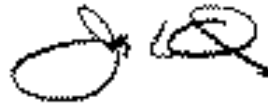


JAY ABRAHAM 101
A BRIEF OVERVIEW OF THE JAY ABRAHAM PHILOSOPHY
AND STRATEGIES FOR CREATING GREATER SUCCESS, INCOME AND WEALTH

I have a very simple philosophy on life. You shouldn't steal from yourself. If you're going to commit your life to an enterprise, wealth creation, the security and the financial well-being of your family... and if other people—your staff, your team, your employees, your vendors—are going to commit their lives to you, you owe it to yourself and to everyone else to get the highest and best results. You should never accept a fraction of the yield when with the same effort or less, the same people or fewer, the same time or less, the same capital or less, the same opportunity cost or less, can deliver so much more to you currently, and perpetually.

A handwritten signature in black ink, appearing to read 'Jay L. Abraham', with a stylized flourish at the end.

Jay L. Abraham

*For more information about Jay's future programs or products...
you may join his Info & Updates List by sending
a blank e-mail to: join-clients@list.abraham.com*

<http://www.abraham.com>

MARKET DRIVERS

Market drivers are the key elements that give you optimal leverage and enhanced performance on a sustained basis in your business. **Marketing:** Change your marketing, change your results. Enormous leverage, up to 2100% leverage in each improved activity you do-if you put a system together that's not only operational, but also continually tests, monitors, measures.

STRATEGY

Change of strategy is the fastest, easiest, most powerful way to change your results.

CAPITAL

Human, intellectual, and financial. Human capital is the people working for you. Intellectual capital is the intellectual property. It could be the proprietary systems, the procedures that are unique and distinctive to you. And financial capital is how you deploy it. There's enormous upside leverage in all three of those.

YOUR BUSINESS MODEL

Your business model is decisively different than your strategy. You can have a big, sweeping strategy, but the model may be wrong, and the strategy will perform adequately, but not to the maximum or optimally for you.

RELATIONSHIPS

The business relationships, the professional relationships, the collegial relationships, the mastermind relationships must be developed, nurtured, and cared for on a continuous basis.

DISTRIBUTION CHANNELS

This is a very sweeping concept that describes all the different means you have of impacting the market. From the advertising you do to the selling organization you have, to the network of associations you use it's a very broad and sweeping area.

PRODUCTS AND SERVICES

The different products and services you have or you create will give you enormously greater or less leverage, frequency of purchase and profit. It will give you enormously renewed ability to get far greater yield and sustained income from the relationships that you breed with clients.

PROCEDURES AND PROCESSES

The key ingredient to those that had built their companies over \$100 million, is in the discipline of the entrepreneur more so than it was in the idea. Meaning, there are a lot of banks in the world, but only one became Citibank. The key ingredient to your greatness is in these three words (and you cannot build a great company without them): Planning, Policies and Procedures. Hopefully, you're beginning to see that companies bound for greatness are "structured" to achieve said greatness.

To build a great organization, you have to start taking all the goals and plans and use them to create structure in your organization. One of the key traits of very successful people is that they use what we call "**The Three P's**." That's the third competency.

A McDonald's in Harlem runs just as profitably (and predictably) as a McDonald's in Beverly Hills, because there is no area that does not have the procedures down to the letter. What's more, the employee turnover rate at McDonald's is 200% per year, but it doesn't matter. Everything is so well spelled out that new people can be put into the system and function at an optimum level very quickly.

If you ever want to have a business that can function without you, or replace staff with people who enter the business at *peak performance, right from the start*, you must have excellent policies, procedures and plans.

IDEOLOGY

What is the thinking that you're basing your operating system around? It's different than your strategy.

THE FOUNDATION OF ABRAHAM 101

I've been obsessed with the question of why some companies are 100, 1000 times more successful than others. Why a Fortune 1000 company is so different than a small or medium-sized entrepreneurial one. And how to turn reactive, tactically oriented, non-systematic business people into very much the opposite - Into supremely sophisticated, supremely strategic, supremely proactive organizations. Following is a brief overview of the strategies and concepts that will enable you to attain those higher levels.

UPSIDE LEVERAGE

Almost everything you do has infinitely greater upside leverage, and you can control or eliminate the downside. If you can make the same action, the same activity, the same person, the same capital, the same client, everything produce more, yield greater results and performance, then sustain it - the combined effect is geometric growth. I'm believe in working on the geometry of your business. I'm all about optimizing. Maximum result, minimum effort, minimum expense, minimum time, and minimum risk.

