer, slick, cool four-button number that's coming out...he tailors it for me. He sends it to me in the mail. Two of them, \$2,000 each, a couple of shirts and ties to match – and 95% of them keep them. Because the guys he's catering to, they don't want to shop. They don't want to – so he knows this market.

So let's go a little deeper. "Lumber and hardware store," or "home improvement center"? Because when Home Depot first came out, everybody had a lumber and

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hardware store. Nobody had a home improvement center. They changed the face of those kinds of companies.

I told a story on that \$239 call which would be redundant to you people, about me deciding to build a fence because I had a – we have a really, 100-ft. wraparound porch in the back of the house, and when my kids were toddlers – and we have a pool right off the back porch – and so my wife didn't want them to fall in the pool. So she fenced in the whole thing and asked me to build a gate. And the stairs are like, that wide. So it's not some simple thing. And I'm not exactly Joe Handyman. It's not my thing. And so I go into the local lumber store, and I say, "I want to build a gate, and I was thinking that I'd just take beams and do it this way." And the guy says, "Hup –let me stop you right there. We don't give advice. Sorry sir, we don't give advice." And I go, "Oh, OK."

So I buy 2x4's – way too heavy to build a gate. So this is why, let me just tell you! I don't know what I'm doing! So I take one, and I hammer it in here, and it's all rickety. So I put another beam this way and I hammered that in, and then it's kind of getting a little... So I put one here, one here... Ended up with this thing that was like an eyesore! And it weighed 48 pounds. Nobody could open it but me. It served it's function for a short period of time.

Well, at Home Depot they will not only give you advice, they will sit down and draw you blueprints. So they define the ultimate strategic position for them as a much broader place. They help clients master home improvements. You can go take courses at Home Depot on plumbing... on adding on an add-on home to your house... on putting on your own roof... What does *that* do to a guy like me, who would *never* add on his own roof? It turns me into a customer that they're never going to lose to the roofing companies. They created better customers.

So now, let's go to you. What business are you in? What is the broadest possible sense? What could be the ultimate benefit from doing – the ultimate. Let's go broad, broad, broad. And again, I'm going to help you here so that you can get some deep perception. But what's your basic business that you think it is? What would be strategic? What would be the broadest possible view? I'll give you three minutes to think this one through.

And we can help you work it through. And I happen to be extremely comfortable in this particular setting, because this is what I've done for maybe 400 companies, and in every single case it just rocks their world. When you're setting up the buying criteria in your market, you just take market share every single time because your competition never bothers. You're nothing different than your competitors. Nobody is setting up the buying criteria in your market, so when you start to do it...when you start to say, "Well, I don't care whether you buy from us or from any one of the other 20, 30, 40, 50 companies that offer this. Let me just tell you what you look for. You should look for a company that does this. You should look for a company that does that. You should look for a product that has this. You should..." And half of that stuff should be scary.

So Madison Avenue used to call it your Unique Selling Proposition. *Mega-Marketing and Sales* says Ultimate Strategic Position. Now, market factors can change – and that's for the Jost, and Chris, guy over there. That's what's going to put you in the

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position to change the buying criteria in your market. What market information supports your strategic position. I'm going to give you lots of examples here.

Find the trends that motivate buyers. What market conditions support the need for your company? Because market conditions are way more motivational than product information. Understand? Product information only goes so far. But market information can really, really motivate. So what's going on with plastic surgeons right now that makes you way more important? You don't have to answer me. I want you to think about it. What's going on with people who need manufacturing that makes you a necessity? Not your product information – I'm talking about market conditions, and better if they're dangerous. What's going on in your industry or market that makes you way more important than you are if you only focus on yourself? And boy, watch this. I'm going to show you how we really brought this to life.

Find the trends and motivate buyers. Now, motivation comes from two factors: It comes from problems, and it comes from solutions. Which do you think is more motivational? Let me tell you something – *that* is the real motivation. This is like the killer, guys. If you don't get anything else from me, come away with this one. If you want to motivate purchasing – and this sounds sado-masochistic – put your buyers in pain. I'm teasing, but I learned this one from Tony Robbins. And basically, he teaches that pain is what really creates change.

Now instinctually, top producers do it anyway. They scare the hell out of their buyers by using market information. But market information can create real motivation. So what's going on in your world right now that is bad news, because it will create a stronger buying criteria on your behalf? (And I'm going to give you some examples.) But it's also pain pictures of their future.

So let me give you some examples, so I can really spell this out. All right, here we go. Killer examples, guys. Accountants – I had a client that sold reference materials for accountants. And basically, what that means is every accountant needs tax law data. So this is tax law data, and it's for accountants. And so the first problem that they had – the first tactical problem that they had – was that the structure of accounting practices has changed. This company's been around for 100 years. They do \$800 million in sales. This is not a little company.

