

# **The \$100 Startup by Chris Guillebeau | Book Summary by Paul Minors**

# INTRODUCTION

## Who is this summary for?

Anyone wanting to take a leap towards working for themselves or working on a startup should read this book! The \$100 Startup by Chris Guillebeau has two key themes: freedom and value. Freedom is what we're all looking for, and value is the way to achieve it. The concept of having your own startup is the ultimate form of freedom according to Chris Guillebeau. He discusses different lessons on the road to beginning your own startup. With a focus on small 'micro businesses,' this book has plenty of tips and advice for every step of the journey.

## About the author

Chris Guillebeau is extremely well traveled, in fact, he ticked off every country in the world (193) before his 25th Birthday. *The Art of Non-Conformity* was his first book and quickly became a New York Times Bestseller. Guillebeau is not only an author, he is also a podcaster (*The Side Hustle School*), a speaker and the host of the World Domination Summit that occurs yearly in Portland Oregon. Guillebeau's popular *blog* focuses on personal development, entrepreneurship, and travel. He approaches these topics with what he calls 'non-conformity', or "the refusal to accept established customs, attitudes or ideas."

## In this summary

In the first part of this summary, we'll discuss Guillebeau's three lessons; convergence, skill transformation, and the magic formula. Then we'll move on to discuss adding value and following your passion before we dive into Guillebeau's concept of the 1-page business plan, how to test your market, mission statements and launching. Finally, we'll discuss making money and long-term plans.

# BOOK SUMMARY

## THERE ARE 3 LESSONS YOU NEED TO LEARN

*"You already have the skills you need—you just have to know where to look."*

Guillebeau explains that running a solo-business is not a new idea, it's been done forever. However, the rate at which this kind of business can expand, reach customers and make money has been increasing rapidly over the years. Guillebeau believes that it can be under a month from the idea forming to a startup really gaining traction. These days the process isn't only faster, but also cheaper, and Guillebeau believes it can be done for \$100. But first, there are 3 lessons he wants any budding entrepreneur to learn.

### Lesson 1: Convergence

Guillebeau explains that convergence is the point of overlap between something that you really enjoy doing, your passion (something that you're hopefully good at) and something that other people also have an interest in (the usefulness). This point of overlap is where you should be aiming to establish your business. This is where success can cultivate and your business freedom can blossom.

### Lesson 2: Skill Transformation

The second lesson Guillebeau explains is skill transformation. He explains that in order to succeed, you have to identify what skills you already have and determine whether or not they could be useful to other people. Try to consider different skills that you have and how you could combine them to add even more value.

### Lesson 3: The Magic Formula

The final stage of Guillebeau's 3 lessons is bringing it all together with what he calls his not-so-secret formula:

*"Passion or skill + usefulness = success"*

He explains that on a ground level, beginning a business should be a straightforward process. If you can start with a basic product or service, you then need to find your audience, people who will pay for your product or service. And finally, you need to establish a payment method, how you are going to receive the money for your product/service. That's all there is to it. Easy right?

## ADDING VALUE

Guillebeau describes adding value as putting happiness into a box and selling it. Anything you can package up and sell as a product or service can be considered value. And he stresses that ideas sometimes come out of nowhere, there's no rule to finding your 'million-dollar-idea', it's going to come when it comes. However, it's important to keep your eye out for inspiration and opportunities as they are everywhere, you just have to start looking! Here are a few ideas for areas to look at for inspiration:

- Any kind of inefficiency in any market. Something that could be done better or isn't performing as well as it could.
  - New technologies, these are constantly popping up.
  - A changing space or platform.
  - Something already established with an opportunity for a spin-off or side-project.

Guillebeau recommends you ask yourself a few questions whenever you consider a new idea. Ask yourself how you'll charge for your product or service, how much you'll get paid for the product or service and finally, is there an opportunity to have repeat purchases?

### Value

*"Value: something desirable and of worth, created through exchange or effort. In our context, an even easier way to think about it is: Value means helping people. "*

When considering starting your own business, if you start with focusing on helping people, the Guillebeau believes you are well on your way. If you make this the centre-point of your business, you're destined for success.

Guillebeau explains that humans are pretty simple and the areas everyone wants help in usually fall into one of these categories: more money, more love, more attention, less stress, less anxiety, less debt and easier ways to do things. Consider these areas when you are looking for ideas, see if you can tap into these and

improve peoples lives by either adding something new and appealing or removing something stressful.

## **Getting started immediately in 6 steps**

1. Commit to a product or service.
2. Build a simple website (Can be a basic template, consider WordPress)
3. Come up with an offer
4. Establish a payment method (consider PayPal)
5. Let the world know what your offering (advertising, start on social media and go from there)
6. Repeat 1-5 over and over until you find success.

## PASSION

Guillebeau explains that following your passion is all good and well, as long as your passion is something that other people share. Occasionally, people get too caught up in what they love, build a product around that, but haven't considered what it's really offering to other people. The reminder here is that helping other people is the key when it comes to establishing your business. Sometimes passions and hobbies are best left as passions and hobbies.

