



## The Cost of Authority

Authority Alchemy. The show for positioning yourself as the Number 1 authority in your industry. Quickly turn your prospects into clients and clients into raving fans. Here are your hosts: Brian Horn and Jack Mize.

Jack: Dun, dun, dun. Wow I bet that didn't sound nearly as good as the music they just heard, did it?

Brian: I don't know, that was a pretty good dun, dun, dun. I think you should have kept going with it and I could do a little ...

Jack: Was it in key?

Brian: Yeah it was a little pitchy.

Jack: Okay, well you know get ready for the voice. Here we are Authority Alchemy, I'm Jack Mize.

Brian: I'm Brian Horn and thank you for joining us today.

Jack: Absolutely, man that's another word to get a moratorium on, absolutely.

Brian: Absolutely.

Jack: That's the default response. Watch any show, any interview show, watch to any, listen to any interview show on the radio, podcast and see how many times absolutely is used. I think that should be one of the new top 10 words used in the English language because it's the default. Can you do this? Absolutely.

Brian: Just band that one along with epic and boom, great and all those other ones that are ...

Jack: Will I still be able to do this? Absolutely. That was always, in the mortgage industry that was the standard saying, the answer is always yes until it's no. Will I be able ... absolutely. Then when it comes back it gets to, well we got some bad news. All right, not to put a dark cloud on all mortgage brokers and loan officers, there's some fine ones.

Brian: They're probably the ones that are laughing the hardest to that right now.

Jack: Yeah probably so. I think that was the default answer. If you don't know the answer the answer is absolutely.

Brian: Yeah because I mean lawyers love lawyer jokes the most and I love making fun of marketing people also, I love the old bashing marketing.

Jack: I know, whenever people make jokes about handsome fellows I crack up. Anyway today we're going to be talking about the authority mindset, we're talking about the cost of authority. This is something that is a problem that is so common that it probably goes unrecognized.

Brian: Absolutely.

Jack: Yeah. One of the reasons is cost value, we did a episode on framing your value but one of the things you have to do is being able to see the value in other things because I can tell you most people can tell you the cost of everything but very few people can tell you the value of everything. That's where people miss out on this, people that look at price tag only versus what the value is. Because I've heard people say, I'm looking for maybe a graphics designer. You should go with this guy, you can't get any cheaper.

Brian: Yeah. Even price can also be just a time involvement also, not just actually just the cost but like, and the examples I remember out at Kevin Nations I was a little bit ago all the people ask well how long do I get to talk to you for like in these, in one of our up sales meetings, how minutes a month can we talk to you, yeah a little as possible. A little as possible and you get your result. If I can talk to you for 5 minutes and make you all your money back plus all the money that you set in your goal would you be happy? Yes. Then why do we have to keep talking after that?

Jack: That is, so what's the saying? Brevity is the soul of wit. I think brevity is also the soul of profit because that's where you get down to it, you get down to the core, you distill it down to the real value and has little to do with how much time is involved or how big the package is or all the extras and the thud factor that comes with it that so many people like to purchase it the shiny objects. First of all we're going to talk about the cost of authority

and we're going to divide this up into 2 different sections. One is money and then time because both of those are very valuable and as much as people philosophically there is no shortage of money, it's out there but most people do feel that they have a finite amount of money.

Brian: Right.

Jack: Money is limited, time is limited and how you choose to spend both of those can make dramatic differences in your results, in your outcome. Let's, first when we talk about what people spend their money on. You see people spending money, I call it are you building a business or are you stacking BBs, right?

Brian: Right.

Jack: Because there's the folks that are okay I'm starting my business the first thing I need is, what is the right answer? What is the right answer to the first thing you need in a business? I think a customer, right?

Brian: Right, very good.

Jack: Because you don't have a business until you have a customer and most people ...

Brian: They have a hobby.

Jack: Well yeah, they say first thing I got to get me some, really need to get me some invoicing software. Then I really got to find me some accounting software that integrates with that invoicing software.

Brian: Now I've got to get business cards, I need a website, I need a branding team, I need a ...

Jack: Exactly, I need all this before I get started and what happens is they end up spending a lot of time and effort on things that they never used but more importantly is that money that they spend on their, on that can be used so much more effectively than what they're spending it on. One of the things that I get is people, when they look at coaching, masterminds, education, tools because the one thing I can tell you is those that are quality they cheap.

Brian: Yeah, for sure.

Jack: It's almost when I see coaching and mastermind offers that are just complete contradiction in terms, learn how to sell high ticket products and services and come join my mastermind it's only \$37 a month.