And the first problem that they had was that they were no longer able to get to the managing partners and the top executives in the accounting firms because these guys are not seeing the book salesmen anymore. So it used to be that the book salesman would go in and sit down with the accountant, and boy, you could really explain it. Well now accounting practices have gotten so big they have a library, and the librarian's making decisions, and she's not an accountant. So their ability to sell was dramatically reduced – and again, that's a tactical problem. And these guys are pitching their butt off to some librarian who, after they've worked her over for an hour and a half, goes to the boss and in five minutes tries to give him a summary. You know what I'm talking about. If you guys sell to somebody who has to sell to somebody else, your dazzling 45-minute presentation gets reduced to five minutes when it goes to the boss.

OK, so the strategy we built was that we would put on a free orientation on the five most dangerous trends for tax attorneys and tax accountants today. And we would offer this to the managing partner, and then I used about five other strategies that I'm not

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going to get into now. But by the time we're done you'll completely understand how you can do this yourself. And so we got in to see managing partners of the largest accounting practices in the world, and the whole front section of this free orientation on the five most dangerous trends for accountants was pure bad news. It was horrible news! We found out that the amount of accountants was increasing at this radical rate, and yet the billings for accountants had leveled off like three years ago, and the accountants were still increasing at this radical rate. So any accountant looking at that could see.

Then we found out (which half the accountants that we presented to didn't even know this) that the IRS had changed tax laws so now if you make a mistake in your tax return and you get a fine, well now they also fine the accountant who signed his name at the bottom. Well that's pain. And then we showed them what the IRS standards for tax research was. They actually had a standard. No accountant that we ran into knew this. Again, this is all market information laying around. Here's an \$800 million company, makes its money with accountants, and they never did any research on their marketplace and didn't know any of this stuff.

So we go in there (I have to tell you this) and I, as part of my process with this client and helping them actually roll it out... Because that's what I'd learned from making the mistakes early in my career, that you've got to take people by the hand, and you've got to show them how you want it done, and then they'll actually be able to do it. Remember, 85% if we get involved. So I took some of the top producers, and I took them by the hand, and we went in. And I made the appointments and everything! And I got in there, and we presented this information. And this guy was mopping (we were like with the managing partner of a Price Waterhouse in Detroit. I can't remember which one of the big four it was. But it's one of the big four.) And this guy is mopping his forehead. And the salesman – I could feel him next to me – was like wrenching in his chair. He was trying to put a positive spin on every negative thing I was giving. Because he had felt so uncomfortable with me doing this. And you could see this guy, the prospect, mopping his forehead.

We get to the end, and the guy buys every single thing we had to sell. That program doubled the size of every order for every rep in that company who used that particular program. And we came out of there, and that sales guy says to me, "What was that? What happened in there? I've never had that happen, where you told this guy a half hour of bad news, and he bought every single thing I had to sell." Because when you put people in pain, they feel a need to take action – that's a fact. If you can show me bad news about my particular area, I feel a need to take action. Especially executives – they want to solve problems. They are trained. The better paid, the higher level executives make decisions like that. The one thing that makes a Fortune 500 company, the CEO stand out in the crowd – in fact, the number one trait they all had is they are very decisive.

And so, higher level executives are easier to sell *especially* if you put them in pain. You can show me ten pages of pain, and make me go, "Argh!" and feel uncomfortable, and then you show me the product. It might not even be related to the pain, and I'll go, "I'll take three!"

There's this group I use to do this research and they can find out anything. Anything. It's all about how you manipulate the data. The data needs to be completely

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real, legitimate, but the order in which you present it can make a powerful case for buying a lot more of your product.

But understand that what really motivates people to purchase is bad news. And so you need to do a little research.

All right, here's another one – doctors. So the client is Immuno Laboratories, open for joint ventures – so those of you who sell to doctors, you're going to love this. You will probably really appreciate what they do. What they do is they do –now this is a company – it took me – I interviewed four of their executives for six to four hours each, and now I'm going to explain it to you in two minutes. And it literally took me four guys, and them explaining this long, elaborate process for me to get it (snap!) like that.

What they very simply do, is they discovered after 23 years in business that 95% of us are allergic to common, everyday foods that we eat, but it's called a "stage two toxic reaction," or an "IGG reaction," an immuno-globulin something or other, OK? But what happens is, when you have a stage one toxic reaction, if you eat strawberries and you die, that's stage one. Some people know immediately that they have a toxic reaction to certain foods that they eat. I have a friend who would die from crab meat. He just eats crab meat, it's got some chemical in it. It just chemically reacts poorly with his body.

But stage two toxic reactions don't occur until the food breaks down and enters your bloodstream. And then one of two things happen: It either blends harmoniously with your body, or your antibodies attack the food as a toxin. And this can result in, they have found, 50 chronic conditions that they can relieve in three days. Arthritis, headaches – you get headaches? Always a food toxicity reaction. Irritable bowel syndrome – gone. I have a 13-year-old daughter, she's a straight-A student, star athlete, blah, blah, blah. She'd be in bed for a whole day with stomach cramps. So me, the kind of guy I am, I was like, "Oh, I want a cure!" So we take her to this specialist, and that specialist, and they do everything to her. And they tattoo her, and they scan her, and they give her every test in the world. It's irritable bowel syndrome. The doctor backed me up. When they don't know what it is, they call it irritable bowel syndrome, right? When there's nothing else wrong with you, it's called irritable bowel syndrome, when there's no reason in the world. Well I know now, for a fact (there's 200,000 case studies with this company, Immuno Labs) that it's food toxicity.