*"When considering an opportunity, ask: Where is the business model?"*

## ONE DAY TO A NEW BUSINESS?

One way to build an almost instant business is to establish yourself as a consultant. Guillebeau explains that you can literally do this in a day if you follow a few simple rules. First up, make sure you go for a specific specialty. To generalise yourself as simply a business consultant. Explain exactly what part of business you help with. Make sure your customers know what they are getting with you. Secondly, Guillebeau emphasises the importance of pricing yourself and your service. Charging \$15/hour may feel like a good idea to get a few clients under your belt, but the reality is that people won't value someone who charges so little, they'll question the quality of work you can provide. Consider charging \$100/hour as a minimum, or something similar if you are going for fixed rates. Make sure your prices reflect your work.

## Roaming Entrepreneurs

The internet has led to a new emergence of what Guillebeau calls 'roaming entrepreneurs'. The idea that you can work from anywhere, there's no need to be stuck in a high-rise in the centre of a busy city if you can do the same work from a beachside paradise.

However, Guillebeau warns that just like passions, sometimes picking the lifestyle of a roaming entrepreneur isn't ideal for your circumstances. You have to consider your business model, your product or service, and assess if there is any benefit for you remaining in a central location, or if you really can provide the same quality of business from anywhere in the world.

*"Find the convergence between what you love and what other people are willing to buy, remember that you're probably good at more than one thing, and combine passion and usefulness to build a real business—no matter where you end up living."*

## Customers

Generally, there are two different strategies Guillebeau suggests when it comes to figuring out what to sell. The first involves finding a popular hobby or craze, something that's just getting started and tapping into that market. The second strategy involves simply figuring out what people are already buying and doing that.

Guillebeau warns that the more research you do into customers and their wants, the more confused you may feel. There may be plenty of opportunities you could potentially tap into and you may get overwhelmed. To try and avoid overwhelm of ideas, Guillebeau recommends writing down all of your ideas and coming up with a way to test ideas against each other. Something like a pros and cons list. The next step in the process involves actually surveying your potential customers, ask them exactly what they want from you.

# MAKING IT HAPPEN

## The One-Page Business Plan

*"In the battle between planning and action, action wins."*

Business plans certainly have their place, but Guillebeau believes that a lot of people get so caught up in creating these plans that they waste precious time. Guillebeau's approach to a business plan is short and sweet. Keep your mission statement to the length of one sentence. Be direct and straight to the point. He believes that planning is important, but don't spend too long planning something that may never become a reality.

*"140 characters are a good natural limit for narrowing down a concept. It may help to think of the first two characteristics of any business: a product or service and the group of people who pay for it. Put the two together and you've got a mission statement"*

## Testing markets

You really have to commit to testing your market, you can't just walk in guns blazing and assume there are people who want to buy your product or service. A couple of things you need to consider are:

- Do you actually care about the issue you are aiming to solve. Are there enough people who also have this issue and also care?
- What is the size of your potential market?
- Ensure that your product or service is a solution to a current and relevant problem. Ensure that your market knows exactly what the problem is and they are looking for a solution.
- Be able to show your customers how you are going to solve their problem or eliminate their frustrations.
- Be solution focused.

- Reach out to people in your target market.
- Test your product, reach out to people who could potentially test your service or product for free, ask for constructive criticism and feedback.
- Take the feedback on board and use it to improve your product or service.

## **What can you offer**

Guillebeau believes that having the perfect offer is the key to making sales. There are a few things you need to keep in mind when creating your offer. Guillebeau explains that people often say they want one thing, but actually, want something different, you need to learn the difference. This has to do with what they are willing to pay for. Figure out exactly what people want, and offer it for a good price. Although we live in a consumer culture, Guillebeau explains that nobody wants to feel like they are being sold to. An effective offer will be compelling but not seem like a sales pitch. Be subtle with your offer and present it as an invitation rather than a heavy-handed pitch.

The step-by-step guide to creating a killer offer. Finally, Guillebeau explains that if your customers are given a sense of urgency from your offer, then you're on the right track. You want them to see your offer and feel as if they need to have it right away.

## **Launch!**

Guillebeau emphasises the importance of a product launch. You want to avoid spending time on building a perfect product or service, only to release it for sale as is. Guillebeau references the opening of a movie, no movie simply starts showing at the cinema, there are weeks of advertising and trailers before it's released. This is designed to create a hype and sense of anticipation. Use your product launch to target your audience and let them know what you're doing and why.

Guillebeau explains that when launching a new product or service, you should aim to get as many sales as possible and build a relationship with as many prospects as you can. Establishing a great first impression is key.

## **SELF PROMOTION**

*"Advertising is like sex: Only losers pay for it. A hustler represents the ideal combination: work and talk fused together. Being willing to promote in an authentic, non-sleazy manner is a core attribute of microbusiness success."*

There are a few ways Guillebeau recommends you approach any kind of advertising, the goal is always to get as many new potential customers on board as possible.