Brian: Yeah, there is one I saw it was, it says private, 101 coaching on all this, 30 minute phone call every week on how to sell, to do coaching it was literally \$199 a month. That makes no sense and the coaching stuff is just thrown out there, let the ... the kind of rule is for coaching is when you're picking who you're going to go with on really any of that stuff you need to put every penny you can possibly put it into where you have no possibility of failing. Where you will, when I joined Kevin Nations it was like my wife said if you don't make every penny of this back in the first month and then make X plus every other month like that I am going to kill you because we have never spent this much money on anything in our lives outside of the house and the cars. Yeah that's one of the things on that you have to throw that money into it.

Jack: Yeah and especially if you, just be prepared that if you have people that don't understand what it is that you're doing you might as well bring back some magic beans, right?

Brian: Yeah.

Jack: Because that's what it is. If you want to see ... but you can make mistakes in coaching, right? There are some, here's one that just really is that actually, did you ever see, there's a documentary from the band Metallica from, I don't know, several years ago.

Brian: Not the recent one, okay.

Jack: This is where I don't know what recent is, relative. It's the one where they were in the studio recoding but they were having personnel, troubles between the band member so they hired a personal coach, a life coach, some kind of coach that was with them 24 hours a day to help them work through their issues

psychologically. I got to say I'm thinking man I don't know how much they're spending on this guy, they actually said and it was just a ridiculous amount of money.

Brian: Yeah.

Jack: That guy had to go home and sleep with one eye open every night because they did not dig him, he was just what I think you're trying to say is wait a minute, just he wasn't popular but they continued because they thought I was moving forward. You could recognize when coach is right for you and when a coach is wrong for you but the fact is by having that accountability in coaching mastermind, education and tools here it is if it's going to be of value it's going to cost you money and chances are if you're going to get the most out of it it's even outside of like you said the actual of content it's how much did you have to, how much did it hurt for you to participate in that.

Brian: Right, that's where your personal value comes from.

Jack: That's exactly it. One of the things that when people, if people looked at what we spend on coaches and masterminds they would choke probably.

Brian: Yeah.

Jack: If I looked at what my coaches and people in my mastermind spend on coaching and mastermind I would choke probably.

Brian: Yeah, true.

Jack: Because there's always someone trying to add one more zero. I maybe try to add a seventh zero to my number but they're trying to add an eighth zero to their number so they always have coaches. I think you actually said it one be wary of the coach that doesn't have a coach, right?

Brian: Yeah.

Jack: When people look at it this is where the real true success mindset comes in. Education comes in different forms, right? Especially, we all know and we've all bought the \$12 game changing strategy, right?

Brian: I've spent as little I think \$3 or \$4 on some WSO one time that promised the world and I said it's 4 bucks I'm going to go ahead and just see what it is.

Jack: Here's the, at the end of the year and this is a perfect time because it's tax time and when you go over and look at your expenses for the year and you look at all the money you spent on \$3 and \$12 things my accountant looks at this stuff and he gathers it all up and he'll sit there and well here's where all your money went, right?

Brian: Yeah.

Jack: If you can look at that \$3 and \$12 stuff and you see how much you spent whether it's hundreds, whether it's thousands, whether it's tens of thousands of dollars and when you look at that can you say that wow that's where a lot of my money went. If I look at how much money I spend on coaching, on masterminds on real education and tools and it can add up into the tens of thousands, sometimes there's been years where it added up to 6 figures.

Brian: Yeah.

Jack: I don't look at that and say that's where my money went that year I look at that and say that's where all my income came from was because I participated in that. That's when you know you have an investment versus an expense when it comes to spending your money on your business.

Brian: Yeah, especially if you're very clear that's where the money came from. With the, I always have a really track particularly with this mastermind exactly what business came from it. What came directly as a result of that, my coaches coaching me, what came from connections I made within the group, all those things I can go back and I can get an almost exact dollar amount that came from that.

Jack: That's it and that's very tough to do on \$3, \$12 products, right?

Brian: Right, and that's why ... on those it was something they just click, it was a, say a plug-in that you run a contest on your blog

and it would bring a bunch of new customers and a couple of those customers ended up buying some stuff from you could track it that way but yeah most of the things that have just given you some little quick strategy it's tough.

That's why I'm kind of done with the little cheap ones I'm just going after the big ones because those are just, I don't want to hurt anybody's feelings out there but those really are just ones just to kind of give you that little jolt, make you feel good that you're actually doing something. If you go and buy a 5, \$7 product, \$20 product it just makes you I'm feeling better, I'm actually progressing my business, I'm doing something productive today by buying this, I'm going to implement this.

