



Selling Disruption™ Show

With Mark S. A. Smith

The Disruptive Future of Your Business

*Keynote from Executive Strategy Skills Summit
ExecutiveStrategySummit.com*

Mark S A Smith: Welcome everybody, to Executive Strategy Skills Summit. I'm Mark S. A. Smith, I am truly honored that you've chosen to join me for the next two and a half days to work on your business, instead of just in your business. The reason why we are here is because we all want to grow. Everybody in this room wants to be better than who you are today, and yet who you are today is quite spectacular, because it got you to this place. I'm really honored by the people who've chosen to be here. Everybody in this room in their own right is extraordinary, is genius, has something spectacular to share with the planet, and we are all here to support each other. We're all here to help each other grow. We're all here to achieve what it is that we want to achieve.

I want to first of all recognize your willingness to do something that many other people aren't, and that is to stop, take a breath, be grateful for what you created, and look forward to creating something even more amazing, more spectacular. That in itself is unusual and unique in the world of entrepreneurship. Most of the time we're so caught up in being caught up that we don't have that time, we don't take that time. We don't give ourselves the luxury of what's required to move on, instead we work harder, and we work longer hours, and we answer more emails, and we do all these crazy things, when really what we need to do is stop. Take a breath, be grateful, and then plan the next most resourceful step. Congratulations, well done, it's going to be an amazing two and a half days together.

I want to start today's event, this two and a half day event, by a little bit of checking in with where we are, not with only with ourselves, but where we are in the planet. You know right now, it's a crazy time in the world. The world is changing faster than you can imagine, and we will introduce ourselves soon, but I want to have this conversation first and put some things in context.

About two-thirds ... No, everybody in this room is involved in some way in high-tech. Everybody, in some way, is a high-tech involved person. Here we have people that sell computers, we have people that use computers, and use a lot of other technology, but the world is changing faster than we can even imagine, and we are the people that are out there pushing the edge, helping people adopt this technology and grow with this technology.

Here's a couple of things that I see going on. At the very beginning of this month, this January 2017, was one of the most widely publicized events in Las Vegas, what was it?

Audience Member: CES.

Mark S A Smith: CES, the Consumer Electronics Show, where everybody who wants to bring technology to the world shows up, and makes a big deal out of it. Now I did have a badge, but I didn't go this year. There were too many other things going on, but I did go to some of the parties, and that's where you get to round up everybody else's experience, and I got a chance to ask people that I have a lot of respect for, as far as their ability to look into the crystal ball and foresee the future, and we're going to work on that. We're going to work on that crystal ball ability. We need that ability as executives, to see into the future.

There were three fundamental things that CES brought to play, that we need to be aware of, that we need to keep in mind as we proceed moving forward. One of those things is, of course, mobility everywhere. Who owns more than two mobile devices? Carries them around, right? At least one cell phone, a laptop, portable device? Probably maybe even more, maybe an iPad or some other pad type of thing. We have more and more and more and more devices out there for this mobility, and then everything is coming in and out of the cloud.

The thing that's interesting is this year is the year that we will start living in the cloud, not just accessing the cloud with email and everything else, but we're going to actually live in the cloud. The reason why is because these devices are just loaded full of sensors. Accelerometers, pressure detectors, radios, three or four different radios in here. Accelerometers for measuring every step that you take, and every step that you climb, and very soon we'll be attaching to our face, wearables. We'll see them from Apple this year, that are going to be enhancing our world. So it's changing how we consume information, and that changes how we create information, and it changes how we interact with our customers.

So we now have ubiquitous voice command, anybody have one of the Amazon Echo's Dots? Yeah? About half of you do, and how does it work?

Audience Member: Very well. Love it.

Mark S A Smith: Amazing, right? That's what people say, "I love it!" So that was the number one best selling consumer electronic in 2016. Amazon sold more of those than any other single device on the planet, and one of the reasons why is convenience. It has this array of seven microphones, and it does a really good job of listening and hearing what you have to say, even with the music loud, even if you're across the room. That ability for us to now use technology to focus, not only sound, but also sight, we're getting that same thing coming in to self-driving cars, is changing everything.