So 95% of them. They discovered 95% of the people they test have some food that's causing a toxic reaction in their body. Now how do they do that? It's so simple. Here you go. And this is like, I'm explaining to you in two minutes what took these guys four days to explain to me. They take these trays, they look like little contacts lenses, and they've got 115 of them. It's practically every food you could ever think of eating. Only 115 of them, but it makes up every food combination you could imagine. Then they take the blood and they put it into the little trays, and they look in a microscope and one of two things happen. The food and the blood blend harmoniously, or the antibodies attack the food.

So in one minute they can cure a condition you've had for 25 years. They cure over 50 chronic conditions, and if they can't they give you back your money, they are that sure. That came from Jay, taught them that. If you're so sure you can really cure a chronic condition, why don't you give them a money-back guarantee? They started doing that right away.

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So these guys, who do they sell to? Well, primarily they sell to doctors, although they had started a division. Because doctors, unfortunately, most medical doctors are not oriented toward alternative care and this would fall into that vein. The doctor wrote a prescription for my daughter for irritable bowel. They gave her a bigger stomach ache.

Most doctors are very much prone to writing prescriptions. In fact in this country you get 265,000,000 people. Do you know how many prescriptions we write a year? You'd think, if we write one for every person, that's 265,000,000 prescriptions. That'd be a lot of prescriptions, right? We write 2,000,000,000 prescriptions in this country every year. Why do I know that? Because we did some research on their market, and we found out every little damn thing that they've never even thought of, and we built an orientation that puts that doctor in pain. And right now, are doctors in pain? Now you don't rely on managed care, but if you did, would you be in pain?

And in fact, we found out that every single aspect of the medical profession is making more money except? Doctors. Because the hospitals are making more money. The administrative staff is making more money. The doctor staff is making more money. The HMOs are making more money. And they're squeezing the doctors. And the doctors' income has fallen in four years, from \$166,000 a year, annually, down to \$120,000 a year annually. In fact the average doctor now makes about as much per hour as a school teacher – per hour, because they work a lot more hours than most school teachers. They make \$40 an hour.

So you start showing this to a doctor, and the guy starts mopping his forehead. And we don't even know what we're selling yet, right? This has nothing to do with the product – I mean, not specifically, except that this, a doctor can add to his practice and if he tests just four patients a day he can add a quarter of a million dollars to his revenue without adding one extra dime of expense. Does that sound like a pretty good promise for a doctor? I built that whole sale program for them, and it's blowing the lid off this place. And he'd been around for 23 years and had – again, he didn't have salespeople, he didn't have any strategies going on. He grew purely by word of mouth. He wasn't deploying any marketing weapons, etc., etc.

So the point is that when we did the research on that market, and we found the pain that doctors were in – which I just spouted off four or five things to you – it was so motivational. It's completely changed. It used to be the doctor would call in. They'd get a little information on him. They'd send him some information, and for six months they were chasing the doctor. And maybe the doctor would test one patient. And then maybe the doctor would find, "Hey, that really worked – wow!" And then he'd test another patient when he got around to thinking about it.

Now the doctor calls in – again, what do we want to accomplish, all the strategies? It now goes like this: "I'm sorry doctor, but we don't accept just any doctor. We have rules and standards before we let you deploy our tests." Oh, well, you know, doctors have a big ego. Most of them have a strong sense of self. And so they immediately go, "OK, well what do I have to do to pass?" Well that really changes everything, if you've got to get in! It was so profound. It was literally like it completely changed it from waiting six months, chasing to get one...to getting them to test four people a day, because we're setting up the buying criteria for them in advance. OK, got it? Strategy vs. tactics.

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Lawyers, same thing. I mean, they have – there's no buyer that you have who doesn't have some problems. And if you point them out, you can get him to take action faster, better, smarter. And the more dangerous the problems, the bigger the problems, the more you'll motivate them to take action.

So, what about your buyers? What would scare them? What makes them feel very uncomfortable with their current position? What makes them feel like lost lambs? Or what makes them feel like they're not getting what it is they need, or...? And again, you might have to do some research on this. I'll give you some really great examples of that. But boy, it can just, like, set you on fire.

I want you to write down some questions you want to get answered. OK, we will e-mail this to anybody who wants it. This is a full research document for this company, Immuno Labs. So they hired me and Jay, and we did our whole strategic thing on them. And I put together their research request. And I have a killer researcher, by the way. Anything you want researched. \$50 an hour, she'll blow your doors off. You won't even believe it. I mean, you will not believe it. It's the same person we hired to go do the research on carpet cleaning and indoor air pollution.