Jack: Yeah and even if you spend your day down at the office depo and buying the TurboTax and I'm going to get some paper and look I need some of this stuff so I can stack papers in and I need some of this to sort this and you think that okay great I spent my day on my business and you didn't.

Brian: Yeah.

Jack: Speaking of the cheap products I actually had someone send me a message asking me my opinion on a product on whether I think it's something they should look at and it was, I forgot what it was. It was \$47 that promised to get them an avalanche of profit.

Brian: Yeah.

Jack: I think if I see something for \$47 that promises me an avalanche of traffic that tells me to shut it down right there.

Brian: Yeah, to get your avalanche of traffic take \$20,000 of your own money and go buy ads on Facebook, you'll get a lot of traffic.

Jack: That's right.

Brian: It's done.

Jack: I'll tell you here's the difference, \$47 products their goal is to remove the accountability from you, their goal is to say it doesn't matter how smart you are, it doesn't matter how lazy you are. This product is going to take care of it for you and it's

only \$47. That right there should be the screaming siren that this is BS, right?

Brian: Right.

Jack: Once you recognize in sales copy or anything like that where someone is trying to tell you that it doesn't matter who you are, what your circumstance are what your temperament is, anything, this \$47 whiz-bang thingamajig is going to make you money.

Brian: Right, this is going to save you from yourself.

Jack: It is, that right there is where you're going to look at the end of the year and think that's where all my money went. When you are dealing with someone that's doing coaching or a mastermind, real education and tools they will go out of their way to make it crystal clear that you are accountable to participate in what you're doing. However your participation along with their participation is what's going to be the magic ingredient that's going to help you succeed. It's so remarkable how often times that is the magic ingredient. Like you said it might be a 5 minute conversation because we've had that with our own clients where people spend 15 minutes on the phone and leave with oh my gosh I cannot believe.

Brian: Yeah, I mean you change ... on some of the calls they been in business for a decade and a 10 minute phone call and it completely changes their offer or they find exactly what they needed to do and it changes their business and that's worth, they'd pay tens of thousands of dollars for that one phone call if they had to do it again.

Jack: Yeah that's where the results are just remarkable. Then if they spent, if they spent \$10,000 with us to help them with their business at the end of the year they should be able to look on their taxes and say that \$10,000 isn't where my money went that \$10,000 is where this other 50, 60, \$100,000 came from was as a result of me spending this \$10,000. That's the true value of hiring a coach, a mentor and I'm not even just talking

about in money making. You could result this in fitness whatever your goals are there's a coach that is probably going to accelerate those goals not just a little bit but make them incredibly fast. We're talking about speed to results, right?

Brian: Right.

Jack: Speed to results that's what you're paying for with a coach because there's some things that we've done that yeah could get there through trial and error possibly over the course of a period of time but what you're paying for with a coach is speed to results. One of the things I know a lot of people and we've discussed on national media and things like that, we've talked about this before they say that's really something, that's cool that I'll be able to do that, that I'll be able to be seeing these things down the road in a few months and we say no, no, no we're talking about in the next 48 hours.

Brian: Yeah.

Jack: That's speed to results.

Brian: Yeah, that's ... speed is also, I've had people that would ask me about the service, we explain it and they say that sounds ... I tell them about the price, well can I just do this on my own? Yeah, absolutely. How do I do it, I say well there's this thing called Google you go over there and figure out how to do it and you go, you can contact these different places, you can build on that or can do whatever you want, there's many different ways to get there. I have my way and if you want my way you could just pay me and you've got it like Jack said within 48 hours or you can figure it out yourself, yeah.

Jack: Then we've had people that you know what I have a lot of speaking engagements and an opportunity is coming up later this year, it would be great, do you think it's possible for me to actually get a book out and become a bestselling author? Depending on what their goals are we say not only possible but you could have that within as little as 30 days.

Brian: Yeah.

- Jack: That's when it's worth the speed results. I know Kevin Nations is very big on if it's not something that you're good at hire an expert.
- Brian: Yeah just outsource it all, do your one thing.
- Jack: That's right, outsource it and that outsourcing you can't look at as an expense you look at it as an investment and that's where that money comes from. When we first started doing this podcast I would sit and figure out okay let's see Dolby, that's D-O-L-B-Y. I just sit here and try to figure out how to upload and get the hums and everything out and then we hired an authority engine to come in and handle that and for what we spend for that the return in our time, in our effort is exponential in what we can do instead of doing that. That's where it really comes down to it is think about those expenses. What you're doing is it an expense or is it an investment?
- Brian: Right.
- Jack: I'd be willing to bet that if it's \$47 it's going to be an expense at the end of the year.
- Brian: Probably so.
- Jack: If it's something that you're going to spend into \$1,000 over the course of the year whether it's on continuity or whether it's a onetime fee for mentoring or coaching I be willing to bet that you're going to see that as an and your revenue is going to reflect many times over what you actually spent on that.
- Brian: Yeah, as long as you make use of it and take action on what the coach says or yeah actually use the product itself. Yeah absolutely, the more you put into it the more you, the more high in value it is.
- Jack: Now, so one of the things that I see a lot of folks do because we get questions about this is how do I compete because we have a lot of people are clients that are coaches, that are consultants.
- Brian: A lot.

