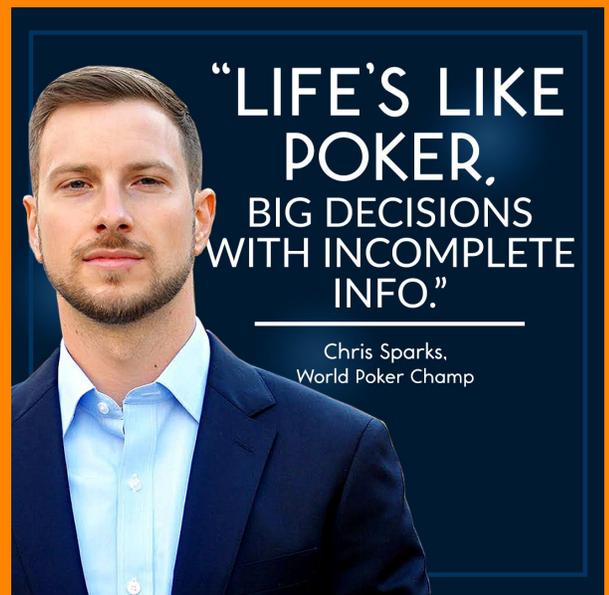


THE **small** BUSINESS BIG **MARKETING**

show

INSANELY EFFECTIVE
MARKETING

Episode #471
World poker champ
Chris Sparks' secrets
to high performance
in business



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Chris Sparks Interview Transcription

Tim

Chris Sparks welcome to the small business big marketing show.

Chris

Honoured to be here Tim thanks.

Tim

Chris how does a fellow like you get into online poker?

Chris

Right place right time I suppose would be the short answer.

Tim

Well I'm kind of thinking you're a university student looking for something to do but doesn't wanna work too hard. Wants a job in his tracksuit pants on the couch.

Chris

That's not too far off. Yeah. The timing was very fortuitous. I entered university right when poker was on all of the stations it's like what we did for fun in our spare time. It was a really easy way to make friends and make social capital. And it was a really good outlet for my natural competitive instincts and not a bad way to pay off tuition without too much effort.

Tim

Sure outline real poker

Chris

You mean online versus in person?

Tim

Correct.

Chris

Sure so there are two very different games. When I was first coming up. Majority of my play was with friends in person. I generally shifted my play more towards online primarily because I could multi tables so in person you get about 20 to 30 hands per hour depending on the dealer. Whereas online depending on the point my career is playing anywhere from 12 to 30 games simultaneously meaning that I'm getting one hundred to two hundred times per hands per hour. So I can presumably play one one hundredth of the stakes and realize my expectation way faster or I can play the same stakes and make a hundred times as much.

Tim

Wow. I can't get my head around the pace of decision making. Am I speaking to Dustin Hoffman's character in Rain Man by any chance?

Chris

That would make it a lot easier if there are no emotions involved. The innovations in machine learning in this area have been very interesting where a program or an algorithm is able to vary its decisions on a completely rational statistical basis. While us humans are kind of doomed to try to translate the noisy signals from our brain in the form of emotions.

Tim

No doubt I imagine it's vastly different. I don't have a long discussion. Listeners are going this is gonna be a discussion about online poker. It's not. There's a massive learning that Chris is going to share with us as to how we can apply them in our day to day running of our business around high performance. But I'm interested. Real poker. Face to face poker. Chris you can see your competitors. Your competition. So if someone's holding four aces they're going to look fairly excited I suppose unless they've got no poker face at all. Online poker is different to that right. You don't see anyone?

Chris

That's true. I would say that when I'm playing against someone there still exists another person on the other side of the screen just so we have technology as mediator and what I am trying to do is translate the signals that are coming through timings of their bets. Sizing. Recent history. I'm able to do some pretty deep statistical analysis if I've played with them enough that allows me to build a very accurate baseline of their behaviour and with the internalized experience that comes from playing literally millions of hands over a decade I'm able to sense that change in state of mind that reflects that they're deviating from their normal strategy. There's a lot of nuance within what seems like not that much information. Now clearly when you're sitting across from someone there's a lot more information to take in. What they're wearing. What their posture is. What their tone of voice is if you're lucky to get them to talk. But the same concepts apply in that you are trying to discern signal from noise to see what is the person trying to get you to believe that they have. What do they want you to do. Do they want you to call. Do they want you to fold. And then your job is to do the opposite.

Tim

Right. How far do you actually get Chris in terms of championships? How much wealth? Can you reveal numbers? How much wealth to do amass?