This carpet company had no idea the APA actually studied the impact of carpet cleaning in your home. Do you believe that? And do you know what they found out? Your carpet is like a giant health filter in your home. It captures bacteria, dust, pollen, spores, flying radicals, particles – it's fantastic. But you know what? Every six months it gets completely saturated, and you've got to clean it with hot water extraction, because bacteria dies at a certain temperature, and you can't clean it yourself without the special machines that these guys have.

Well, you start educating that about a client. You say, "Do you know that you haven't had your carpet cleaned in three years – Whew! Oh my God, you have no idea what's living in that carpet! If I showed you under a microscope you'd be horrified." So "Yeah, well come on over right away." "As a matter of fact, we can set up to clean that carpet for you twice a year, no big deal. You can join our annual service and we'll clean it for you twice a year. Blah, blah, blah, blah." And now we're getting six times in a year, vs. once every three years. See what that did? Can you understand what that's doing to do the business? Now three out of ten people are signing up for the gold service. So every single month that he's in business he's assured that twelve months, or six months from now, he's going to have this huge pile of repeat business he wasn't going to get for three years, normally.

So let's be smart, guys. All right, so I just want to show you. I'm going to read this. I'm going to read you like, three or four bullets just to give you an example.

And so since this is somewhat alternative, they found out – are you ready for this? (Doctor, you're going to love this statistic.) 60% of all people have gone to alternative care, and that 73% of them will not even mention it to their medical doctor, because a medical doctor is so against alternative care that patients are not telling them. But this year, alternative care visits to alternative care specialists surpassed the medical visits to medical doctors by *37 million visits*. Now you start telling these kind of statistics to a doctor and he's feeling very motivated that he's missing something. Your patients

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are going to alternative care, and they're not even telling you about it. They don't want those drugs in their system.

Do you know that we accidentally – the pharmaceutical industry accidentally killed 133,000 people a year? More than breast cancer. The third largest killer or something in this country is the pharmaceutical companies – or the doctors, whichever one you want to blame. Now that's as if six jumbo jets a day were crashing. Would you guys have flown here if that were happening? But you go to your doctor every damn day and let him write you a prescription! So you see how powerful that is, now? I just disempowered every medical doctor you've ever known! See, that's just data. I'm just showing you how powerful data can be when used in the right hands.

All right, so it's what we call arouse – you want to find things that arouse. Oh, OK, great example. That calendar company – their strategy was to go after these little gift stores...the little gift stores. Now there were at the time maybe 18,000 big stores – like Wal-Marts of the world. Wal-Marts, Kmarts, Targets – all those guys, there are like 18,000 of them. And there were 25,000 small gift stores. So they were like, their brilliant strategy was to go after the 25,000 small gift stores. So we went to do research to put the gift stores in pain so they would take more motivation to take those calendars, right? We found out 15 years ago, there were 96,000 of these gift stores, and now there's only 25,000 of them. You know why? Wal-Marts and Kmarts, eating them for breakfast in every city in America. So they saw that, and they immediately changed their strategy. And that's what I call a Wow!

When you're looking at research over a 10, or 15, or a 20-year period all of a sudden you come up with these statistics that you'd never get unless you did that. So if you look at plastic surgeons over the last fifteen years...or you look at manufacturing... or you look at what's going on with lawsuits over cars... or you look at – What are the pain points in your particular industry that you can just take a look at, and you're going to get these Wows! It's why I say, you should start all orientations. Remember I talked about your core story? I put you in front of that audience now, and you've thought through every strategic thing you want to achieve...every preemptive move you want to make... how you're going to build brand loyalty... how you're going to disempower all of your competition... how you're going to use data to motivate them to take action now, today – not five years from now – not when the fence has fallen down, but right now because there's some information about that, about kids drowning in yards with pools that don't have fences. I don't know, I'm making stuff up. But I'll tell you, if you got me today and you wanted to find a way to motivate more people to buy more fences and more swimming pools, I'll find data that will enable you to do that.

So there's Wows...and this is what I call the “smoking gun.” And if you get a good researcher, you can put her on the research and they'll find that smoking gun. Anybody know what that means? It's a legal terminology, when they find that one thing that just – Phew! That proves your point. That makes your case.

OK, so they hire us, and we send a researcher into the field. Let me just read you a couple bullets, so it gives you an idea. “We want an overview on chronic health problems, i.e., headaches, sinus problems, skin conditions, arthritis,” and it says in parentheses, “Immuno to supply a specific list.” Because they have over 50 chronic conditions they can cure. “See an article from me that appeared in *JAMA* 1996 that showed that ¾ of all health care dollars in the United States are spent on chronic

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conditions that were actually not cured, and we're just masking with drugs. How much money is spent in these areas, but on consumer end, and also on a global basis." For example, "People with migraine headaches will spend an average of \$4800 over their lifetime." Also, what things of psychological impact have people with migraine headaches? For example, that some people even consider suicide because they have migraine headaches.

Again, this is looking for statistics that when you're presenting this even to the consumer – because these guys are now going to go to do an infomercial. And they'll be on there, "Ever had a migraine headache? There are 45 million Americans suffer from irritable bowel syndrome." (Which is true, by the way, and we were amazed.)