- Jack: Man it's amazing how people get spooked when they see something that is similar to what they do that is a lot cheaper. One of them is we have people that do web design or they're trying to launch their web design business and all of a sudden they're up in the middle of the night and they see web.com will set up a business's website for free.
- Brian: Yeah.
- Jack: All of a sudden they throw up their hands well there goes that business. They're like how can compete with that? I'm like why would you compete with that, you're not going to compete with that. Go out into the real world and ask people how many of them even know what web.com is or even has the, I know what web.com was or is I can tell you right now I'm not going to have them build me a free website.
- Brian: I've noticed for free website of any kind most business owners write a check to you, they're not going to want a free website. There's some maybe that don't have no money but the customers you'd want anyway.
- Jack: It is, I got to say I was in a contest for a quote, a saying, years and years ago for a big 6, back then big 6 firm, consulting and accounting firm. My quote was quality is a bargain at any price.
- Brian: Yeah.
- Jack: I think that right holds true that quality is a bargain at any price. Even if it's the most expensive but it's the best and it gets the best results it's going to be a bargain so be very, very careful about focusing on the cost of things versus the value of things.
- Brian: Yeah.
- Jack: Now the second part of this is where do you spend your time on. Many people don't think about time, they think they're saving money by doing it themselves.
- Brian: Right.
- Jack: What they end up with is an inferior product and something that is not going to get them the result or the return that if they would have just spent the money to get it done. We actually did

an interview with David Nagel and he shed some light on this and it really, I mean it just put a spotlight on it when he talked about this is the habit that most people have is that when they want to get better or build a business that they think the first thing that they need to do is to spend time on developing their skill set.

Brian: Right.

Jack: One of the things that I think that comes to my mind is with marketers, internet marketers, people that are getting in to internet marketing. I want to do internet marketing so I really need to learn how to do WordPress. What?

Brian: Yeah or spend all my time learning how to copyright and how to do, build a video studio in my house I can make videos and how to do, actually how to do ... how to set up podcasting equipment so I can have a podcast, how to do everything and buy every course and spend all that time trying to improve, add to their skill set.

Jack: That's one thing and I learned this and I'm sure we've brought up before is from a restaurant owner once that told me there's no way that I'm going to build a 7 figure business in a restaurant doing a \$10 hour job, meaning being back there with an apron on. The restaurant owner that puts an apron on is costing himself far more money than he could ever imagine. Instead David, just really remarkable, you should check out the interview, we'll have a link here to it, spending your time not on your skill set but more on the strategy of building your business and creating and building your confidence.

When I say this about David his core service, his value is taking businesses from 6 to 7 figures and beyond and that's what he does. What he's seen while doing this and we've worked with a lot of his clients and they're from many different industries but that is the one thing that they're focusing on is not getting better at that skill that they do it's getting better at their business, the strategy of building their business and building the confidence.

Brian: Getting the mindset right, yeah.

Jack: Yeah, because we've often talked about that you get paid as an authority when you can look your prospect in the eye and say with confidence I can help you.

Brian: Right.

Jack: That right there is something that you're not going to do with building additional skill sets or getting better at doing this ...

Brian: Yeah because what you see a lot of also people will fall back on this just because it's comfortable. Even if they, take SEO they'll just spend all their time trying to get better and better at SEO and that's where they're going to spend all their time just focusing on that one thing. Even if your micro placement is in SEO when you're building a business you don't spend all your time trying to get better. Because I mean skill set yeah that's fine, that's going to benefit but still as David said strategy and confidence, you're having a clear strategy laid out either from a coach or having developed it yourself and then having just the confidence to go out there and like you said just say this is how much my stuff is worth.

Jack: It is and a perfect example is a customer home builder. A custom home builder that may make huge amounts of money selling houses may have absolutely no idea on the mechanics of every step of the way of building a house, from laying the concrete to building the walls, to putting in the sheetrock. There's too many people that feel that they need to know every step of the way and the mechanics of how everything works in their business and they don't. What they need to know is the core of what they are offering and how it benefits the people that they're helping and how to help their prospects get the most out of that service or product that they're putting together because if they try too hard to know everything about every step of it they're spending their time on the wrong thing. One of these examples that we see people do and I'm going to tell you right now we're not immune to this.

