



Business Brain Trust – Rieva Lesonsky

Here is a manuscript of when Jay Abraham met Rieva Lesonsky

RIEVA LESONSKY: Most trends in this country tend to start on the coasts. You know, I mean, you can even take coffee started in Seattle, so you can take it from Seattle down to San Diego, and kind of the New York to Boston area. It's really specific. And then by the time they make their way to the middle of the country, it's old --- to you it's old; to them it's new.

And so you can introduce stuff that may seem like, you can look at it in LA and go, "Well, that really works." And you don't have to worry about, like, the LA mindset. Cupcakes are cupcakes, you know? Everybody loves a cupcake. So if you all of a sudden take this cupcake idea and bring it to Indianapolis and sell them for \$4 a cupcake instead of \$5 a cupcake, you might have something going there.

So you always look and see what's hot, what's hot. And the way you do that is free today. In the old days, you used to have to pay a lot of money, subscribe to magazines, and... Just go online. Every newspaper in the country, you can read online free. It costs you no money. You can get into city magazines online in almost every city. So you can see...

If you're living, again, in Indianapolis, and you want to see what's going on in San Francisco, check the San Francisco newspapers and magazines. They'll let you know.





Again, I said, you have to read everything. It's like paying attention TV. March 10, 2008 Newsweek Magazine --- and if the news depresses you, or you already know it, which is, the problem this week because they're having problems, just skip the front part and get to the back, because that's where they cover trends.

Chinese food is hot, really hot. Now again, I go up to New York, I saw the headline there, and I went, like, "What? You know, who doesn't have Chinese restaurants?" But apparently, again, working your way in, there haven't been that many Chinese restaurants, and right now Chinese food... and then they tell you, you know, General Tsao's Chicken, they're really --- they wouldn't eat that in China. But it doesn't matter because it's all marketing.

So again, I'm not telling you to go open a Chinese restaurant, but if you have a restaurant, you have a catering company, you want to have a party, you have some Asian food there, it can label you sort of hot and knowing what you're doing.

I thought this was really funny, too. This was in Time Magazine --- Everybody knows the roach coaches, right? Those dirty old trucks that pull up to offices? Well, the roach coaches have gone premium. They have --- it's this really big trend, and they're having a lot of appeal to people in their 20s or 30s. Well, who's working these days? People in their 20s or 30s.

So instead of that kind of that kind of gross-looking car that pulls up, there are people --- you know, the truck that pulls up there, people don't really want to eat at. These guys are pulling up in kind of sleek old Airstreams. Doesn't cost a lot, because they're old, kind of... You know, you can't see her, but she's all kind of like, gussied up. She kind of looks... kinda funky kind of scarf in her hair... a little menu that they put out on a blackboard, and pink chalk, and they're just, you know, they're selling the same





old stuff, but it looks, it just looks a little different. They're marketing it, and they're charging for it, and they're getting more because again, it's the impression. It's the impression.

So you can take that idea and be specific with it, or you can take it and apply sort of the concept of it to your own business.

My last thing on food is cooking. Men. A couple years ago it was kids. Kids cooking was really in. People were starting businesses where Mom and kids could come to cook together. The big trend right now this year is men cooking. Not that a lot of you men cook, because you don't. Men only prepared 18% of meals last year, but that's up like 30% in two years. So it's not necessarily the number. It's more, you have to look at percentage increases, because that's where a trend comes from.

And this is really interesting. So basically, 18% of men prepared a meal last year. However, 67% (that's a big number) 67% of men under 25 will prepare at least one of their next ten meals. Yeah, so ten meals -- that's like three in... so basically, they're cooking twice a week, because ten meals --- if you figure three meals a day, you're at three days, three and a half days --- or three and a third, to be accurate.

So you look at something like that and you go, "What does that mean?" And that's what I mean about demographics, and we're going to talk about demographics next. So I'll just sort of launch into it. That's what I mean about demographics. You look at a number like that and go, "OK, so 67% of men under 25 are now cooking. What does that mean? It means, maybe potholders need to be less girly. You could design a line of kitchen accessories, potholders, the things that are not so flowers, and daisies, and ducks, and things like that. Maybe they need to be a little bit bigger, because they don't fit a man's hand right.





Maybe, you know, there's been a big trend in the last ten years in colored cookware. When I was growing up, everybody had this, you know, the Farberware pots. And then that French company came out, and everybody had the brightly colored pots. So maybe the colors, you know... Maybe there should be one color that's not so feminine.

Question and Answer

JAY ABRAHAM: You have interviewed, and you have observed, and you have studied more successful, small/medium entrepreneurs --- franchise, startups, service business... OK. What recurring, consistent traits, skills, characteristics, elements have you seen most frequently evident in the ones that really were the most successful, and the most in- control? Because that, I think, goes to happiness, low stress, don't you think?

RIEVA LESONSKY: Yes.

JAY: Can you answer that?