So we got the data back, and it just totally gave them this position of strength and authority that so dwarfs their competition. So what about your market? What are the data – let's hear your outline. What do you want to know? What do you want to prove? Let's take a few minutes right now, and have you write down some questions you want to know. And again, we're going to get you to work on all this, and we're going to help you. What is it that *you* would like to know? Or what pain do you think already – you might already know some pain points that would motivate your buyers with greater speed and agility. OK? For you, Mark, with the voice mail thing, what's going on in the telecom world that would make them want to use you above all else? Or would scare them about using somebody else? Or what kinds of problems are – in other words, if I'm missing 14 calls a week, and that is costing the average salesman \$750,000 a year, isn't that worth \$15 for that special voice mail that hunts me down? In other words, what's the data points that are going to affect your buyers?

Immuno Labs could always test for chronic conditions, but when you start showing that we're spending \$700 billion on it, well if I'm a doctor that's a big draw card. That's where we found that database for people with chronic conditions – he found it.

By the way, it's remarkably effective with weight loss. People who have never been able to lose weight can take this thing. They have 30 food allergies. They can eat all they want. They remove the allergies from their system, and drop weight like crazy – lose a pound a day. 40% of their business at one point came from weight loss clinics, because once you find these guys and they can take that weight off, it's amazing.

Jay just told me I'm killing us on time, so let me – OK, this is just another example, but it's a great example because if I gave you all their problems you'd think there was *no way* that they could solve them. So let's do like a minute on this one. This is *California Lawyer Magazine*, and the Unique Selling Proposition that they had prior to me getting involved was, "largest circulating publication to lawyers in California." The weakness is that it's a regional publication, so if I'm IBM, I buy first national – this is a good lesson for you, anyway – there's national, and then there's vertical. National is *Business Week*, and *Business Week* may reach doctors, lawyers, apple pickers to zoo keepers – A to Z. It reaches all kinds of business people.

But if I have specific applications, I can go into magazines that just reach doctors, or go into magazines that just reach lawyers. And if there's some smart sales rep in your face saying, "Hey, you know lawyers are the largest daily producers of words" and you're IBM, or you're Xerox, or you're Cannon Copiers and you know that lawyers

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are using more copiers and computers than any other business or profession – well that’s a good market. But you wouldn’t go in a regional magazine from one state. Why? Then you have to go to all 50 states. You go to *New York Lawyer*, and you go to *Winnipeg Lawyer*, and – You can’t buy it that way. So they buy the *American Bar Association Journal* which gives a blanket of the profession. So they buy nationally. First they have to want to come into the marketplace, and then they just buy nationally.

So again, from a strategic standpoint, a large company has an interest in the legal market and it’s vertical, it doesn’t matter what their Unique Selling Proposition is. Get it? OK? So an ultimate strategic position is that we positioned it as, “This is the success to the legal market. You cannot succeed in the legal market unless you’re in this particular magazine. Why? Well…” OK. So that was another part of it.

The average state has 18,000 lawyers. California has 143,000 attorneys. That was six years ago. It’s 165,000 attorneys now. That’s out of control for those of us who live here, right? But also, more precedent-setting law comes out of California than any other state. It is the – *all* the advanced techniques in law come out of this state. This is the state that sets the trends up for the whole rest of the country, unfortunately. Palimony came out of here. Right on red, which is now in every state in the country… it was in California ten years before it hit any other state. New York, we were like, “What? You can go right on red? Ooh!” It felt like you couldn’t do that. OK, you still can’t do it in New York City.

But what we did is we offered free executive committee orientations on how to succeed in the legal market. So we called up senior executives at the largest technology companies and said, “Hey, have you guys thought about the legal market?” “Well, no we haven’t.” “Well you know that it actually is the largest producers of data - blah, blah, blah.” So we get in there, and we do this whole orientation. And part of it was teaching them that you could experiment in the legal market and see if it was going to be a good market for you just by going in one magazine, and then you end up leading the field anyway if you’re in that. So we went from being the last buy to being the first buy. And we went from the results… it says… oh, it doesn’t show the results. Maybe it does. OK, well these are just more examples.

Again, I can take you through strategy, strategy, strategy. From a tactical standpoint this magazine would have never been number one. It had been #15 in the market of 45 publications, but the first three were the only ones that counted. And it went from #15 to #1 in 15 months – oh, actually I do tell that story later. OK.

So that’s another one. There’s 346,000 accountants. This was a magazine with only 46,000 circulation, so everybody else went in the *AICPA Journal*, which basically reached 340,000. Then we did some research on the market and we found out that basically there’s only – unless you count some of the practitioners, there are only 26,000 firms worth of beans, and you’re paying in another magazine for that huge circulation to reach 340,000 accountants who have no decision-making authority anyway. Meaning that in Price Waterhouse there are six guys who make the decisions there, and don’t you want to be reaching them? So anyway, I won’t go into this.

So, these are examples of now taking your ultimate strategic position and boiling it down to a statement that resets the buying criteria. So you’ve all seen the video, right? This is – there are industry trends that you can create and discover once you’ve…OK.