MAXIMIZE WHAT YOU'RE DOING

Maximize What You're Already Doing. Whether Jay Abraham is in your life or not, this is the first thing you have to do. You have what I call “critical mass and velocity.” You have all these activities going on. You have sales people. You have ads running. You have people calling. You have word of mouth, phone calls, customer service. You have all these contact and impact points.

And you must, first of all, maximize what you're currently doing before you can go out and rebuild your organization. And you can't maximize what you're currently doing if you don't break it down to its core processes. Because only when you do that can you measure, can you quantify, can you improve. So you have to figure out what you're doing right now, and break it down to its core driver. And that means, if you're doing selling, you have to realize how well you're doing at opening new accounts. How well are you doing at targeting the media? How well are you doing during the average hour? How well are you doing in different kinds of categories? How well are you doing at different product sales? How well are you doing at different geographies? Because until you know how you're doing you can't maximize your performance.

EXAMINE AND EVALUATE

You can't maximize the performance of the methodologies behind all of those categories you're going to now measure and monitor, until you first **examine and evaluate** all the higher performing options and opportunities out there. And you can't do that unless you decide you're going to travel outside of your industry. You have to carefully evaluate and borrow the success processes, thinking and approaches from all kinds of industries other than yours. Because if all you do is try to monitor and emulate what people in your industry are doing, you're going to be limited to incremental and linear growth.

FUNNEL VISION VS. TUNNEL VISION

So you have to borrow the success processes from outside your industry. And that requires a process I call “**funnel vision vs. tunnel vision.**” Most people spend their whole time in one field. And the most they try to do is emulate or plagiarize what their slightly or somewhat more aggressive or successful competitor does – that's funnel vision. Tunnel vision is saying, “I want to know better ways!” not just to sell, but if your goal is to find new prospects, and your method of doing that is to run an ad in the trade publications, what are 20 *other* industries doing to ‘find new prospects’ other than running an ad in trade publications? And borrowing success processes from outside your market saves you time on the learning curve. It saves you the capital investment. And it also has the impact of an atom bomb. If you are the first and the only company to introduce selling approaches, strategic distinctions, and operating systems into your field that are matter-of-fact to other industries, but no one else in your industry has ever seen it before or experienced it, it will knock your competitors for a loop. It will distinguish you

in such a powerful and preeminent way in your marketplace that you will own it. You will literally own it.

MARKETING AND INNOVATION

Marketing and innovation are the two greatest levels you have. You have to be resigned and committed to engineering breakthroughs. Innovation is not necessarily high tech, although it can be. Innovation is bringing greater advantage to the client that the client perceives and values. It can be the simplest, most mundane, most non-technical value added imaginable. I spend a lot of time studying the most successful performing companies in their category. What I've learned in analyzing them is that they tend to be the companies that engineer and introduce the most consistent, quality breakthroughs. And they do it on a continuous basis in the areas of strategy, marketing, innovation and management. So you have to be committed to engineering breakthroughs.

THE STRATEGY OF PREEMINENCE

You have to change your philosophical approach and move to what I call a **“Strategy of Preeminence,”** which is a whole new way of looking at the relationship you have with your marketplace. It's seeing yourselves, and your company, and everyone in your organization as the ultimate fiduciary, as an advisor, as a trusted, respected, expert advisor. And you have the responsibility and the obligation to counsel those people in what's in their best interest. To give them the best short and long-term outcome. And when you start advising them with their best interest at heart, you no longer will accept or allow them to buy less than they should... fewer combinations than they should... less quality of products or services than they should... and less frequently than they should. You'll never again, take the order just because they're willing to buy. You will never again be struggling with how to manipulate, what kind of things to say or do. You'll always be focused on the fact that the more value you add, that is perceived by them, the more success you will have. You will start thinking of your relationship with them all as “clients.” If you talk to them or think of them all as customers, you should change – and I'll tell you why. In a world that is trying to slam everyone down to commodity and marginalized status, you have to draw a line in the sand and distinguish yourself. And the way to do that is to start thinking of your relationship as an advisor, and the people you deal with as clients.

Look up the word “customer.” And look up the word “client.” “Customer” is defined as, “someone who buys a commodity or a service.” “Client” is defined as, “someone who's under the care and the protection of another.” You want to move the whole relationship that you have with your “customer” to where they are your “client.” Someone you see as under your care and your protection. Someone whose well being is important to you.

The biggest problem that I observe with companies that I serve, and most companies that I study, is they fall in love with the wrong thing. They want their company to be the fastest growing, the biggest, and the best, the Inc. 100, the Inc. One, Fortune 500. They fall in love with the mega-organization, the worldwide impact.

