

Jaime: Welcome Eventual Millionaire, I'm Jaime Masters and I'm so excited to have my very good friend back on the show, it's Billy Murphy from Forever Jobless and it's hilarious because we're only 30 minutes away but we decided to do Skype. Anyway, thanks so much for coming on the show today, Billy.

Billy: Thanks for having me.

Jaime: What we really want to dive into because I don't talk about this very much on my show at all anymore, it's the beginning process. Anybody right now that doesn't have a business, this show is for you because Billy is the master at that. What I'm hoping to do during this interview is to have you tell us all your secrets. Your secret sauce and everything for what you do for somebody to start a business because you do it in a math oriented way that I don't think most people do. Can you start with an overview of how you do this a little bit differently than everybody else?

Billy: Yeah, I think a lot of other people start businesses backwards. I think they look at how to market something and they look at what other people are doing. A lot of times I tell people, look for a gap in the market and most people, they see someone doing something successfully and instead of seeing how they can improve upon that or do something different or take the way they succeeded in one market and take it to a different market, most people try and copy that model or copy the marketing tactics. That's why so many businesses fail. They say 80, 90, 95% of business fail, it's because everybody is going about things the same way in terms of what they're selling and how they're selling it. Which, they're going to fail the majority of the time. When I go through helping people start businesses or when I look at starting a business myself, the first thing I do is there's a four step process I go through but even before the four steps, I want to know what is the end goal. What am I actually trying to accomplish?

[00:18:30] There's a concept I've talked about on Forever Jobless which is the dream life. What is your dream scenario? What is your dream situation that would come out of starting a business in this scenario? Most people are in situations that they don't think about the end goal. What happens is they either work too long on the wrong thing where it can never hit their goals, even if they're progressing, they're stuck in a hamster wheel. Even if they're in a business, they're working hard in a business that's never going to make the money they need to hit their dream life. Then the flip side scenario, you've got people that are very successful in their business but they've already succeeded past their dream life and they're constantly working too hard and basically working on things they don't need to be. They could already be living their dream life. Essentially the goal is what is the number that you would need to make on your business to make it successful for you so you have a target to shoot for? Basically, the goal is to go through the four step process and the four steps are-

Jaime: Wait, wait. I want to slow down because I have questions on this part so far. I have questions on the nicheing and I have questions on the dream life. When we're talking about the nicheing or finding that gap, people have heard, "Okay, we need to find a gap. Awesome". The thing is is they're also told that they should do what has worked before

instead of necessarily reinventing the wheel, so where is the line in doing that?

Billy: Doing what's worked before is great but people get their variables confused. In other words, if you take someone that's been successful in a certain business, you can do what's worked but that doesn't mean do the same exact offering. In other words, if you see someone succeeding at business XYZ, some service or product, most people would look at that and say "Well, I'm going to do what's worked. I'm going to do the same, exact thing as them". When I think about gaps, the gap has already been filled so they filled that gap, the gap no longer exists so where it was a great opportunity before, they've filled that gap and offered to the market what the market was looking for. If you try to do the same exact thing, what's going to happen is this guy already offers it and they're the best in the market. You coming into the market and saying "I'll offer that too" it's not a very good proposition. Basically, no one needs that product or service anymore, the guy who got known for that, they're the one that filled the gap. The first step of the process is is what you're thinking about offering better than what already currently exists in the market? That's the first step.

Jaime: I want to say something too though because for anybody that already has a business that's listening, me and you have talked about this in general, even on the stuff that I'm doing. When I first started an interview show, there really not that many interview shows and now it's ridiculous. The market can change while you're in it also so we've been talking about where the gap is that I can move into a little bit better because things change. Anybody that's listening that does have a business, think about what he's saying right now for your specific business and the evolutionary process that it's been in too because I think this is important.

Billy: Totally because it still applies, right? A lot of people that run into the situation where their business stagnates or the business starts going down. If you still ask the first question, are you the best at what you're doing in your market? Most of those people, I guarantee you, the answer is no and not intentionally. They might've been, at some point, but somebody much larger, much-

Jaime: Darn it, that John Lee Dumas and his interview show, he's times ten how many interviews.

Billy: The podcast market is a perfect example because people here would understand that market and it's a great example because if you look at all the people who went into podcasting because they saw other people succeeding at it, that's why literally 99.9% of podcasts fail is because they said "These people are making a lot of money, I want to do that too" and they could not check off the first box which was are you offering something better.