So when it came to CES, this was probably the number one news. Over 1,500 devices that attach to the Amazon Echo, that you can control with your voice. I think that everything is that you are saying is being recorded. We're starting to forego privacy for customization and convenience. The reality is, if that bothers you, don't use it. But if you like the ability to say, "Hey Siri, Hey Alexa, order some more paper towels," and they show up on the doorstep that afternoon. If you like that, expect to be recorded.

But Tony Robbins, a decade ago said, "If you're going to be in the public light, act as though you're always on camera," and as executives, that's really good advice. Really, really good advice, because quite frankly, if we're not being recorded by electronic lenses, we are being recorded by our customers, by our employees, by those who are considering doing work with us. It's going into their brain, they're remembering if they're seeing that every action that we take is recorded some place, somewhere, somehow.

I see this as just something we have to get used to, but ubiquity, the voice commands and recording everything, every time, everywhere, is just part of the nature that we're in. Yet that also impacts how we're going to behave, how we're going to go to market, how we're going to work with our employees. What I want to talk about is these things that are eminent that change the way we interact with the world.

Then the next big thing is artificial intelligence in everything, so the second big story in the CES this year is self-driving cars. Every automotive manufacturer had a self-driving automobile at CES this year, and every one of them is looking to bring a level five car to market, and level five is no steering wheel.

Mark S A Smith: That makes you a little frightened? Who's make that a little bit? I mean every one of you that raised your hand got an airplane to get here.

Mark S A Smith: With more and more children being sucked in by their mobile devices, I expect, my friends, that the children being born in 2017 will not get a driver's license. I mean, that's really encouraging. I have five children, two of them are in the back of the room, and I taught every one of them how to drive. I spent 50 hours in the car with each one of them, that's 250 hours of sheer terror. You won't have to do that for your children, maybe you don't have to do that for your grandchildren. This concept of AI to the level that it can drive an uncontrolled vehicle in an uncontrolled environment, in a highly controlled way, should give you an indication of where we are going.

Very soon our sales people will be AI. There's no reason why it can't happen, no reason at all. There's no reason why a lot of our tech can't be AI, no reason at all, and so a lot of the services that we deliver based on our intelligence and our insights, quite frankly my friends, is going away. And people that are in the knowledge business, where you went to school for ... How long John, did you go to school to become an extraordinary doctor?

John: Eight years.

Mark S A Smith: Eight years? Eight years of college, right? Eight years of college will be done by a robot soon, and actually better than most of your peers. Not as good as you, but better than most of your peers, because with a camera and fine robotics, it will be able to do the dental work to a high degree of accuracy, and very inexpensively. So that changes a lot of what we're doing my friends, and face it, it's happening. It's unstoppable. It is a hard trend, and of course when this happens, when we have self-driving cars, so many things change.

We don't need auto repair shops, we don't need traffic cops. We don't need sobriety checkpoints, woo-hoo! A lot of those things change, we don't need new lanes on highways, because what we have right now will be just fine for the foreseeable future, when cars can be traveling a meter apart. We don't need stoplights, we don't need stop signs, because all the cars are going to be paying attention to each other, and they'll know exactly what to do, so there will be no inefficiencies in travel. It's inevitable, it is part of the inevitable.

How does that impact our business? How does that impact what we're going to do? It's going to have a massive impact because if we're relying on that business, it's going away. If we rely on serving those entities, it is going away. Not today, but certainly in the next ten years, and part of that is our job as executives, is how do we look into the future? How do we look out at what's coming down the pipe, so we can get out of the way of that disaster, because the people that are going to say, "Oh, we need to do something, because next year it's not going to work anymore," are too late.

They've lost all of their investment, they've lost all their equity, they've lost all their training. The really sad thing is that most of us in this room have, we have wisdom that expires about every 18 months. We have knowledge that is no longer valid every 18 months, but if we don't know it today, we're going to be out of business next week. But our business is a moving target, our people are moving target, our customers are moving targets.

The reason why you're here is because of your need to understand these things, and see the world in this light. To really get that the world is moving fast, but the good news is that you can keep up with it, and you can get ahead of it. But you can only do it if you say, "I see the world changing rapidly, and I'm

going to be a part of that change agent," versus resisting it. This is irresistible. The only way that you're not going to get into a self-driving car is to die. Okay, stay on a bicycle.