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So pizza delivered in 30 minutes or you pay less – remember that? Back in the time when – now we accept that everybody delivers pizza. When I was a kid growing up, nobody delivered pizza. You called the pizza place and you went down and got it. So these guys came along and they changed the buying criteria. The buying criteria was you ordered pizza, and basically you wanted to get it from the place that was closest to you, because you don't want to drive 45 minutes even if the pizza was great. You want to go down and pick it up and have it home and be eating pizza within ten minutes. Well so, they came up with that slogan, "Pizza delivered in 30 minutes or it's free" was the original slogan. Do you know what that was worth to them? \$9 billion a year, shifting the buying criteria on pizza. Because if we were all sitting around trying to make that decision, we'd go, "Well, what can we do that would franchise pizza?" Well they came up with the one thing, and they just changed the buying criteria of the market.

So what is it that you can shift about your buying criteria? How can you change it, where somebody here goes, "Oh, cool. I never thought of that as being important," but the minute you say it they know it is. "When it absolutely, positively has to be there overnight." Who can remember when it didn't absolutely, positively have to be there overnight?

Or who can remember when you couldn't even get a fax machine? You know why we all have fax machines now, which are becoming obsolete with e-mail? But fax machines used to be that you had to have a Sony fax machine if you wanted to get a fax from somebody else who had a Sony fax machine. You had to have the Xerox fax machine if you wanted to get a Xerox fax. And then some guy stood up with a vision at the annual Fax Machine Association – national thing – and said, "You guys are stupid. Because you want each one of you to have a different format, and you're trying to use that as your marketing dominating strategy, but if we all use the same format I bet we sell a million faxes next year." So they all switched to the same format. They bought this guy's rap, and they sold, like, 10 million faxes in the first year. And so faxes became like we all accepted them. But I can remember when you couldn't use a fax. It was impractical, so almost nobody had them because you could only fax to somebody else who had the same format as you.

So how can you change the buying criteria in your market, where you become the logical choice? Let me tell you, it's never impossible. I don't care what your challenge is, or what your situation is, we can set up a buying criteria for you where you become the logical choice – where you take market share. Where it actually deals with all the problems that you're having. Gives you access to the buyers you can't get to.

So now, once you develop that strategic position you want to reduce it to a slogan. A slogan should describe the products or service, OK? Unless the name of the company does. So if the name of your company is Joe's Paint Store, you don't need to say "the paint store that..." So the slogan – here's some rules. Write these down. The slogan should describe the product or service unless your name does. So if you're called, what was your fence and swimming pool company? Bower's Fence and Swimming Pool? Then your slogan doesn't need to say, "the fence and swimming pool company that..." because we see it in your name. The slogan always goes where the name is. Anytime you see that name, that slogan is with it.

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It should contain a benefit. “The swimming pool/fence company that what?” What’s the benefit? And again, you’ve been working on this for about a half an hour, 45 minutes, so you should be easily able to come up with the benefits. And it’s OK if there’s several.

Now again, I’m going to take you back in time. It’s 1970. You’re tired, you’re achey, you’re sniffling. You have a stuffy head. You have a fever and you want to rest. Do you know what medicine you took then? No, you didn’t take Nyquil, because it didn’t exist. You took Contac, you took Vics Formula 44 – you took like five things. And somebody came up with that idea: The nighttime, achey, stuffy head, fever, sniffling, sneezing, stuffy head, fever so you can rest medicine, and that is worth \$1 billion a year.

So set up a buying criteria for me, please! Tell me “The blank, blank, blank, blank, blank, blank, blank Company. When you absolutely have to be there overnight,” OK? Give me a buying criteria in one sentence – and it can be a long sentence. Start off with it, just – The slogan for Immuno Labs came up with “Foggy brain, problem with weight gain, neck in pain, stomach pains...” It’s like it all rhymed. He took it... And it’s really a cool slogan.

But so it should contain a benefit. It should contain some kind of obvious benefit. It should position your company above your competitors. All this work you’ve been doing, OK?

Ideally a slogan should set up a buying criteria in which your product or service is the most logical choice. And there’s these two again. They both set up a buying criteria where they took the market share. They became the logical choice.

So why don’t you, right now – and again, you’re going to share this with everybody else. And Jay and I just discussed it, and since we’re so late in the day we’re going to work you guys over for the last hour and a half of the day. We’re just going to work on all this stuff, and interface with you, and work with you and get deeper. But why don’t you right now – I’m going to give you two minutes to write your slogan following these four rules, and then we’re going to help you polish it, even though it could be radically improved if you did a little research and found out what the pain is in your market.

Let’s go to the next killer concept, guys. Again, this is all – this is the last – we’re going to address strategy for the next four solid days, but remember what I promised: We’re going to be drilling down, and drilling down, and drilling down. And you’re going to come out of here with promo pieces, ads, brochures, direct mail letters...you’re going to come out with finished – maybe not finished, but really close to finished product, OK? And you’re going to get my help and Jay’s help all along the way.