Jaime: I'm laughing about restaurants on fire and dentists on fire. I literally saw every single, I was like "We could at least have a different name people, come on". I'm not saying anything bad about them but you know what I mean.

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Billy: The goal would've been to take, okay, this gap existed. Why did the people in podcasting succeed? You came out with one of the initial entrepreneur video interview shows, that was a gap in the market. John Lee Dumas came out with one of the first ever daily entrepreneur shows, those were gaps in the market that people wanted to listen to more shows, for example. Everybody that came in after and said "I'm going to do the same after it got popular", I would get a dozen emails a week with the same pitch, the same everything. There's no gap being filled, there's no ... The upside to being on shows like that was maybe they have a large audience, for example, so guests would go on those shows. If you think deeper about it, okay, well why would someone go on the next shows if they're very tiny shows, there's no audience? All of a sudden, they forgot the value proposition. There's no audience, there's no people listening, it's tougher, they didn't think at all about like "How am I offering extra value to the market? How am I being better than what already exists in the market?"

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[00:23:30] If you look at any failed business, 99% of the time, they couldn't answer that, they didn't know they weren't answering it before they started if they asked themselves is this better than what currently exists in the market? I don't necessarily mean, it doesn't have to be the number one podcast show in the world or number one business or service or product but for whatever the gap you're trying to fill is, it should be better than what exists. For example, you and I have talked about gaps in the market, there's tons of them, but unless someone went down and said what is the gap I'm trying to fill, where can I be better than anybody that currently exists in the market? They're going to have a tough time. That moves into step two which is marketing because if you look at marketing, where a lot of people start, which is the wrong step to start on. If you start on marketing and you forget step one, marketing becomes really hard. For example, if I went into a business and said I need to devise this crazy marketing plan but I hadn't solved step one, I'm going to have to spend all my life on marketing because I don't have anything worth marketing. In other words, if I'm the seventh best business in a space, marketing is going to be really hard because I'm trying to market despite six people being better than me.

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Jaime: How do you know you're the best? How do you know that you're seventh though? You know what I mean?

Billy: It's hard sometimes. Step three is due diligence, step three is basically where you look even more in depth into who's the competitors in the market, what are they doing, what would I be doing differently than what they're doing? What are the results from the marketing efforts they're getting from feedback from customers. Who's complaining in the market? A lot of times if you see complaints in the market, in any feedback in general, it's business opportunities presenting themselves. In other words, if you look at online forums or Amazon reviews or you name it, places where you can see what customers are saying, all I see is business opportunities. For example, people are complaining about this product is bad because of X, Y, or Z. You see the same complaint a couple of times, the gap is obvious a lot of times, then you take that and say "Okay, is anybody else solving this problem?" and you probably have a business idea pretty easily looking at products that ... Go look at a three star review to an Amazon product that's still making a lot of sales. I guarantee you, there's a business opportunity somewhere, if

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someone's not already going to fill it.

[00:26:00] I think a lot of times that people think they overvalue what their ideas, they get too attached to their idea, "I have a great business idea". They look at the positives of it, look at what these guys in podcasting are making or look at these guys with this physical product, with this service. They say "Well, I'm going to do the same thing and they're making a million dollars then I can at least make \$100,000". That's the way they think and it's totally backwards because if there's no gap, it doesn't matter what somebody else is making if you're not actually filling a gap, it's going to be really hard, then you better be an expert marketer.

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Jaime: Yeah, a lot more money or a lot more time or a lot more something into and people don't understand that. Then they get into it and then they're like "Why is this so hard? It seems like it would be easy for that guy".

Billy: The hardest marketing for me and anybody else will always be when you have optimally solved step one. In other words, I've had situations too where I'll launch a product or service and the marketing is simple. It's because I've solved it in a good enough way and gotten it in front of my audience. Step two is, can you get it in front of your audience where step two, the marketing step, becomes more complex when you haven't served it because even if you get it in front of the audience, if you got it in front of your ideal audience and the value wasn't there, it doesn't matter that you got it in front of your ideal audience, right? If you offered something so absurd that they had to sign up, it doesn't matter if you're the 100th competitor in the market, if your offer is better than everybody else's, you win. A lot of people say "Oh, this market's so crowded". I always say, it doesn't matter how crowded a market it is, it's whose offering is better. If you come in way later than everyone else but your offer's significantly better, you win even though you're last in the game.