Don't buy a car five years from now. Don't! If you want a car, lease, because cars are going to be a declining asset as we move to self-driving automobiles. There will come a time soon when it will be illegal for you to drive a car yourself, at least on a highway, or major streets. Don't buy something that's a declining asset unless you really love it. It's okay to put your car in your garage, and to dust it, and to polish it, and you'll always have the opportunity of going off without a hope, and doing cool things. I hope that's the case, but for the general population, I mean imagine Tony, if self-driving cars were in London right now, what that would do for the traffic situation, it'd make it all go away. Driving through Paris or London, or even New York City is just insane. All that's going to go away, all of that.

So virtual reality and augmented reality are going to change how we view the world, this is the third big news from CES this year. Apple will introduce eye glasses this year that will give you augmented reality, and they're going to look about like the glasses you're wearing right now. They're not going to be the Google Glass ugly thing. They're going to talk via Bluetooth to the pack in your pocket that we used to call a phone, and you're going to be interacting with your eyes, and with gestures, and it will project what you see in the room.

It's going to digitize the room, it's going to project it on the wall. You won't need a TV anymore like this, we're just going to all agree when we get together to watch a movie, that this is where we're going to be viewing the movie together, and we're going to all be seeing the movie from our glasses, projected upon that wall through virtual reality, and if we move our head? It's going to bend it and stay on the wall. Instead of a dusty view of walking into the rack in your customer's place, and tracing down the cable, it'll be highlighted, it'll glow, and that's the wire you need to remove, and when you pull open a server, that's the card you need to replace. And you're going to take a look and see the X-rays overlaying the teeth that you're looking at.

You're going to be looking at a customer, and their records are going to be floating over their head, their likes and their dislikes, and the names of their kids, so that you're going to be able to hold a conversation, and nobody will know that you're just seeing ... They won't know whether it's coming out of your brain, or out of your eyes, and quite frankly, it doesn't matter.

This is a game changer and it's coming very quickly, and of course, those of us at the leading edge will figure out how to make money with this, and those of us on the trailing edge will essentially lose the ability to get minimum wage jobs, because fundamentally I can give AR glasses to somebody, pay them minimum wage, and they can do really high-end work by just following the instructions, and it's going to watch them like a hawk. It's going to supervise, the AI is going to supervise the AR, and we don't have to do that anymore. It's inevitable! It's inevitable, and it is right now. It is right here, right now, faster than we can imagine. Faster than we can even imagine.

So what happens is that it changes the way that we relate to the world, it changes how we relate to the people. Now the bulk of us in this room are baby boomers. We have a millennial or two, we have a few Gen X in the room. In the old days it was really about how we created relationships with our customer to help them connect with us, and feel safe doing business with us, to trust that we could do these things. And the reality is, that a lot of the technology we're talking about right now is no longer required. We are now a world of reviews.

Audience Member: Yeah.

Mark S A Smith: Come on think about this, when was the last time you bought anything from Amazon, that you hadn't purchased before, without reading the reviews. Have you done that? None with a "hell no," right? Have you been to a new restaurant without checking out Yelp? Not unless somebody said "You got to go," and that was a review from a peer. We no longer buy without some sort of recommendation. That changes the world, which means, unless we have a recommendation engine behind us, we're not even visible to the marketplace, and what that means for all of us is that we have to have our reputation engine as part of our marketing machine. I guarantee that your prospects check you out, Google you, check your social media profiles, and unless you are illustrating thought leadership, they're going to go with a person that they see as leading with thoughts and information that they can connect with, and they feel this trustworthy.

While word of mouth my friends, is a great, great way of growing our business, we're losing control of it because of social media, and because of the recommendation engine, and that we as business owners, as executives, have got to create our own recommendation engines that we monitor. We have to watch our social media presence, and we have to watch our reputation engines, and then we have to generate to feed them on a regular basis. Part of what we have to do is keep advancing the state of communication with what we're learning, not just what we know, but what we're learning, with the people that we want to connect with and do business with. More about this today.

We also have resistant prospects, everybody's skeptical. Every one of us is skeptical, and we have people with really, really short tempers. Have you noticed that customers today blow up at the drop of a handkerchief? It's crazy! Whatever happened to manners? I think they've disappeared. Anybody that has manners, well they can be my friend. Patience is thin, we're all worn out, yeah, and customers and staff want to be anywhere but where they are, right now. You can walk into any Starbucks, and that's exactly what you see. Not here, not now, anywhere but. It's just absolutely true, it's just what it is.