Here’s another very strategic killer concept. It’s called “superior access vehicle.” An approach that gives you superior access to your accounts. So in other words, it’s like, how do you make the sale in easier steps? What’s easier to sell than what you sell, but would lead to making a bigger sale? Because again, I’m just trying to be very strategic now, and I’ll use Ruddy and Rhonda here. And you want to get in to see hospitals and clinics and doctors of the guy selling to the health clinics, right? You want to get in to see these guys? You want to have an excuse to get in to see them? You have something

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that's called "the five most dangerous trends in X today" that you really need to take a look at. That's easier to sell. The dangerous trends I want to know about...the five...(was it Jean? Dr. Jean Thompson, is that you?) The five most dangerous trends for your soul today. A free orientation on how to live a happier, healthier life.

That's easy to sell. It's not free though, right? It says – a better question – what's free and easier to sell? As Jay said, somebody's got to pay for it. So it's not free. It's sponsored by...by you. But what gives you superior access? What will give you superior access to your group? So we used it for *The California Lawyer*, *The Practical Accountant*, the calendar company, it'd be great for our architectural firm, we certainly use them with the food toxicity. This is a killer, guys. This gave me superior access in about 20 different industries as a newsletter that we want to participate in.

Again, for you who sell business to business, this is killer. I don't know how appropriate it is for consumers - *unless* you're going out to those high end consumers. Who's the guy in Canada that sells \$15,000 things? To call up to get people's – "Hi, I'm with the audio guide. It's a high-tech guide that goes out to people in the Toronto area, and we're doing an article on audio systems and we would like to just interview people in your neighborhood. Would you mind participating? We'll be happy to give you a copy of the newsletter for free."

We took it – for *California Lawyer*, we built like, 15 different superior access vehicles, and man, that was the most powerful of all is that we called up – and we just deployed this ourselves. We're doing a joint venture with Jay Levinson, the guy that wrote all the *Guerilla Marketing* books. And it's me, Jay, and Jay, and we're doing what we call Live Research Laboratories where we'll get – and this is available to any one of you, by the way. If you have an affinity, a strong affinity with a specific group, we'll do a mass teleconference for that group. So we've got a fellow who sells the financial planners, and Jay and I are now – in fact on Monday, we're leading a mass teleconference with 300 financial planners who will get on the phone to get very specific industry information about building a financial planner practice. So it's a really cool thing, and it lends itself – They're going to get, between Jay and I, in a month with the research and the strategic positioning, and all the work we had to do behind the scenes, I don't know - \$70,000, \$80,000 worth of work. But you know what the average financial planner pays to be on that call? \$300. So for some financial planner in Sheboygan, Michigan, he can be on that phone call for only \$300, get Jay Abraham, Chet Holmes and Jay Levinson giving him advice on how to build his business, and that's some high-powered talent for only \$300. And he doesn't even have to travel. He just gets on the phone. So it's a really cool thing. Jay's total design – beautiful. It's one of his non-linear things, because this is killer, killer, working like crazy.

So we put a sales person into the field to try and get associations together to do that with associations. And we put them in the field to try and go after franchise, right? So we're in play with people like Meineke Muffler for their 900 franchisees. You get them on the phone, and they get Jay Abraham, Jay Levinson and Chet Holmes helping them build up their franchises. It's a really cool idea, right? So he came up with that one, and it was like, "Wow, where does he get these?"

And so in order for him to have superior access, Jay Levinson writes a column that is read by 8 million small business owners a week. So Jay said, "Yeah, well let's do some surveys with some of these associations." And BOOM! Our guy's now getting

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through on every single one. We're doing a little bit of an interview, and in the process somewhere in that interview, if it seems appropriate, and if it's doing really well – which one of the goals of the interview is to get deep with the prospect – we say something like, “You know, I might have something that might be of interest to you. I mean, we've got this other program. It's great, the interview and all...” You see what I'm saying?

It's what we call “superior access vehicle.” It gives him superior access without him having to work his butt off by calling 8.4 times. Remember? The average appointment takes 8.4 attempts. What can you do that will get you right through to your potential buyer in one attempt? What is it? So if you're selling B to B, and you've got some newsletter – I'm just throwing this out. It's a killer. If you're selling B to B and you publish a newsletter on your industry, it may only go to 300 people, but guess who those 300 people are? They are your Dream 300 clients. And you put their picture on the front cover of that newsletter. And now everybody in their industry is getting their thing, and hearing their views, and this and that.

So we built a publication for the advertisers of *California Lawyer* and put it out. And it only went to 2,000 advertisers, but it had the front – the first issue had 16 of the top people in the industry on the front cover. We put their pictures right on the front cover. And then it went out there. So it had that feel – “This is pretty slick.” It looked like a magazine, you know. You get it – “The industry speaks out.” And then our salespeople went around and interviewed all the top executives in the market. These are guys we couldn't even get to. But now we're interviewing them. And we're saying, “Hey, you know, I'm going to be in your area.” And then we're having lunch with them. Superior access. The next thing you know, the magazine (remember, I said) went from #15 to #1 in 15 months.