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Jaime: This is what I tell my clients, we want it to be a no brainer, we want people to go "Oh my gosh, I need to have this". This is why I feel like we're both good friends with Noah, I feel like [Appsimo 00:27:54] and all of those things do that so well. They're like "Oh, by the way, here's the deal" and everyone's like "I don't care, I'm buying it anyway" because it seems like such a no brainer. Even though they sell that same product in other places, they're like "It's a better whatever it is" because it includes more or whatever the thing is and that's the same freaking product and yet they package it a little bit differently and it becomes way more valuable and it becomes now a no brainer instead.

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Billy: Totally. I'll give you an example, when I was in the poker space, you know, I played poker professionally for years and there was a company that had a poker training company. I launched one later but this company was out for a long time, they offered poker training. Poker training in itself was great, right? But they offered something so absurd that you had to sign up for it. Obviously you get a lot of poker training companies, they offer training, some are better than others and people sign up, right? These people offered money on top of playing that we're going to train you for free, so it doesn't cost anything and we're going to give you our money to play so you don't have any risk, right? When you think about that offer, it's so absurd that anybody who

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[00:29:00] doesn't want the risk, doesn't know how to play, they're going to take that offer. The first question anybody's going to ask is how is that even possible, right?

Jaime: They start going scam-y, that's the \$1 thing where they get your credit card and then they charge you, you know what I mean?

Billy: Right, and it's nothing like that. The way they did it, this is one of the greatest examples of offering such ridiculous value that nobody can really compete with you. The value of a customer to a poker room was worth significantly more than the initial money they gave a player to play. In other words, they got paid on the back end for the poker room, they knew the value of a customer so when they gave away \$50, they weren't giving away \$50, they were getting \$100 and giving away \$50 of it to a customer and the only reason they were training them for free was to increase the value of the customer on the back end of them. In other words, a customer that's normally worth \$40 but is now trained for free from professionals is now worth \$100. They increased the lifetime value of a customer in a poker room, the poker room can then say "We can give you \$50 or \$100", they know they can profitably give out \$50 and knock out all of their competitors.

[00:30:00] Most people look at businesses and say "I'm going to try to do the easiest thing ever and then I'm going to market it and I hear webinars are great and Facebook ads" and they look at the dumbest stuff. It's not that those marketing platforms are dumb, it's that they're buying the wrong pill. They're buying the pill before they've actually solved anything. If you look at the info-marketing space, it's broken because people will say "I want to start a business" and you got somebody over here saying "Great, we need to give you a webinar". Somebody else, "You need a funnel and you need a Facebook ad", you don't need any of these things.

Jaime: Exactly, no kidding.

Billy: You don't need any of these things at all and it's the greatest scam. The world is like we're going to give you this, it's like if you walked into a doctor's and said "Hey, I'm not feeling good" and they say "Stop, I know what you need. You need this pill" and you haven't even heard their problem yet because you don't have the foundation of starting a successful business, You don't need any of the marketing tools and tips and tricks, has nothing to do with anything if you don't have the foundation. You would need your body to have certain vitamins and things like that. The thing about a business is if your doctor came in and prescribed a webinar, they don't even know what's happening yet, it's broken and that's why people get confused a lot. Everybody's marketing the marketing stuff because the people that get most successful in info-marketing space are marketers. They're pitching marketing stuff that you need to buy but what you would need is an entrepreneur.

[00:31:30] Jaime: If I have to get on a soapbox, I'll do it later, not now. I think that's a piece that most people don't understand. That they see all these amazing testimonials and it's because the people have an amazing foundational business and they add webinars on top of it

and that's awesome, right? It's not as though we start there, we need to start ... You should be able to and you tell me if you agree with this, I feel like you should be able to find one person anywhere that fits your avatar, give them the offer, and make a sale maybe one out of five times for the people [inaudible 00:31:57]. Otherwise, you don't have anything, you got to test that part before you ever care about webinars.

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People are trying to separate themselves, right, I would rather do Facebook ads because then I don't have to talk to people. I would rather do this because I don't have to talk to people. That's so not the right way to go about doing it because you don't get enough feed back on whether or not it's a good idea or not. Anyway, continue, let me ask you this, how do they do that? Because it's one thing to tell everybody that this is how we start, it's a very other thing to be able to actually have a new entrepreneur. For you, it's easier, you've done this before, they are newer and they're like "I'm not sure what is a good idea versus not" because they might have a lot of ideas but how the heck do they know what's good and not?