Chris

I've done well enough that I'm pretty flexible in my day to day these days. I usually throw around the number top 20 in the world that's for online poker cash games. So I was playing in the highest stakes games that were offered particularly my heyday was 2010-2011. And so the toughest games online are generally considered the toughest games in the world. So these are by far the best players. And yeah really thriving in those games at my peak. I've played quite a bit in person. I've played all of the major televised tournaments. But the the

real money is in cash games. And I believe the biggest opportunities are online. Like I said before there's always action and you can play multiple games at a time.

Tim

What was your biggest win?

Chris

My biggest win in a day would be in a tournament. I busted seven thousand players to take first in a tournament called the Sunday million that was for one hundred thirty five thousand.

Tim

Nice work. Biggest loss?

Chris

Biggest loss. I try not to dwell on those too much. I believe the biggest hand that I've lost is in the fifty thousand dollar range. When I was at my peak I was playing in some pretty large games. I definitely did not sleep too well that night.

Tim

We're chatting with Chris Sparks whose job as a high stakes online poker player required him to make decisions with thousands of dollars every few seconds for many hours on end. Tell us about the mindset required to do that Chris.

Chris

The huge differentiator here is what I like to refer to the mental game. Which is essentially mastery of one's self. So the differentiator between a good player and a great player is essentially discipline. So discipline is both playing a game. A higher proportion of the time as well as recognizing the times that we are not playing our A game and a middle immediately cutting ourselves off. It's a key takeaway I have as far as entrepreneurship that our earn rate is highly variable rate that the hours in the day are not equal. And in fact fall on a power law distribution where the most important thing we will do today is more important than everything else we will do combined. Our most important hour most productive hour we'll get more done than the rest of the day combined and in the same way when you're playing a poker game and the poker game is really really good. That's why when you see guys play for 12 24 36 hours straight because the type of game that they're in it's so high expectation that they might not see another game like that for weeks or months and so you persevere as long as you physically can because one hour in that game might be the equivalent of 10 hours the next day.

Tim

It sounds like you don't know when that hour is. I had a high performance coach on this show about six or seven years ago and guy's name was Mark McKeon. He wrote a book called The go zone. This guy was a high performance coach at one of the leading football clubs in Australia and he had got to the point where he realized that high performers have

one hour maybe two. If you are really really good. Maybe two hours in a day where you did your best work and you know when those one or two hours. And you should allocate the most important decisions to that time. Do you subscribe to that or are you saying that one or two hours is going to come along you just don't know when?

Chris

I don't think it's an either or. The research definitely supports Mark's assertion. So if you look at peak performers across a number of fields. Sports just being one of those. The Sprint rest paradigm holds true where we want to be operating at 100 percent capacity for the things that are very important where we need to perform at the highest level and the rest of the time we should be doing things that recharge us and prepare us for that next sprint. I'm really big on planning and reflection as high leverage activities where we are trying to extract as much as we can from that really compressed period of learning and then prepare ourselves so we can make the most of it next time. As far as your last question I think we can definitely plan for that most important time. But there's definitely an element of recognizing when the elements are in our favour. This is a very kind of Western versus Eastern philosophy frame where I think in the West we tend to think of things in terms of causes and effects. I make this happen. I do this and this is the result. My a really big take away from poker is that most of our results aren't really under our own control and we need to extract elements of luck. I like the eastern philosophy a little bit more and the future is inherently unknowable. We can make preparations but where we find our edge is in recognizing the conditions that are most favourable to us and being prepared to take decisive action when those conditions arise. That's certainly true. As a professional poker player whereas the famous saying goes 90 percent of success is showing up the majority of days I show up and I play and the games are OK and profitable but nothing to write home about but occasionally. And those days more often happen on a weekend late at night etc. You know a really bad player shows up and proceeds to lose a lot of money and whoever it happens to be they're in the right position is able to take full advantage. And so there is a preparation in that I make sure that I'm operating at peak if and when that situation happens and that I have the space to take full advantage. But on any given day it's hard to know what's going to happen.

Tim

You touched on the concept of planning and reflection something that we talk a bit about on this show. I have had many guests some real planners and find time away days away weeks to plan and reflect on their business. Others don't they fly by the seat of their pants making decisions on the go without any planning and reflection. Do you have a preference?

Chris

I would strongly strongly fall on the former.

Tim

I thought so.

Tim

There's lots of room for improvisation in life. I don't think our business or how we choose to reach the next level should be in that area. I like to think that every minute that I spend planning has an ROI of a thousand percent that I gain 10 minutes. And that's how I try to live. Whenever I'm not sure of what I need to do next. That becomes the most important thing to do to figure that out. I think our largest bottleneck as business owners as people is not being 100 percent clear on what we want and what the inherent costs are. And by instituting a habit of planning and knowing what is important to us and how we're going to achieve it, people will find that the path to success is a lot more direct than they had thought.