So what can you do that will give you superior access? Here's some more suggestions. Free audio tape that teaches you how to succeed.

Furniture Fan, another client Jay and I have. It's the largest search furniture site on the Web. Go in and type in furniture – you'll go right to Furniture Fan. It's the #1 site on the Web. And this guy (I'll spare you the whole big thing, because we really rocked his world with this strategy, and this and that) But basically, he makes his money from the furniture stores. Because when you go in there and you find a living room set that you like, he's going to send you to the local furniture store in your area that carries that furniture. So he wants that local furniture store to pay him for that connection. And he's been having a terrible time, because the furniture stores are like, “Ooh, the Web. Oooh, the Internet.” They just think it's this thing. So Jay's suggestion – he said, “Well why don't we interview...why don't I, Jay, interview you, Mitch (and Mitch is the CEO of the company) and we'll put some killer title on it, and we'll send it out to every furniture store.” So it's like “The Five Biggest Challenges Facing Furniture Stores Today.” And so he took this tape, and he sent it out with a killer title on it, right?

Any of you could do this, now. “The Five Greatest Challenges.” You get your research down to five greatest challenges facing any industry that every one of your – and send it out to your prospects. Or an infomercial if you're selling business to consumer. If you're selling business to consumers, infomercials are very popular. And they're cheap. Let me tell you, buying advertising now, you could be on... Because they can segment it. So you can look like a big celebrity, and yet you're only running in one neighborhood and it's costing you \$40 a spot, or \$12 a spot. In Marin County where I

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live in one of the most expensive real estate in the world, right? Number one, or two – and it is – for \$1,000 you can be on 80 times in one week. Just in Marin. Just in my little county. My “little county,” where every house is \$1million plus. So if you have an expensive, high-end product you can go on cable television – it’s very, very inexpensive now – and again, offer some free educational thing, or whatever.

So – and I mention Immuno Lab because this is an even better idea, another – again, Jay’s out-of-the-box thinking. We interviewed 30 of their top-producing doctors who were doing this testing, the blood testing, the food allergy toxicity testing. And Jay said, “Well why don’t we get the guys who are using this test like crazy, and I’ll interview them – and Chet and I will interview them?” And so we took the CEO of that company. He did a promo piece and sent them out, you know, “Highest paid marketing consultant in the world is going to teach you how to build your practice.” And so we get 40 of his doctors (and he’s got 1200 or something, but there’s how many doctors are in this country? 750,000. Did he know that before we came along? *No*. Now he does, because a little market research becomes a very powerful weapon when you do it. 750,000 doctors in this country.)

He went out and so we interviewed them, and we got 40 doctors on the call. And then we interfaced with them and asked them what they were doing, how it was working, blah, blah, blah, blah – plus on the call, I endorsed the product as a personal experience from my daughter. My son had migraine headaches. Myself, by the way - I took the test just for the hell of it. 26 food allergies. I couldn’t believe it. It was like, amazing. I removed them from my life, and I can’t even tell. He said, “Feel ten years younger.” That’s what happened. It was amazing when I stopped bombarding my system with food toxins.

And so then, now that tape is called “40 Doctors and Two of the World’s Most Renown Business Growth Experts Talk About Helping Professions Build Revenues in the 90’s.” Now if you’re a doctor and you get that tape for free...and how much does it cost to send a tape? Anybody know? A dollar! You get that tape for free...are you going to listen to that? Here are 40 doctors, talk about how they’re beating managed care with some of the world’s renowned business growth experts.

So now he’s sending out these tapes, and doctors are calling in and signing up instead of what it used to be. Remember, I described it – a six-month process, and cajoling the doctor... And then they’re saying they might not even take them when they call up. “We have standards.”

So what can you do, guys? What’s going to give you superior access to your list that’s inexpensive? Information is the cheapest thing today. And if you do the research, they will come. If you build it, they will come. So what can you look into that gives you information that disempowers your competition, empowers you, and puts you in a position of authority where you start to take market share? What could you sell that would be easier than what you actually sell? Selling a free seminar is easy. Selling a \$150,000 die cast mold – that’s expensive. That’s hard to sell. Selling me to come to your Hawaii thing might be very expensive, but selling me a free sponsored evening on inexpensive ways to travel the world – that might be real easy. You can get 500 people to come to that.

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We have a client that has a singles program. And when they stopped trying to sell the singles program and started selling the *free* night mixer for singles, they started getting all these people coming. And then they reset their buying criteria in the thing. And it just radically improved their ability to sell.

Well, I think we're done here. Summary: Look at the current buying criteria and see if you can shift the buying criteria in your favor. What market factors will make your product seem more important? Product information, market information – market information's way more motivational. Remember that. Can you deliver your story in some educational format? Can you offer additional services that make your customer more successful? (Because that will make you more successful.) Can you crystallize your new buying criteria into a slogan? The next module will show you why slogan is absolutely critical in today's market. What philosophies do you have about your business? Write a mission statement that focuses on growing your business by serving the customers.