Social media is going to be your first port of call. Guillebeau recommends you build up a regular daily presence online. Create your own posts and comment on other peoples. make sure you always reply to questions and assist anyone who needs it. Be online daily. Keep an eye on a few different tracking metrics but don't get caught up in too many.

*"The best social media strategy? Talk about yourself, and your business. Self-promote."*

Reach out to associates and colleagues, people in your arena and see if there is an opportunity for joint ventures or cross promotions.

Try to keep in touch with some of your customers to ensure that they are happy, ask them if they have any feedback or if they require any further assistance.

*"Perform your own business audit ( to find missing opportunities that can be turned into active projects. Ensure that you are regularly working toward building something significant, not just reacting to things as they appear."*

## **Money money money**

Making money is the motivator behind any new business, and more specifically, the question everyone has is where do you get the money to start making money? It's a pretty common assumption that in order to get a business up and running, you're likely to need to rack up some debt. However, Guillebeau stresses that it's not the case. He explains that there are plenty of options to operate a successful startup without needing to borrow any money. It's about getting creative with what you have and getting paid quickly.

*"Whether it's money, access to help, or anything else, you probably have more than you think. How can you get creative about finding what you need?"*

## **Increasing income**

Guillebeau explains that it's often small alterations that have a significant impact on increasing your income. Even just increasing your conversion rate from 1.5 to 1.75 will have an impact on the money coming in, all the little things add up quickly. Here are a few things Guillebeau recommends you focus on when trying to generate more income:

- More traffic
- Better conversion
- Higher sales prices
- Tap into existing customers and sell more to them
- Consider an upsell
- Referrals
- Have a competition
- Have a guarantee, make purchasing your product or service seem like a no-brainer.

## THE LONG GAME

*"There's more than one road to freedom, and some people find it through a combination of different working arrangements. "Going long" by pursuing growth and deciding to stay small are both acceptable options, and you can split the difference by "going medium." It all depends on what kind of freedom you'd like to achieve."*

Guillebeau explains that in order to be truly successful you have to commit to improving your business every single day. You have to dedicate specific time to work on the business, you can't spend all your time simply responding to events. Ensure that there are specific metrics that you regularly consider and ensure that they are always improving. If anything changes, fix it. Know everything about your business, and most importantly, know what direction you are heading in. Guillebeau recommends you consider what your vision of the future for your business is, will it always be in your life or will you flick it off at some point? Consider your options and do everything in your power to make it happen.

# CONCLUSION

## Key Takeaways

- Passion or skill + usefulness = success
- identify what skills you already have and consider how other people may find them useful.
- Find the overlap between your skills, your passion, and something that other people are willing to pay for.
- Learn how to add value. Look for gaps in the market, or for a successful product or service that you can spin-off. Keep an eye on new technologies.
- Getting started is the key and there are 6 steps you need to take:
  1. Commit to a product or service.
  2. Build a simple website (Can be a basic template, consider WordPress)
  3. Come up with an offer
  4. Establish a payment method (consider PayPal)
  5. Let the world know what your offering (advertising, start on social media and go from there)
  6. Repeat 1-5 over and over until you find success.
- Understand your customers and test your markets. Don't make assumptions that aren't proven.
- Consider how you'll launch your product and don't forget about self-promotion.
- You don't necessarily need a lot of money to get started. Get creative with what you have.

## Further Reading

By the same author, *The Art of Non-Conformity* is a great read for anyone! It's all about how to set your own rules and get a little bit more out of life. Guillebeau emphasises that too many of us 'settle' for the lives we lead, we need to set our own rules and start living a life that you are passionate and excited about. Guillebeau discusses ideas that can help you on your journey to create a life that may be 'unconventional' but allows you to reclaim control.

*The Lean Startup* defines a scientific methodology for running startups and launching new products. This new approach has been adopted around the world within startups and established organisations. Regardless of your role or company size, this is a must-read for entrepreneurs, marketers, developers and business leaders.

*The Dip* by Seth Godin is another must read. If you're a budding entrepreneur you're probably full of fantastic ideas for new business ventures. The challenge that so many face is deciphering when you need to push through the hard times, and when you need to quit and move on. This book is the perfect read for anyone that's ever had a business idea and wants to learn a little bit about navigating the new-venture 'dips'.

*Guidelines* is my eBook that summarises the main lessons from 33 of the best-selling self-help books in one place. It is the ultimate book summary; Available as a 80-page ebook and 115-minute audio book. Guidelines lists 31 rules (or guidelines) that you should follow to improve your productivity, become a better leader, do better in business, improve your health, succeed in life and become a happier person.

## Action Steps

- If you want to create your own start-up, the first place you need to look is at your own skills. What can you already offer.
- Once your skills have been identified, figure out how they can overlap with a product or service that people will be willing to pay for.
- Write down all of your ideas, assess the pros and cons, and commit to one.
- Make a brief business plan, don't spend too much time on this.
- Build a simple website and establish a payment method.

- Launch a product and see what happens!
- Download the complete book on [Amazon](#).

*This summary is not intended as a replacement for the original book and all quotes are credited to the above-mentioned author and publisher.*