What that means is that for us to grab somebody's attention and hold it requires an extreme interaction, and it doesn't last long. Even if you're doing something extraordinary, doesn't last long. Who here, after watching a movie, come home exhausted? Anybody come home, just worn out? I do. Yeah, after watching a movie. Movies these days are like being in the middle of a video game, right?

Audience Member: Yeah.

Mark S A Smith: You know, like Star Wars, right? Rogue One. I felt like I was in the middle of a video game, it was nonstop energy action, I was exhausted. I was enjoying the whole ride mind you, but it was a two and a half hour rollercoaster ride, and that's what it takes. So how do we compete? How do we compete with Hollywood? How do we make our marketing messaging compete with that kind of extreme experience?

Well we're going up against TV, newscasters with teleprompters. We're going up against late-night TV people that have 50 joke writers writing humor. We're going up against Hollywood blockbusters with 300 million dollar budgets. That's what people are looking at, and then they look at us, and it's a challenge. How do we break through this? We're going to work on that. We got to know how to do that. So we're going to break through that, we're going to work on that.

It used to be that we did business with a handshake. Well, nowadays there's nobody to shake hands with. Most of the work is done virtually, and that's one of the reasons why it's so great for us to come together in this room, and to pool our energy, and to pool our thoughts, and to create really extraordinary things for ourselves, and for each other. And quite frankly, I think that with all of this disconnection, and all this technology, we have this longing for human interaction. We have that longing for a hug and a handshake, and sitting there across a cold beer and sharing stories. We have a longing for that, and so do our customers. So one of the things that we are going to want to do is swim against the stream, a little bit. Though we'll also be very choosy about how we do that.

Customers are getting even. Who here has a customer that got pissed off? It was their problem, their mistake, they got pissed off and blamed you, and made a big stink about it. Who's had that situation happen in their life? Every one of us of course, it's the case. Customers don't just get mad, they get even, and even, and even. And you know, the really challenging thing about social media these days, is it gives idiots the same loud voice as the genius.

Part of our job is to quit re-amplifying the idiots, don't re-post stupid stuff, please? If you see stupid stuff, say "That's stupid, I'm not amplifying that message. I'm just going to leave that there instead of making fun of it, and create something extraordinary instead." We have to stop the insanity of the stupidity, sometimes it's really tempting.

You know, customers are ... Business would be really great if it wasn't for the customers. Gary Halbert who was one of the direct marketing copywriters would go around with a ball cap that said "Clients Suck." They really are awful, but they certainly know what they want. Even though they may not, because the world's moving so fast, and so what ends up happening is our old fool-proof value propositions are failing. What we used to use to go to market isn't working anymore, and we have to realize and stop what isn't working.

For example, for most of us in the room, what isn't working that we used to use, in fact a lot of us are still using right now, cold-calling. Who still uses cold-calling as a methodology to look for new customers? Come on, be honest with me. Yeah, yeah, yeah, thank you very much. It's hard, it's stopped working, and part of the reason why is because that cold-call doesn't come with a recommendation, doesn't come with a review. Remember we are a review-said business society, they're not going to take your call unless there's a review that goes with that. "This call has been reviewed by Yelp, answer the phone." There's actually an interesting business opportunity isn't there?

Audience Member: You got it.

Mark S A Smith: So sometimes these challenges that we face, breaking through them, become part of our business opportunity to create, and invent, and innovate. Customers are chasing the best deal, they're looking for the cheapest possible thing. Quite a few of you in this room sell to the government. To the federal government, to the state government, to the local government, if you sell to the government, bless you. That's a challenge. You make money at it but it's a challenge, because if you think about it, this entire nation was built on the lowest bidder. That should scare you.

So take a look at this list. What do these companies have in common, Spotify, Nest, Kickstarter, Stripe, Square, Instagram, Snapchat, WhatsApp, iPhone, iPad, Kindle, 4G, Uber, Airbnb, Android, Oculus, there's a few of them that have yet to turn a profit, it's true. None of that technology existed a decade ago. Not

a bit of it, but it's ubiquitous. The challenge that we face here is that so many of the technologies we're embracing are moving so fast, and there's so much more coming.

Just a quick review here, massive business disruption because of this. This is a list of brick and mortar values from ten years ago and today, and if you see this, Best Buy is down by 49%, JC down by 83%, Sears and Roebuck down by 95%. Walmart's up by 2, but Amazon goes up 1,910%. That a demise of brick and mortar.