The way to greatness today is to transfer your ultimate passion away from your product, your service, your company, and instead, fall in love with your client. If they're at the top of your awareness all the time, and if all you focus on is constantly getting them the very richest, the very best, the most productive, the most profitable, the most enjoyable, the most enriching, the greatest protection in whatever your product or service provides... you will dominate everyone else in your business sector, because they don't look at it that way. They're in love with having the biggest company, and as a result, they don't.

You also have to fall in love with your three tiers of "clients." The people who pay you and the two tiers of people you pay. You have to fall in love with your team members, and you have to want greatness for them. And you have to know that you are the vehicle to their and their families' richness and security. And you have to envision the fact that their kids are going to go to college because of you, and lives are going to be enriched because of you. Just as with your clients, you have to see their businesses or their personal lives thrive, their prosperity grow, and their security enhanced. If you can't visualize that you're going to lose torque.

A Strategy of Preeminence is truly transforming. It's the most liberating, the most animating, and it's the most passionate concept you'll ever embrace.

THREE WAYS TO GROW A BUSINESS

Most people grow their business incrementally and linear, because they fix in only on growing more clients. But, if you grow clients and you focus on increasing the size of the transaction and you increase the frequency of each client's purchase, you'll increase your revenue and income 100%, 200% or more.

If you work on all three ways to grow a business at the same time, and all you did was improve all three ways by a mere 10%, it brings the power of geometry to bear. I have this quick exercise I put people through—it shows that if you had 1,000 active—clients, and if you had an average order of \$100 for each time they were coming in, if they bought two times a year, that works out to an annual revenue of \$200,000.

$$\begin{array}{rcccccc} \text{\# of Clients} & & \text{Transaction Value per Client} & & \text{Transactions per Year} & & \text{Total Income} \\ 1,000 & \times & \$100 & \times & 2 & = & \$200,000 \end{array}$$

But if all you did was increase those three categories by a mere 10% each...

$$\begin{array}{rcccccc} \text{\# of Clients} & & \text{Transaction Value per Client} & & \text{Transactions per Year} & & \text{Total Income} \\ 1,100 & \times & \$110 & \times & 2.2 & = & \$266,200 \end{array}$$

It would increase your annual revenue to \$266,200—a 33% increase. And if you increased those three categories at the same time by 25%, it would almost double your performance to \$390, 625.

If you don't focus on geometric growth, if you don't work on the geometry of your business, then you're going to always work harder for your company than your company will work for you. Your goal is to get your company working harder and harder for you in a perpetual manner. To put systems in place that will sustain, thrive and survive so you're building an asset – an asset that will be worth so many times more than the mere increases in income, in earnings, in salary or in dividends that linear thinking produces.

POWER PARTHENON OF GEOMETRIC BUSINESS GROWTH

This concept is predicated on the very, very simple assumption that 99% of all companies today, and 99% of all companies ten years ago, generate the vast majority of their revenue, and income from one primary revenue activity. And that's the dumbest thing in the world, because with just one pillar supporting the entire revenue stream (it looks to me like a diving board,) it is very, very, very precarious. A diving board has never been a means for propelling anyone upward to growth on a sustained basis. You do go up for a moment in time, but eventually you plummet back down. I try to get everyone I work with to build pillars and pillars and pillars – not unlike the Parthenon in Greece – of additional, complimentary revenue and income-generating approaches borrowed from outside their industry. And if each one only adds 10% more... 15% more... 20% more... the combined geometric effect can be hundreds and hundreds of percent growth. And everyone thinks that my press and my track records are almost hyperbolically ludicrous. They're not. I'm just one of the few people who understands how much more you can actually get out of an opportunity, out of an effort, out of a day.

THE FORCE MULTIPLIER EFFECT

“The Force Multiplier Effect” is a military term. It's defined as the capability that, when added to and employed by a combat force, significantly increases the combat potential of that force. And thus enhances the probability of successful mission accomplishments. It's the militaristic discipline of creating multiple avenues of penetration at the same time. Going by land, going by sea, funnel attack, side attack, surprise attack, missiles, going ahead to penetrate and soften the market, air attack, land attack, sea attack, stealth attack. And it's a proven process of dominating your enemy in military terms. And when you apply it to your business, you can dominate and preeminently own your market. It's letting the full force of many different factors carry you to greatness without you having to lug it and push it.

