

# Crafting Your System, Step 2

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*Wherein we take what you've learned so far and flip it around until it looks like a diagram that'll lead you pretty much straight where you want to go.*

# Ready for the Big Reveal?

It's been one week and you've already done so much:

- You learned to avoid Idea Quicksand.
- You chose to *be effective*.
- You faced the *ineffective* system that we all use by default.
- You shared your worries, fears, and mistakes.
- You analyzed the ingredients of success.
- You wracked your brain to figure out how you could get those ingredients.
- You most likely recognized yourself in the lessons, and admitted it — to yourself, and to the rest of us.

Hey, you. Look at all that. High fives! Kudos! You should give yourself a pat on the back.

I'm not going to tease you any more. There's no more build-up. On page 3 is the framework I use to create products that sell from the get-go, that have all the elements necessary for success baked in.

But before you turn that page, there is just one more thing.

**Remember that simple-to-understand is a different beast than simple-to-do.** My system is the result of years of learning about business, analyzing, and testing. Not only have I constantly refined the model itself, I've completely retooled the way I talk about it, over and over. Even this course is almost completely retooled from the last version. I have done everything I possibly can to make my system as simple as possible to grasp.

Net result: my system *looks* like simplicity itself.

**But that doesn't mean it's simple to *apply it effectively*.**

Don't let yourself be fooled into believing it is. The moment you say to yourself, "*Oh, DUH! Obvious!*" and stop working hard, that's the moment you lose. The only way to learn how to do it is *to do it*. Over and over, in fact.

Remember: This is only week 2. There are *11 weeks* left, not counting the break. Those weeks are for *doing* — and the inevitable questions, sticking points, and mistakes.

Now, without further ado or finger-wagging, I present to you... my system.

find & choose a good

**Audience**

get to know their

**Needs**

define their — and your —

**Constraints**

learn to understand their

**Worldview**

use it all to craft a compelling

**Offer**

## Um, where's the idea?

Oh yes, The Idea. It's no accident that there's no idea listed anywhere in this little chart.

You've probably heard the saying, "The idea is nothing, the execution is everything." You may have even repeated it yourself. (It feels good and solid, doesn't it?)

And if you're honest, when the last homework asked you, "How could you ensure that you create a product that will sell?" you probably answered something along the lines of, *I'll verify that people want the idea, and revise it often to meet customer expectations and feedback.*

That saying is very popular, and it feels good. And homework-wise, that's exactly what I expected to hear from just about everyone. Both that saying and that answer are not wrong exactly, but they're not effective either.

**Ideas are not effective.** Yes, that's right — ideas. are. not. effective.

Remember Idea Quicksand? Well, trying to have an idea is actually the *first sign* that you're in Quicksand. The struggle begins there and you just get sucked in deeper and deeper.

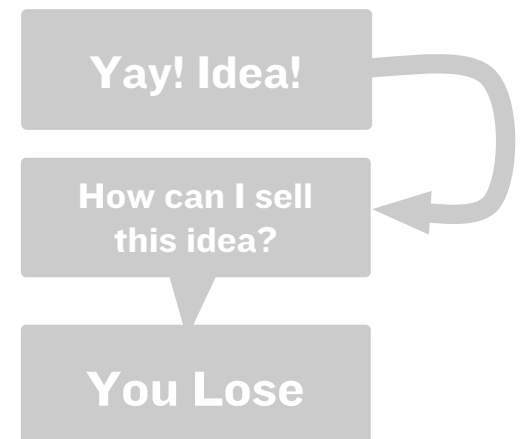
The only way to avoid Idea Quicksand is to actively avoid trying to have ideas.

**Ideas never, ever, ever belong at the beginning of your product creation system.**

Because the Idea will make you its bitch

Ideas are petty little dictators. Make the idea your first step, and you'll end up shaping your whole system around serving that Idea:

- You try to verify the Idea
- You try to explain the Idea to people
- You try to find people who'll pay for the Idea
- You revise the Idea based on customer feedback (if you can find customers)
- You try desperately to price the Idea
- You worry about other people whose Ideas are similar to yours



Yep. If it were a person, everyone would agree that the *Idea* wears the pants in your relationship.

**But the Idea is not what business is about.**

## Putting the Idea in its place

An Idea gets its power (and your pants) from the fact that a *good idea* seems so irreplaceably critical. Thing is, that's simply not true. Business is *not* about ideas.

By definition, *business means the exchange of goods and services for money.*

Even that sentence is almost entirely superfluous: business isn't even really about *goods, services, or money*. You could have all three and still not be a business. You'd be missing a critical verb.

**The true nature of business is in *exchange*.** Therefore, the main concern of a business is not an Idea, it's a *transaction*. And you can't *transact* all by yourself (at least not in a way we want to hear about). It takes two (at least!).