Billy: What's funny, a lot of people, there's some people who have a lot of ideas and they don't know what to do, don't know what to pick and there's other people that say "I have no ideas, I have no idea what to do". The funny thing is that a lot of people who say they have no ideas, I can almost guarantee that they have a lot of business ideas they don't know are business ideas. I think a lot of times people have problems or they have things they see in their own lives and they view it as a problem where as an entrepreneur, I would see that and say there's a business idea, there's a business idea. You and I will both have different problems. Anybody we walk by on the street will have different problems than us so they'll see a business idea that I would never know about or you would never know about but they live a different life. Maybe it's a different family life or work life or hobby life. I guarantee you, everybody has business ideas, a lot of people view them as problems. Anytime in your life you're saying "I hate the way this is. I wish somebody would do this" those are all business ideas waiting for you to create.

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I don't know how many people I talk to that say "I don't have a business idea" and then I ask what are the biggest problems you have? Within 30 seconds, they have a business idea. The other people say I have too many ideas and I don't know what to do. Then when you take them through "What is the goal? What is your end goal? What amount of money do you want to make or what is the life that you want?" and that life that you want, obviously leads to the amount of money that you need to create that life. A lot of times, you can wipe out a lot of ideas that are not going to produce the results. For example, if you wanted to make \$500,000 a year, there's a lot of great ideas that aren't going to make \$500,000 that year. It doesn't mean they're not a great idea, it means for small, little, tiny, niche business, a lot of times, they won't get you to your goal. At least not anytime soon.

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Jaime: Do you think somebody should go with a smaller idea first because it seems more doable and then get their business chops up instead of trying to tackle a big idea before they feel like they're ready?

Billy: It depends. I think it depends on the person, I've had people do both, for example, in the incubator, we've had people go from no business and then they'll launch a company and it's a seven figure company. Then there's other people who won't start anything and you can tell, it's a resistance like "I don't know what's going to happen" and I'll often tell them "Why don't we choose a smaller idea for you, let's go hit a single, then you'll see, wait a minute, this works and then you can go for a home run". There's no wrong way to do it, I think it's heavily dependent on the person. If you have a higher risk tolerance, if you are comfortable taking a shot, betting on yourself.

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[00:35:30] Some people, they fear loss and they fear risk and it's not even so much the money part because you can start a business for barely any money, it's the I'm afraid that I'm going to fail, look bad, and people are going to think I'm dumb or whatever the thing is. I notice that's actually a bigger fail or fear than loss of money a lot of times, the I don't want people to think I'm stupid. Entrepreneurs are like I'm totally okay failing because I know if I fail on this random project or this marketing attempt on the fourth or fifth one or whatever, I'm going to hit one out of the park and nobody remembers any of the failures once you hit your successes anyways.

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Jaime: I think one of the huge things too is people evolve through that, like you said, entrepreneurs think like this. Well, it takes some of that, because I used to be one of those people who was so epically afraid of failure because I was a perfectionist and when you go through that, you're like "No, I can't do anything wrong. I can't attempt anything that I'm not sure of the outcome". Therefore, that's where the resistance like you said, comes in. Sometimes you might not even realize you're doing it but what's crazy is that once you pass that and you know that it's not a big deal and you start evolving, people's opinions don't matter. The other day I made coffee at [WeWork 00:36:34], I didn't know how, epic fail, it was so bad. Everybody was watching me and I was like "Eh, at least I tried" even though everyone was like "That girl's nuts". In the past, I would've never even attempted because I didn't even know the first step. Again, got it super, super wrong in front of everyone but to me, you evolve to that. How do you know, if they were thinking about themselves right now, which person they are? If they're somebody that can hit a home run the first time or should really go with the single?

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Billy: Usually what I tell people is let's take your list of ideas, we'll build up a list of ideas for people. We'll take your list of ideas and say "Which one do you most want to pursue?" Obviously it needs to hit your goals. It doesn't necessarily have to hit your I want to be worth \$20 million, you don't have to go for that your first time. A lot of the times, that's going to seem too intense so if you're a person that says I'm okay going after a home run idea. A lot of times, you'll see pretty early on if you start working on something, I'll work with a lot of people, I'm working on a home run type idea and you'll see them not really going forward all the way and you're like "What's going on? How can I help?"