Who here buys from Amazon? Let's just kind of check in here. All right, every hand is up, of course it is, that's the way. Why? Why do we buy from Amazon?

Audience Member: Easy.

Mark S A Smith: Easy! Who here has bought something at 3:00 in the morning in your underwear? We all have, right? Yes. You think of something, you want to buy it, you just do it. Why else do we like Amazon? Tell me.

Audience Member: Well I bought my son a birthday present on his birthday, and it was delivered the same day.

Mark S A Smith: Isn't that amazing? Same day delivery in a substantial amount of the United States. When there's 90% of the population, you can get Amazon next day, or the same day.

Audience Member: Same day.

Mark S A Smith: Same day. Harrison lives in Boston, he can place an order and have fresh groceries delivered--

Harrison: Two hours.

Mark S A Smith: Two hours, by Amazon.

Harrison: Do all my grocery shopping that way.

Mark S A Smith: He doesn't go to the grocery store anymore. There's no reason to get into your car. The world is changing radically. Why else do we like Amazon, tell me.

Audience Member: You can get anything?

Mark S A Smith: You can get damn near anything you want. That's exactly right.

Audience Member: And they have reviews.

Mark S A Smith: That's right, and you know what you're getting, even if you haven't bought it before.

Audience Member: But you don't know if you get the real thing or not.

Mark S A Smith: That's the challenge that I find too, is sometimes Amazon needs to do a better job on knocking out the clones and the fakes. There is a challenge, and they need to fix that, because that could kill them. What else, why else do we like Amazon? Tell me.

Audience Member: The ability to compare.

Mark S A Smith: Right! We can contrast and we can compare. We can shop and we can look at a number of different things on the spot, and have a relatively educated guess at it, and if we have time, we can ask people that have bought them to tell us their experience, and to answer questions.

Audience Member: It's actually something that needs a little research first, because you know kind of what you want, but you need to make a decision in 20 minutes, so.

Mark S A Smith: In 20 minutes, you got it. Versus jumping in your car, driving around, trying to find the place with a salesperson that actually knows what they're talking about? That, we've given up on that. Why else do we like Amazon? Tell me.

Audience Member: Pictures.

Mark S A Smith: Pictures, details, specifications, information. Wisdom, insights, yeah.

Audience Member: I like the way their website's built too.

Mark S A Smith: It's built for you. It's built based on your interaction with it. Everybody has a slightly different Amazon website because of how you play. Why else do you like Amazon? Tell me.

Audience Member: Free shipping.

Mark S A Smith: Free shipping, well it's not really free, but you know, a one-time payment.

Audience Member: Free shipping and movies.

Mark S A Smith: That's right, "and movies," and music. Amazon Prime. 54 million people in the United States subscribe to Amazon Prime, which locks out most retailers from access to those 54 million people. because if I can get them from Amazon, I do, instead of get in my car, easily. Why else do we like Amazon? Tell me.

Mark S A Smith: How about easy returns? Don't want it? They send you a label, send it back. I have had Amazon credit my account the same day as I printed out the label, even before I got it into the mail. Who the hell does that? They do, because they have history with me. I have a record of sending back what I say I'm going to send back. Now if I break my experience with them, they're not going to do that anymore, but they're willing to give me the benefit of the doubt because of their experience with me. Isn't that amazing? They'll take anything back for almost any reason, doesn't matter what it is. They make it so easy.

Customer service, have you ever talked to somebody in Amazon? Anybody here had a conversation with a human being via telephone? We have one person. Just the way we like it. And my friends, the

experience you have with Amazon is the experience your customers want to have with you. Amazon has changed the way people expect to do business, and we have to be Amazon-like in our delivery. We have to be Amazon-like in our responsiveness, we have to be Amazon-like in our ability to return their money instantly. We have to be Amazon-like in providing reviews and information, and insight and research, and wisdom and knowledge.

We have all done this to ourselves. We, collectively, have done this to the market by saying "Yes" to Amazon in mass. We have only ourselves to blame for having to deliver to the level of Amazon, but it's okay. We get to have these conversations together, we have these realizations, and say, "How can I become more one-click for my customers? How can I be more insightful, more informative for more clients? How can I provide more of an Amazon-like experience?," because if you don't you will be Amazoned. because quite frankly, unless you deliver a service, anybody who's selling something from another manufacturer, well it'll be on Amazon sooner or later, if it isn't already. Yep.