**That means that the core requirement for a business is somebody to exchange *with*.**

Sure, it seems backwards at first. Just let it sink in a moment. It's outrageous... and entirely logical.

*Start with an Idea, and it'll make you it's bitch... and still give you absolutely no guarantee that you'll be able to turn it into a business. But start with a **customer**... and your chances of ending with a transaction increase drastically.*

Choose a good audience first, and keep control of your ideas (lowercase 'i').

But... what do I sell them when I find them?

That *is* the question you should be asking. Compare the two questions:

- How do I ensure I have an idea that will sell?
- How do I decide what I can sell to this audience?

**The second is clearly the more *effective* question;** it actually gives you a real, solid place to start. *How do I decide*

*what I can sell? To these particular people? That leads naturally to questions like, What do they want to buy? and Can I provide that to them?*

### **See how these questions narrow your choices?**

Start with the Idea, and you must try to spot one golden possibility out of an infinite sea of possibilities. Infinite choice is too much for anyone to handle. (Even if you have an idea, the choices don't get easier from there!)

**These questions, on the other hand, narrow your choices until a clear path appears in front of you.** Do your due diligence and you can follow that path all the way to a transaction (in other words, a sale!).

Isn't this just "identify a problem to solve"?

Yes and no.

Solving a real problem is a good thing, but it's not enough to create a business. You can identify a problem and still have no idea who wants it solved; you can identify a problem and even solve it, and have no ability to sell it to people. They

might not know they have a problem. They might not care.  
They might not see it as a problem.

If you're *lucky*, you might find people who believe it's a problem, want it solved, and agree with the way you solve it. But... what if they don't want it badly enough to pay for it? Or say they are willing to pay, so you take their money — and then you can't stand the way they think and act?

Does any of this sound familiar?

The *effective* thing is to choose your audience purposefully — and first

Start with the customer, and these problems all go away. Choose your Audience first, and look for the following criteria. Your Audience needs to...

- Have a problem
- Be aware of it & consider it a problem
- Really want to solve the problem
- Happily pay for things that solve problems
- Be generally polite and kind, people you like
- Speak the same kind of language you do
- Value the approach you enjoy taking to a product

There's more to it, of course, but that's the core of the technique. (*This is really a mixture of the first two steps in my system, but we'll break them apart in time.*)

Oh yeah, and you want an Audience that *pays for things*.

**Start with an Audience.** Make sure it's an Audience you can enjoy working with. Make sure they happily pay for things. Make sure you & the Audience can understand each other. Make sure they value the type of work you love to do, and how you do it.

Do that, and you'll end up narrowing and narrowing:

- What problems do they have and want to solve?  
What are they missing?
- What do they need?
- How do they want to hear about it?
- How do they look at their problems?
- What are their requirements?
- Can you solve it and solve it well?
- Does solving it fit with your plans for your business & your lifestyle?
- How do they think about and quantify value?

And *that's* where ideas come in.

## Ideas come at the end

**All this seeking and questioning will, in the end, lead you straight to an idea.** Lowercase 'i' idea. All this research, all those answers, will practically jump up and beg you to put them together into a product that people will buy.

All this seeking and questioning will also lead you straight to a way to communicate that product to your audience, and how to price it so it seems attractive to your audience.

**Put all those things together, and you've created an Offer.** An Offer is: a proposition of exchange, for a good or service, with a valuable outcome, made to an audience, who needs it, and knows they need it, communicated in an effective way, and priced to move. made to be bought.

**The Offer is the basis for an exchange.** And it shows the power of the narrowing path at work.

That doesn't mean all of this will be *easy*. But it'll just be a matter of showing up every day and *applying effort diligently*.

find & choose a good

## Audience

Pick an Audience you can enjoy working with, who are savvy enough for you, who have problems that need solving, who are aware that they have problems, who have a history of paying for solutions, who are generally polite

get to know their

## Needs

Look for a problem to solve, or an opportunity to create, that the Audience is *already* aware of and *ready* to move on.

define their — and your —

## Constraints

Understand your constraints: the things that define how you want to run your business and live your life, the things you can and can't do, want or don't want to. And the same things for your Audience.

learn to understand their

## Worldview

Learn how they think and view the world. What is their general outlook? Which styles do they respond to? Are they comfortable with trying new things, or are they sticks in the mud? How do they liked to be spoken to?

use it all to craft a compelling

## Offer

All of the above, distilled into a proposal. Something the Audience can buy, the basis for an exchange: a compelling product, well-marketed, tailored to the Audience's constraints and worldview, and priced to move.

We'll talk more about the system in detail, and concrete steps you can take, in the live bootcamp and in the following lessons.

*There's no homework... enjoy!*