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[00:38:00] You'll notice that they don't know the answers in too many places. A lot of times, bigger ideas can be more complex and so we'll say "Well, you can either keep pushing forward, a lot of bigger ideas take a lot more time or you can hit one first". A lot of times what we'll do is we'll have a goal that at least wipes away your financial worries. For example,

[00:38:30] if you've got to make \$4000 a month, let's say the business that makes \$4000 a month, then you can focus on a bigger idea. Some people go for it right out of the gate, for example, there was a guy in our last incubator class, he had a full time job. He already had the cushion and he didn't need extra money, he was already making his full time job money so he went after a home run business and launched his seven figure business and it was because he didn't have money needs, he already had it coming in.

Jaime: Well, he must've liked his job enough to not have the paying be so great that he can stay in it longer.

Billy: Exactly.

Jaime: People are like "I want to get out right now" and then they should be paying attention to "Okay, how much do I need to get out of that?" so therefore I have more time to work on the other stuff. For people like that, does it matter if they have a family? If they don't, what their time constraints are? For somebody that has a full time job, I wouldn't  
[00:39:00] assume that they would go after a seven figure idea because you need more time usually to really go through that.

Billy: That was a different situation. That person, specifically was extremely motivated, his name's Corey. He would get up every day two hours before work and work on his business.

Jaime: I have some of those clients, you're like "Wow, that's so impressive, I want to do that".

Billy: Yeah, I was impressed. Basically, every day he would two hours before work and then obviously weekends. His business was built around the job and family, which is way harder. He doesn't sleep much, obviously if you've got a family, you've got family requirements but then you also have work requirements. That's rare, it takes a rare person to do all three.  
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Jaime: How long did it take him too, by the way? Because when you're looking at timeline, you can do that, I think, for a short period of time. I'm not so sure that you can be [Gary V 00:39:53], hustle on, waking up that early, and dealing with children at the same time for any long period of time. You'll hurt yourself.

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Billy: I feel like a lot people would burn out. Initially, he was doing mornings before work and then he would come home and work after work and then he cut out the evenings and kept it to family. After three to six months, he cut out evenings and then I think he still gets up in the mornings, this is a year and a half later, still does mornings and now he's at the point-

Jaime: He still has his job.

Billy: Still has his job and the only reason he still has it is because he wanted to scale into something very big and he took all money and dumped it back into the business. That's  
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why it's doing between \$100,000-\$150,000 a month in revenue is because he didn't take any out. Where a lot of people take it out and it keeps it a smaller business.

Jaime: I am so surprised he hasn't quit though.

Billy: Literally, we had a conversation last week and he's now scaling back. He's either going to quit or go part time now.

Jaime: That makes sense. Yeah, because that's the-

Billy: He likes it, that's the difference, he actually likes what he does.

Jaime: That's what's so interesting for people that actually like what they're doing like "No, I actually" I'm like "Wait, I don't know what that's like". When I had my job, I was like "Let me get out of this as soon as possible. It, of course, depends on your situation so we can talk about it but that's what's so difficult is because you're dealing with a different human, right? You need to know a lot about yourself. The hard thing is looking at yourself and going "Am I one of those people or am I one of those people? I don't know" because we have such a hard time thinking about ourselves. Which is why it's easy for you to come in for this guy and be like "Oh, you're really motivated, you can be totally cool with that one" and that little piece is huge for their confidence. He'll be like "If Billy thinks I can do that, he knows way better than me".

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What do you suggest, they have the big list of ideas, and I talk about this a little bit in my book but I don't talk about it on the show anymore, I'll send everybody to you or my client Scott. Send all of the people because I feel like you guys are really good at curating the steps easily for people that really have no idea and I forget what it's like to go back. I'm so used to dealing with seven figure entrepreneurs that going back to remembering where, I mean, I remember. I couldn't even take a step forward because you don't know and you don't know what you're doing and you feel like an idiot and all sorts of stuff. You have your big list of ideas and no offense, I remember going "I'm going to dabble here and then I'm going to and then one of them is going to hit" and of course nothing hit but I had a whole bunch of different random things that I was doing. How do you suggest someone moving forward after that list of big ideas?

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Billy: We help them get a big list of ideas, we'll take them through the four steps, and the goal is that you're going to have some confidence, some higher confidence on some ideas versus others. In other words, you might take some ideas and say "You know what, I don't really know if I'm better than this company and this company. I actually don't know how to get in front of my market". For example, let's say somebody's got 30 ideas and I'll say "Let's take your best three ideas or five ideas and let's take them through the process. Let's take them through the first two steps". A lot of people will say "Okay, that cancels out these two ideas because I saw something in the market I didn't know about". Usually at that point, they have a favorite or two favorite ideas and we'll go into the third phase and say "Let's do due diligence on your competitors. Let's really look at your competitors, let's look at their marketing campaigns. Let's see what are they doing, what are the results from what they're doing. Do we know the revenue? Do we know

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[00:43:30] the profit?" Basically, we're stalking the competitors in the market to see if we can, basically, we want to beat them.