THE 12 STRATEGIC PILLARS OF STRATEGY

These are what I believe are twelve of the strategy pillars you must incorporate into your business philosophy from today forward.

CONTINUALLY IDENTIFYING AND DISCOVERING HIDDEN ASSETS IN YOUR BUSINESS

Every business has hidden assets, overlooked opportunities, underperforming activities, undervalued relationships, untapped resources and intellectual capital. And until you commit, to monitor, to examine, to mine those on a continuous basis, you'll never maximize your performance income or profit.

MINING WINDFALLS OUT OF YOUR BUSINESS EACH AND EVERY MONTH

It is very important psychologically to produce short-term wins. It's important to get them to validate that the course you're on is correct. They don't have to be big victories, although they tend to create, in combination, extraordinarily substantial results when the exponential impact applies. But you have to be committed that every month you want a windfall. It could be a market windfall, a strategy windfall or a sales windfall. But you have to be committed to that as an objective and a goal that you must fulfill every month.

ENGINEERING SUCCESSES INTO EVERY ACTION YOU TAKE OR DECISION YOU MAKE

Most people are reactive, and not pragmatic. They're not logical. They're not strategic. They're reactively tactical, and it's the worst thing in the world. You have to learn to take a deep breath and reflect, and be much more systematic and much more global in the way you look at all the integration of what's going on in your world.

MULTIPLE PROFIT SOURCES

You must build your business on a foundation of Multiple Profit Sources instead of depending on one single revenue source. Why grow incrementally or linear if you can grow geometrically and exponentially with the same time, effort and capital.

Let geometry work for you. Geometry is not $2 + 2$. It's $2 \times 2 \times 2$. It's basically bringing three different factors, or more, together. You have to bring continuous processes to work for you a foundation of multiple profit sources.

USP

Being different, distinctive, special, unique, and advantageous in the eyes of your clients is basic to your success. The concept of "Unique Selling Proposition" no longer is merely having an advantage over your competitors. Today you have to be seen as the only viable solution, strategy or opportunity for the problem or desire that your marketplace is trying to address. And you have to be much more refined in it, because there are too many choices. Needs today may be singular, but means to fill them are so vast it's scary.

CREATING REAL VALUE FOR YOUR CLIENTS

Creating real value based for your clients means creating value based on what your clients define value to be for them. And value for employees for maximum loyalty, results, and sustaining relationship.

MAXIMIZE PERSONAL LEVERAGE

You must focus on getting the maximum personal leverage from every action, investment, time or energy commitment you ever make. This is a simple concept, but you probably don't have this approach indelibly embedded in your mind, and you don't adhere to it. Just by bringing this thinking to bear is going to dramatically improve your results.

NETWORKING, MASTERMINDING, BRAIN STORMING

You must start networking, masterminding, brainstorming with like-minded, success-driven people from outside your industry who can share perspectives, real life experiences and recommendations with you. If you look at all the great achievers, they have brain trusts. They have kitchen cabinets. They have mastermind alliances. They have advisory boards galore. If you're a lonely entrepreneur out there trying to knock it alone, and you're not getting perspective from other people, you're making it very hard for yourself.

BE AN IDEA GENERATOR

Turning yourself into an idea generator and recognized innovator within your industry or market will propel you from the middle of the pack to the leader in your market.

GROWTH THINKING

Making growth thinking a natural part of your everyday business philosophy sounds simple, but few actually do it. You can't just give lip service and say, "Yeah, we want to grow." Everything you do must be driven through the screen, the filter and the lens of dedication to growth thinking. Always ask yourself "Is this going to facilitate, is this going to contribute, and is this going to bring about our growth or not?"

RISK REVERSAL

You will gain more clients and keep more clients by reversing the risk for both you and your clients in everything you do so the downside is almost zero and the upside potential nearly infinite.

TESTING

When you use safe, small tests you'll eliminate the dangerous risks and costly mistakes. You'll be inspired and spiritually animated to enthusiastically, continually test,

experiment, try. What you don't want to ever do is go down looking at the third strike, using a baseball analogy. You want to swing for it, but you don't want to swing for it like Casey at the bat. Getting a lot of singles and never striking out will win the game more predictably than anything else you can do.

MINDSET FACTORS

There are mindset factors that I believe are very important for you to reflect on. You have to be able to set and achieve your own lofty goals. And you have to be able to recognize the process to achieve them. Many people have goals, but very few people reverse engineer the systematic sequence of simple actions necessary to get them to that outcome.

You have to develop a process to effectively overcome obstacles. Struggling with challenges is a waste. Overcoming them, resolving them, circumventing them is a mindset that you must to install.