Brian: No.

Jack: We fight it every day, every day we fight this, getting too involved the minutiae.

Brian: Yeah because minutiae, it's actually what I was going to say.

Jack: One of the biggest detriments that you can have is knowing how to do something kind of.

Brian: Yeah and I did this with all the, because I enjoy doing, thought sitting around on WordPress and stuff, I've always liked that.

Jack: Shade tree mechanics.

Brian: Yeah I'm a shade tree WordPress guy, I know just enough to be dangerous, I can go in there and really jack something up. We, when we were getting this latest site built out why don't we just hire somebody do it and they built it out, made it nice and it did exactly what we wanted it to do, done.

Jack: That's it and you know some of the most successful marketers I now are people that know absolutely nothing. They're lucky they know how to open up their email and send an email and that's some of the most successful are, why? Because they don't know enough to get in there and start stacking BBs and killing time. Any of you out there that do know even the most rudimentary things about WordPress how many times have you sat down, 8 hours later you are frustrated, you're not where you wanted it to be and you've got absolutely nothing done in your business?

Brian: Yeah.

Jack: Because you're getting better. I've seen people that want to, you know I'm really, I'm going to be a marketer and I'm going to be doing this so I'm going to take a Photoshop class. What? If that's your hobby that's great but you're not furthering your business with this, so that's another thing that I think a lot of people that are, I know that have spent time with Kevin have realized. They surrender, I think maybe ... is that the word to use?

Brian: Yeah surrender.

Jack: That when you finally surrender to the fact that I am not going to do this, when you surrender to the fact that you can say I don't know how to do it, I'm not even going to look at it, I've got to get it done. When you're forced to get it done it's amazing how you get it done and off your plate.

Brian: Yeah that's why I was with the, just recently I came to the decision I'm done trying to figure out the working out nutrition thing. Back in my 20s and in my even early mid 30s I was sub 10 percent body fat, was just getting ripped and strong and really healthy and as you're getting past 40 you go man I don't know what to do anymore, it's just that all the stuff I used to do is not working the same. I'm also just focusing all my energy on growing the business and family stuff so I'm just going to hire somebody. I'm done with this, I'm going to quit trying to figure out if I should be paleo or do green drinks or whatever the hell or drink some type of shake stuff that people are always pitching online, I'm done.

I'm just going to, I found a guy who's a nutritionist, a trainer and said I'm just, you're going to do everything for me. I'm going to send you pictures before I eat and you tell me what I should and shouldn't eat, how much I should eat. I want all that, I don't want to think about anything and that's the way with coaches this stuff also, when you hire some of the coaches. People coming to us are like I don't know anything about authority you just tell me what to do and I will do it.

Jack: Yeah, and usually those are the ones that are the most successful and stay out of their own way.

Brian: Yes.

Jack: That is exactly it. Yeah the diet thing I tried to do it myself, one mistake I made is I realized you can't go on 2 diets at the same time.

Brian: I've stacked them up also, I'm going to go on the peanut butter diet and this other one I'm eating. I'm eating peanut butter sandwiches and chips and that didn't work.

Jack: Yeah, a low carb and high carb diet at the same time doesn't work. I found that in, but what can you do?

Brian: Yeah.

Jack: That's really where you're talking about speed to results is the bottom line, the way to really make that decision is before I do this whether it's time or it's money at the end of the year when I look back on it am I'm going to say that's where my money went or am I going to say that is where my money came from?

Brian: Right.

Jack: When you can do that objectively then you're going to not focus on the cost but on the value of what it is and make a decision based on that versus strictly on I'm going to do this because it's cheaper.

Brian: Right.

Jack: Right, so if you would like to go to [authorityalchemy.com](http://authorityalchemy.com) we want to see more of these videos and voice messages from folks right there on the right hand side of our site, leave us a message, talk to us, let us know what you're doing for your authority and would love to hear your results of working with a coach. Whether it's a business coach, a life coach, a personal training coach, anything because it's remarkable when I do hear how people's lives are changed dramatically and swiftly when they make that decision to surrender and let someone that is an expert in what they do take over.

All right, very good. We will see you next week and to your authority, to your prosperity and onward and upward and what other, do you know any of that terms we can say?

Brian: E pluribus unum.

Jack: I don't know what you just called me but okay. All folks we'll see you next week.

## RESOURCES