Jaime: How do we figure that out? Everybody's like "Oh, you can tell their profit and results and stuff like that" how do you get that stuff?

Billy: Sometimes, it's a little more difficult sometimes. The marketing is easy, right? You can see where they're getting organic traffic, are they running paid, where are they doing that? A lot of times-

Jaime: How do find that stuff? How do you actually, I get if you're re-targeted, you're like "There we go, we're on their website" but how do you really determine that? Are there websites you can go to for that stuff?

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Billy: Yeah, there's sites, for example for one thing I've been looking at lately has been a lot of organic traffic. You would go to something like SEM Rush, they'll literally show you what your competitors are ranking for, the estimated amount of traffic, they'll run an algorithm to tell you okay, on this page, they're generating \$1000 a month in traffic just on this one page, for example. You can see, okay, this type of article with these key words with this many links driving to it is driving this much revenue, this much traffic. You can see, you can ask yourself questions like can I replicate that? Can I do better than that? Et cetera, et cetera.

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Obviously that's one part of it, the organic traffic, there's the paid traffic, there's what other methods are they selling through? If somebody has a product and they're selling on their website but then they're selling on Amazon, you can go to Jungle Scout to look at how many products per day is that competitor selling. Then it becomes easy if you look at well this is my product, I'm better than them, I'm confident that I'm better than their product and I know how many they're selling so I know how much revenue they're doing and I've talked to manufacturers so I know where my margin is. When we get to the fourth step, it's calculating your expected profit. We want to know what's the expected value, what's the amount of expected profits that this company will bring in. A lot of that, you wouldn't have any idea if you didn't go through the first three steps because they'll tell you is your marketing, how are you going to reach your customers, how many customers are you going to reach? Then you know by step three, you're looking very, very in depth at what the competitors are doing, how they're doing it, what are the results.

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When you get to calculating your expected profits, it's not some random maybe we'll make \$10,000 a month, it's okay, well based on our competitors are making this, here's how much traffic they're getting, here's our marketing plan, and how much we expect to get. Then you know this business is going to make in the range of \$8000 to \$15,000. You want to get a good range to know okay, well, my goal was \$4000 and the expected profit is \$12,000, it's at least going to give me a shot at my goals.

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Jaime: Okay, so many questions on this. What happens if you have missing information, how do

you calculate that?

Billy: You keep going through the process and you're not always going to have all the information. For example, in some markets you'll have no idea what your competitors are making but you may get some idea from okay, well, let's at least look at their traffic. [00:46:30] How many visitors are they getting, do we know how big their email list is, for example. A lot of information is out there if you really dig into it, dig into every interview a competitor's ever done, dig into their traffic or SEM Rush, dig into Jungle Scout, dig into there's a million of those sites. You can tell what paid, if somebody's running a bunch of paid advertising, Google ad words, they wouldn't be running it to lose money. If we look at the running, \$30,000 a month in traffic, well, why would they do that? Probably [00:47:00] making money from these terms. Some of it is going to be guesstimates, you're not going to know for sure that "Oh, they're definitely making \$1000 a day" it's not like that but you're trying to get a confidence factor of okay, based on my due diligence, based on my research, based on what I'm offering compared to what's in the market, I'm confident that my business will do X.

[00:47:30] When you're calculating the expected value, you're not calculating the exact value, you're calculating this is what based on all the variables that you think will happen. If you're confident enough to do it, then lots of times I'll give people the green light and say "Look, you've done all your homework, this looks like a good opportunity, I would go forward". I'll tell people "You should go forward with this one" or I'll say "Look, you still have missing questions that I think you can find or there's not enough to work with" and I'll say "Let's look at this idea instead".

Jaime: You have a whole post that you said you were going to give a link to on expected value so people can learn because that's a whole thing that we can't even get into because [00:48:00] there's the whole, you like math, a little bit too much but in a good way because I love that it's actually data driven. Most people do business ideas like "Oh, I think this is a good idea" but you actually do your due diligence which is what people should be doing but don't know how. We can talk about that in a minute but quick question, how long does some of this stuff take? When we're going through this whole process, what timeframe are we looking at? Some people are like "Oh, well I looked into it for three [00:48:30] days and then I'm done". Due diligence, what you're talking about, is a lot or sounds like it.