POSTIVE ATTITUDE

Lost the negative attitude. You can't let your glass ceiling thwart you. You have to have the right attitude. You can't think in negative terms. It's simple, it's axiomatic, Logic 101. When you get the passion and the vision for what's possible, when you get the system, the policy and the procedures, and you see how predictably, how pragmatically, how sequentially and how quickly you can do it, your whole mindset is going to change. You have to realize and believe that this will work, but there are going to be challenges. The truth of the matter is, adversity is opportunity. And when you believe that with every filament of your being, you're going to maximize and optimize everything you do.

PERSISTENCE

You have to be committed to persistence. Persistence is like the military. They hope that their frontal attack works, but they're not going to leave the war and put up the white flag if they're confronted with resistance. They're going to go from the side, from above, from underneath. They're going to go by day, by night. They're going to send unmanned missiles. And they're going to do everything, because they want to win the war. Sure, it would be great if they could do it in one death-fell swoop. But they're prepared to do whatever it takes to be victorious. If you are not prepared to do that, you may not be victorious.

ETHICS

Throughout all of this, you have to distinguish yourself and operate at the highest level of ethics, of integrity, of veracity. If you lower yourself to the level of a lot of the people in the world today, you won't be distinctive. You won't be preeminent. You won't stand out. If you operate at this high level, you will win over people and they will stay with you when you have the right systems and strategy in place.

VISION AND PROCESS

The vision you paint will enable you to see exactly the sequence of events, to exponential growth and success. Having a vision is very difficult if you don't have the process to get there. Just holding this big vision out there and believing it, is wonderful. But if you see each step of the way, and when you take one, you knock that off, and you're getting closer. It's like I know that I want to go there, but I can count off and say, "It's 23 steps." And starting, you say, "OK, one, two now it's only 21 steps. Three, four now it's only 19 steps. Five, six now it's only 17 steps." And it's closer and closer.

REINVESTING

You have to be willing to take, not dangerous risks, but make calculated investments in your future. And one of the biggest disappointments—and it almost makes me cry when I look at businesses that won't reinvest a portion of their increased revenue. They'll get a windfall that I would help them stimulate of two, three, \$400,000, and instead of taking 50% of that and putting it into new people, or more marketing, or more selling systems, or buying more leads, or more starts in clients they'll just put it in their pocket and walk away. They don't reinvest, so they don't realize exponential growth. Parlaying your successes by investing strategically and systematically in the future is critical to your success.

BEING FEARLESS

The sky won't fall. The world's not going to collapse. You won't go broke or look stupid. Quite the opposite is the case once you adapt this philosophy. Really, doom and failure only go to those who stay stuck in the status quo. You have to be resigned and resolved to learn from the mistakes of others. It'll save you millions. It'll save you years. It'll save you emotional hardship. And it will catapult and propel you so many levels and rungs higher so fast, if you're committed to do it.

DAILY MOTIVATION

You really do have to review and revisit this belief system every day. I don't care how great your mind and your memory is, you retain about 3% of the boring things you learn. If it's more exciting and more diverse, you retain about 7%. The first thing in process training is reviewing on a continuous basis what your vision is, what your goal is, what you're going after, what your system is. Because if you don't, you'll forget it.

YOUR NEW SUCCESS

How you handle your newfound success as you build it is very critical. And it's a very different change from the way you may have managed mediocrity or a plateau that you're on today.

GIVING BACK

You have to give back to others, just the way; hopefully, people are giving back to you.

SUCCESSION

And finally, what I call “succession.” It’s an idea that’s really powerful. It’s the process of getting other massively successful individuals to pass on their best-kept success secrets, strategies and philosophies to you so you can, again, shorten the timeline to greater success and wealth.

IN SUMMARY...

Great marketers are made, not born. It requires discipline, a precise system, and a highly strategic plan to really develop your personal marketing genius. It also requires a very different mindset than the one all your competitors use. If you want to grow your business like a weed, gain a decisive competitive advantage, attract new customers in droves, and double and redouble your profits --- **then you need to open your mind to one overriding “big” idea:**

It’s a fact: My marketing methods can work true performance miracles for your business. But you will never reap their rich rewards, unless you develop a systematic process to harness, harvest and strategically implement them. But most people don’t know how to implement a strategic marketing system. Will you?

Hopefully this short-course primer goes a long way to helping that happen.

*For more information about Jay’s future programs or products...
you may join his Info & Updates List by sending
a blank e-mail to: join-clients@list.abraham.com*

<http://www.abraham.com>