RIEVA LESONSKY: Yeah. I think that there are certain traits that all entre- that most successful entrepreneurs possess. One is positivity, because you're going to be met with a lot of negativity, so you need to be able to sort of manifest that positivity and get over it, sort of saying, "You know what? I'm not going to let this stop me." And sort of go beyond it. Not to say that you're smiling in the face of disaster, but to understand that, "Let me look for the bright side."

The other is flexibility. Entrepreneurs have to be flexible. And it can be, you know, it can be you might have decided you're going to start a business, and you're going to make clothes for older women. And then maybe you find out that older women aren't





buying your clothes. But is there a way that you can take that and turn it into teenage girls? So it can go for anything there, so you have to be able to turn on a dime.

And entrepreneurs used to really have that trait, and that's what beat them with all the big corporations, because the big corporations were slow. Well, the big corporations got faster and entrepreneurs got slower because of what Jay just said. It's that fear of growth. And so you have to be able to really understand you have a business. You're doing OK. It may do OK for the rest of your life, but if you do that, it may take off. So be open to "that" --- to turning... to being really flexible turning on a dime.

And then I think it's the ability to just really enjoy what you're doing. You don't have to be passionate about it. I mean, it helps, but there's plenty of people like Jay just said. There's people running tune-up shops, and dry cleaners. I don't know that people are passionate about doing that. So it's the ability to identify what's needed, and filling and providing it.

JAY: Good. OK, I'm going to switch. You've published tons of special reports, tons of special products, tons of seminars, and workshops... On a descending order, what were the four or five most critical subjects for you that people need the most help with? And this is going to get a little tricky. And if you had a minute to share the biggest action secret in each of those, what would they be?

RIEVA: Wow, that's a tough one. Well, I don't know that I can do it in descending order, because...

JAY: Do it in any order. Do whatever you want.

RIEVA: Technology. Technology is hard for people, because most of us normal people don't understand it. We know we need it, but we don't know what we need. We don't





know how to make it work. We don't know when it's time to get better at it.

I'm going to give you an example. We did an article in Entrepreneur probably 15 or so years ago that interviewed a bunch of Baby Boomer bosses, Baby Boomer entrepreneurs. So again, remember the Boomers were born between '46 and '64 --- who had a lot of Gen X employees. Now, Gen X were the Baby Busters --- people born, like, '65 to, let's say, 1980. And there was this talk about the clash in the workplace. So we interviewed both of them.

And what we found were the bosses said, "Well, they seem to be..." Because they had that generation hit with that "slacker" label. And the bosses said, "Well, they seem to be OK. They're not too much of a slacker, but they seem to spend a lot of time just staring at their computers --- not doing anything, just kind of staring." We interviewed the workers, and they were like, "Well, these people are OK to work for, but they don't understand technology and how much it's changed, and we have to sit there and waste time while we're waiting for our machines to hook up to the Internet and download everything we need."

So there was a complete lack of information, a complete lack of understanding of technology on the part of the bosses, because that was not just wasting time. If you were --- you were wasting dollars. Productivity in dollars was going out the window because these people were too cheap to buy a newer computer.

So you really have to know when it's time to upgrade your technology even though you may think these things are perfectly fine.

Another thing that I think is cash flow. Entrepreneurs always sort of underestimate how much money they need, when. And particularly --- even though businesses have seasonal ups and downs, a lot of people are oblivious to that. So I think one of the





things you need to do is sit down and map it out.

Look at three years' worth of data and see if you can identify the pattern, and then spend accordingly. Spend after you've made some money, and don't spend all of it. Put it away.

Don't be cheap. You know, really, don't be cheap, because if you're cheap you're going to --- first of all, if you buy cheap, you're going to end up buying more often. Second of all, if you think you don't need a consultant --- and by that I mean, a lawyer, an accountant, a marketing consultant --- because you don't want to spend the money, the money you spend on those people can either buy you millions of dollars' worth of protection, or an idea that's going to change your entire business and make you millions of dollars --- just even a different way to package it.

So spend. I'm not telling you to spend like crazy, but don't hold onto every penny. I think another big mistake entrepreneurs make is it's all about them, and you forget about those people who do the work for you.

JAY: It's their lives, too, isn't it? They're dedicating and investing a whole life in you.

RIEVA: Exactly. And you have to treat them like people, not like commodities. And it's the 21st Century. Are there things... Don't do things the way you do just because that's how you've been doing them. You can do things --- mobility now enables you to let your employees have a more flexible lifestyle, based on what your specific business is.

But it also enables you --- because that's the other mistake entrepreneurs make is, "Oh, I've got to be here 24/7, 24/7, 24/7. And yeah, you need to be in touch, so go buy yourself a Blackberry and once a week, take an afternoon off. You're in touch.



Misc

In Association with
Preeminence



People can get hold of you, but you can like, take it off and decompress. Because if you're constantly on, on, on, the new idea is never going to find room to pop into your head.