Billy: Totally. It depends a lot on what type of business. For example, if you have let's say a service business, a lot of those are very easy and very fast because of the fact that who's offering it in the market, what are they doing, how can we beat their offer, and it's pretty straightforward. There's no manufacturing of anything, if you know where your customers are and your offer's better, you can get clients relatively quickly. I've had [00:49:00] people that are doing service based businesses where I'll tell them, if you hustle, in a week or two you should have this up and running. That's very fast, obviously if you have a job, it's going to be slower. Then I have people who do physical products out of the incubator and they may take three months to six months depending on manufacturing times. For example, we've got a couple of guys now that are creating products and, let's see, we started the incubator, it was 10 weeks so we ended a month ago and now

[00:49:30] they're finally getting their products in. Let's say we're three and a half, four months but they had to get a product manufactured so it takes longer. For longer ones, three months, six months, for example, there's a guy with developing software so he basically has to get developers and all that but he was actually taking in money before they get developed.

Jaime: Yes, that's what you should do.

Billy: I think he brought in five figures.

Jaime: Tell me more.

[00:50:00]

Billy: It's funny because this was the last call we did, we do weekly calls, and the last call was our 10th call and I asked him how it was going and I knew he was going forward with his idea. I asked him if he got any sales because he was trying to make some sales in the final couple of weeks as he moved into development. He said "Oh yeah, I got a couple of sales" and I said "That's great. Out of curiosity ..." I think we were talking about one of the sales specifically, I was like "What was that sale?" He's like "Oh, \$10,000 for one customer". I'm blown away because he said it nonchalantly that "Oh, I sold them for

[00:50:30] \$10,000". I talked to him the other day and he's made a bunch of sales and he's still waiting to get the actual product. I think three to six months is a good timeframe but a lot of people can pre-sell. If you're doing development stuff, we've had other people who are looking at doing kickstarters, things like that. Three to six months is a good timeframe if you're doing a product that you have to manufacturer. If you're doing a service business, something like that, one to three months max. If it's taking you longer, you're probably going slow.

[00:51:00]

Jaime: That can happen. You totally, give yourself a break. I know some people have lots of stuff going on.

Billy: Totally, totally, well people have jobs, for sure. If people have jobs and families, it's going to go a lot slower.

Jaime: The one thing I like about the way that you do stuff, we talked about the incubator a little bit, I know you're going to be launching that pretty soon. The reason why it's really interesting to hear your model, because to me business is business, what's so awesome is yeah, you can totally go sign up for somebody that teaches you how to do Amazon and they'll talk about very similar things like this is how you find a product. You can find somebody, like the foundation Andy, we were all hanging out together, Andy [Drishen 00:51:34] and Dane, and they go after software and they teach something similar. The thing is is that I feel like it's hard for people to pick that.

[00:51:30]

If you take a step back, you're like "Oh wait, do I want to do a service business or do I want to do a this or do I want to do". That's hard to figure out, let alone going "I'm an Amazon person, oh wait, I actually hate waving and doing product stuff" and I feel like that's something that people aren't actually looking into so that's why I like the backing

[00:52:00] up. It's not as curated for you because you have to actually give a lot more of your effort but that way at least you know at the end they actually have something that was curated just for them instead of it being like I randomly picked something and now I hate it.

Billy: Totally, I think people get pigeonholed into okay, you got to choose something on this platform and we'll launch you something on this platform. What if you have four great ideas that are totally outside of that space. I like to look at the principles and foundations of business rather than "Okay, we're going to put you on this platform and we got to make something happen on this platform". I think makes a lot more sense, that's why we have people in services and products and we have people in food space and physical products because if they go through the four steps correctly, they'll have a successful business a lot of the time. I think that if I said "Okay, you have to launch a business on this platform" I think that's harder. I think it's harder and I think you get into stuff you maybe don't like a lot.

[00:53:00] Jaime: That's the thing, people are like "Oh, do what you love" and then let's say health and fitness or whatever, they're like "Well, I'm going to be an expert in health and fitness" and yet you could have software, you could be selling products and supplements, there's 1000 different types of them, you can do services. 1000 different types of businesses within that same area and it's hard to go "Oh, I'm going to go down this path". I find that was the biggest thing, especially for me, I had all these ideas that were random and I'm like "I don't know which one's better" that's why I kept waiting for one to hit. That's not how it will work. [crosstalk 00:53:33].