Remember these guys? About five years ago, when we wanted to watch a movie, what did we do? We went down to see them right, and we walked around looking for something good to watch, and we couldn't find anything that was good, so we went home with something that wasn't quite so cool. And now today, what do we do?

Audience Member: Amazon.

Mark S A Smith: Amazon Prime, right? There were 9,000 stores in the Blockbuster chain, not one of those remains open. That's disruption, and all of us face the same potential opportunity, the same potential issue for our businesses of that level of disruption. See, Netflix took over. Now the interesting thing about Netflix, it's now a verb. We use it the same way as Kleenex and Hoover, and other words. Netflix is a really interesting business, because ... Well I'm actually going to save this story for a little bit later on. I want to talk about this when we talk about our crystal ball, because Netflix used the executive crystal ball to figure out how to do what they were doing, and we'll just save it for that point in time. Yeah, because I'm going to show you how the crystal ball works.

But still, Netflix is going away. Netflix is at risk too. Amazon, as we've discussed, and the only way that Netflix is even attempting to stay alive is by producing original programming that's good. It is really watchable stuff. And the reason why is they're using high quality directors, and they're letting them do their own thing because, "Here's your budget, you don't have to worry about making box office, because we're going to show it on Netflix." It's a completely different disruptive model, even for the world of theater. Oh and by the way, this complex that we're in has 12 lovely screens including an IMAX in it, here, and a massive bowling alley. I love being in casinos these days.

So Amazon did 107 billion dollars in 2015, they're going to probably do more than 140 billion in 2016, the numbers aren't quite yet in for the final quarter, but what we do know is they took more than half of the online revenue for 2016's holiday season. Amazon is without a doubt, the big force. And they are making money now, mm-hmm (affirmative). Amazon has a one and a half billion dollar freight bill. 54 million people use Amazon Prime.

Airbnb, what a crazy idea! But they're worth more than Hilton, and they don't own a single hotel room. Uber! I had a text chat with a founder of Uber when they first started in Manhattan. He offered me free rides. "Mark, you're coming to Manhattan, I'll give you a free ride," because I was tweeting about

heading to Manhattan. "Come on, download my app, I'll let you ride for free." How cool is that? That's how they did it. They don't even own a single car, but Uber is going to be in the driverless car business.

Fundamentally what they've done is figured out all the infrastructure, and all the technology, they have driverless Uber cars now. And of course, they're now doing Uber Meals. They're going to be the new transportation. But you know the really cool thing about self-driving cars, even the long-haul stuff is figured out. because what's going to happen is we're going to get in a car, any car, going to tell it its destination, it's going to start taking us there, and if we want the cheap version, we'll pick up a couple of people along the way, and it'll drop off a couple of people on the way. If we want to pay the express version, it'll take us straight there. But as soon as that car starts to run out of electricity, it's going to pull into a depot, you're going to get out and change cars, and it's going to continue on your way. So it's going to even handle a lot of the issues that electric cars have with range, just by switching cars.

There's so many things that change, my friends, with this technology that we're facing. What are we going to do? Even Lynda, who here is familiar with Lynda? Got a few hands up, well you should be because it was sold to LinkedIn for one and a half billion dollars. Online training. The world of education is being disrupted. Why would anybody want to go to school these days, when every class that MIT teaches is available online for free. Every class taught by Yale is available free online. Harrison, how much of Harvard is online?

Harrison: A lot, almost all of it.

Mark S A Smith: Almost all of it.

Harrison: All the really popular classes are.

Mark S A Smith: So if you want to go to Harvard, you can go online for free. Now if you want the diploma, that's going to cost you. But who the hell needs the diploma, because people aren't hiring diplomas anymore, they're hiring capability, they're hiring capacity. For those of us in the world selling the educational, that is about to get radically disrupted yet again.

It's an amazing world that we live in. It's highly disruptive at every point. Now think about the changes in government this last time around. Just because of the online nature, because of the transparency now of news and information, and the freedom of being able to talk and to communicate, and to share ideas. And yes, it's been extremely fractious and contentious, and we're not going to talk politics.

The question that I have for you is, what do all of these companies have in common, that is critical for us as executives to understand, and to incorporate into our businesses? What do you think it is? What do Airbnb, Uber, Amazon, Netflix, Lynda ...

Audience Member: They change the status quo.

Mark S A Smith: They change the status quo, but how? How do they do that? Every one of them has the same fundamental pattern.

Audience Member: They put the power into the individual people.

Mark S A Smith: Okay, so you have the power to decide when, where, and how you consume. K, that's good.

Audience Member: They know what I want.

Mark S A Smith: So they know you. They keep track of you, they're using data to understand who you are and what you're trying to attempt. Why else? What else is the same?

Audience Member: Most of those things actually happened before, but just not in the scale that they've done. But what it seems to me, is they've removed the friction of the middle-person.

Mark S A Smith: Bingo, that's the answer. They provide a frictionless experience, that is what everyone of those has done. "Oh, you want a ride? Uber. It'll be there in three minutes." You can watch it show up, you don't have to handle money, you don't have to tip. You can leave a review for the driver. It's a frictionless experience. Amazon, one click, it shows up, same day, next day, two days later. You don't have to do anything, frictionless. Netflix, watching a movie is completely frictionless. You stop, it comes back and remembers where you left off. Airbnb makes a place to stay frictionless. Lynda makes education frictionless.

This concept of frictionless, in my opinion, is critical for every one of us in this room in our ability to work with our customers, and to be in business. Anywhere there is friction is the opportunity to disrupt the market. Anywhere there is friction is the opportunity to generate money, because anywhere there is friction, we have been trained today to stop and find another vendor. So frictionless is one of our key words for this event. How can we take the friction out of what we're doing? We are going to look for ways of preventing friction everywhere we possibly can.

So sales, who here believes that sales is the most important aspect of a business? Every hand should be up, because quite frankly, without sales you do not have a business. Now the challenges, and that we're going to get into this over the next couple days, is that traditional sales creates friction. Traditional approaches to sales actually impedes sales, and we're going to make it go away, and I have a model called "Fast Funnel." We're not going to talk about the sales funnel, other than how the funnel has changed radically with some of the things we've talked about here today, but there's some things we can do to create an extremely fast funnel.

Let me give you an example. Doug, sitting up front, how long did we talk before you said "Yes" to coming to this, half an hour?

Doug: Yeah, no less.

Mark S A Smith: First time we'd ever met, fast funnel. How long have we known each other Chuck, before you said "Yes" to coming here?

Chuck: Technically about a month, but we only spoke for half an hour.

Mark S A Smith: Half an hour? Fast funnel. Now I know most of you better than that, we've spent more time together, but the point is that there is ways to do fairly large ticket sales very quickly, by removing

all that friction. We're going to talk about the experience you had, and what we did together to make that happen, and we're going to incorporate that into your business. How does that sound?

Mark S A Smith: It's about removing the friction at every point of relationship with our customers, from beginning to end, and when we do that we can disrupt our market intentionally, and forever. Sound good?

The thing to keep in mind is that the sale happens when intention meets confidence. The idea here is that you had the intention to improve your sales Chuck, and this guy, he's just a junky. He just sucks in every bit of information he possibly can, chews it up, spits it out, makes money with it. That intention is why it worked, and all of you in the room are here because you had an intention to make a change in your business. An intention to grow your business. An intention to do something you haven't done before, and then you met the confidence that you believe that I'm the guy that can help you get there.

Through the words I'm going to share with you, the insights that I've collected over the 26 years that I have been in business for myself, plus the additional eight years that I was in business working for other people, and the fact that I think about this stuff 24 hours a day, 7 days a week. You don't want to be in my brain. It's a pretty interesting place to be, and I've learned how to harness it and manage it, and met some extraordinary people because of that. But you have that confidence, and so that's the model, my friends, is intention meeting confidence. You supply the confidence that you can deliver for your customer, and then our job is to intersect with the person who has the intention to do what you deliver.

That is the heart of business, and when we can create that intersection and make it as frictionless as possible, you can grow at whatever speed you feel comfortable with. And now you can go home, and you know you got your money's worth, just with those two ideas. No, we're not done yet, we are not done yet. Not even close. Don't panic, there are plenty of options ahead, lots and lots and lots of things that we can do, and that is why we are here joining forces today.