Billy: Totally. Because with that comment or question, if somebody was a health expert, I would say "Great, let's find a gap in that market" which is that could be any of those platforms. I wouldn't pigeon hole them and say "You're a health guy, we got to find a physical health product" like that's the only thing you can find. No, there might be amazing opportunities that they would know about but if we pigeon hole them to one platform, they're stuck in that platform.

[00:54:00] Jaime: Yep. I agree 1000%. I know we have to start wrapping up, Billy, but ... And it's the same last question that I always ask and we'll talk about the incubator and all that fun stuff after that because I know you're going to be launching that really, really, soon. What's one action, and I gave you a preemptive so you should know this, one action listeners can take this week to move them forward towards their goal of a million?

Billy: The biggest thing that you could do really quickly, it's actually really easy. If you don't have a business idea, basically, over the next day or two days anytime you have this problem, ask yourself what is a problem I'm having? What's something I wish was better? What are problems you see on a day to day basis? We all see them but most of us dismiss them and say "That sucks or I wish this was better" whatever it may be. Write those things down because chances are, that's a problem that could be created into a service or a business that doesn't exist or at least doesn't exist in the way you want it

[00:55:30] because if it's a problem for you, either than means you haven't bought the solution if it exists or the solution doesn't exist and you can create it. A lot of times, if you go through this simple, daily exercise, you can probably get five to ten ideas a day. They might be stupid, little problems, you might say "That's not really a business idea" but it could be the first product or service of multiple products in that space that are a problem that other people have. You're probably not the only one in the world that has those problems or frustrations.

[00:56:00] The other thing, if you already have ideas, you could be doing is which of those ideas have the potential to become a business that makes the amount of money you want to make. If you want to make a million dollars, which of these has the potential as the opportunity, the market size to make a million dollars. I think that that's part thought exercise, part understanding expected value which we could share the links on that kind of stuff.

Jaime: Heck yeah. Yeah, I think spawning the creativity of the ideas are important anyway, whether you have other ideas and or not because I feel like that's why entrepreneurs are what they do. They consistently come up with new ideas and different solutions for different problems and really have their antenna up for problems, even if we don't mean to. We're like "Squirrel, oh that's a problem, I want to do that too" which is not necessarily a good thing. What you told me is you were going to put together a whole bundle of goodies for people so that way they could get more on some of the stuff that we talked about like the dream life thing that we didn't have a chance to get into too much. Tell me what all that what includes and where to go and all that fun stuff.

[00:56:30] Billy: Yeah, I'll put in the dream life PDF, I'll put in the expected value article, and then also I'll put in calculations I run. Little example, if I was thinking of a business idea, how I run the four step, expected value calculations. If you've got business ideas, you can run it through that process. I'll include the four steps we talked about so they can see, they can check the boxes off if they think they're doing them correctly. I don't know, anything else that I'm forgetting?

[00:57:00] Jaime: We'll throw in more stuff at the end. Only the good stuff.

Billy: Throw in some more.

Jaime: Yes. Only the, only the ... This is why I love you though, Billy, the fact that you're like "I will give it all away" because with your incubator, it's actually, you have to kick them in the butt quite a bit. You do calls, you do all sorts of stuff. Most people, even if you give them, and no offense to everybody listening, but most people even if you give them the stuff, everything from your thing, they still won't do it or they'll be like "I'm not sure, I can't decide". For you giving so much away, makes perfect sense anyway because if they don't do it, then they don't do it. If they do do it, well, that was helpful. I appreciate that. What's the link?

Billy: What did we say? [Foreverjobless.com/EM](http://Foreverjobless.com/EM) for eventual millionaire.

Jaime: Yay good job. I'll make sure everybody knows that too. It's [foreverjobless.com/EM](http://foreverjobless.com/EM) because nobody can spell my name correctly and we hashed that out a little bit before. Make sure everybody, check that out, make sure you follow Billy because all of his stuff is rooted in data and I don't feel like there's enough people that talk about that stuff to begin with. He actually makes it fun and not really, really, really boring so thanks so much for that.

Billy: I try to make math fun. Business math.

Jaime: Business math is fun. When you're looking at the numbers of your bank account and they're way bigger, we will thank you Billy. Thank you so much for coming on the show today, I really, really appreciate it.

Billy: Yeah, it was fun, thanks for having me.