Tim

You say life is like poker making decisions without complete information. It sounds like you had a fair bit of information with online poker. But do you think as business owners we should be seeking more information before we make decisions?

Chris

I think not in general. So the concept here is called the value of information rights where information is only valuable to the point that it would cause us to make a different decision if we had it. So this is called the crux. We try to identify what that piece of information is that if we had it would change our minds. Most people go about life trying to prove their previous beliefs. The Internet is just one giant confirmation bias machine. If we start with an assertion it be very easy to find other evidence that proves that assertion. The thing we want to do is try to disprove our beliefs. Look for information that will cause us to change our mind. Lots of press on how can we cultivate a filter bubble that contains beliefs that are the opposite of our own. I think that Jeff Bezos kind of summarized this very succinctly in that if you wait until you have more than 70 percent of the information you've waited too long. I'm a strong strong believer in learning through experience and I think that the speed of our growth is proportional to the tightness of our feedback loops. That meaning the faster that we can go out into the real world and test our invalidated assumptions the faster we'll be able to improve that the difference between success and failure is the frequency with which we can fail.

Tim

There's also the other side of that coin where you got Jeff Bezos saying 70 percent it seems a good figure. Malcolm Gladwell the famous New Yorker journalist wrote the book Blink which basically said you know within the blink of an eye whether the decision is a good one or a bad one.

Chris

Yeah I find that research has really been abused. So the consensus is intuition is incredibly valuable. If someone has deep deep knowledge and experience within that discipline but that without that deep knowledge essentially we do no better than chance. So when people ask how can I make these decisions every second for hours on end. How can I possibly take in all this information. The short answer is chunking. I am able to see immediately what information is relevant and what information is irrelevant. And this accumulation of

internalized experience allows me to make decisions very very quickly because essentially I'm just recognizing patterns. But if we get to a lot of different areas where I don't have that experience my first instincts aren't going to be very good. And so that's the key. If we want to harness our intuition is to be very aware of the areas in which we have that deep internalized experience versus areas that we'd be better off just copying the experts.

Tim

Let's see what else we can learn from one of the world's leading online poker players Chris Sparks. You talk about making sure you're always at the right table in business. What do you mean by that?

Chris

Sure. I think there is a lot of different ways that you could apply it. The first one that I usually mention. So in poker assuming we're playing in person you can only play at one table at a time. In online you can play many but let's assume you are playing in person. Well if the biggest differentiator on how much money I make is the difference between my skill and the skill of the other players at the table. So I use an analogy like if I'm a Little Leaguer and I go into the big leagues and try to face a 90 mile per hour fastball I'm not going to do very well but if I go and play in my kid's t ball league then I'm going to be the MVP. So a lot of poker is finding the games and that you are the best player at the table and in the same way as an entrepreneur. I think we should obsess about this founder market fit that we are choosing the market in which we can be the number one right niching down as many times as necessary. I think of this as creating a monopoly of one. And that in serving my specific audience I am the only person in the world who can do exactly what I could do. And that makes it very easy to be the best. The key to marketing is being referrable. You want to signal that you can do what you can say you can do. You want to be the first person who comes to mind when someone is looking for that skill. No one goes and says here are the three people you should talk to who good at X they're like oh you need X. You should talk to Chris. You're the first person that comes to mind.

Tim

But the idea of niching down is incredibly important. We talked about this a lot on the show. But some business owners find it scary because they feel they're going to leave a whole lot of money on the table by not appealing to the masses.

Tim

I really like the original thousand true fans idea and I want to be the hero or the absolute favourite person for one particular thing. To a very specific audience rather than having a million people think I'm just OK. It's much easier to monetize as far as a business goes if you are indispensable to one person than if a bunch of people could just take or leave you and I would use a war metaphor here is what we're trying to do in the early stages of a business is to form a beachhead. If you become very very strong in one area that becomes a very strong position to expand into adjacent areas

Tim

You say life operates on the one strike rule Chris and you touched on reputation as your capital earlier. How did that apply to your poker playing days and being referrable. And how does that apply to business these days?

Chris

Sure. So what I call the one strike rule is within poker. You get one shot not to screw up as in you can screw up by having a debt that you don't pay back or doing something shady at the table or not doing something that you said you would. Basically the same way that you screw up in life that you don't follow through with what people expect. You don't act in a moral fashion etc. and that reputation compounds. Meaning the more that you continue to do right by people your social capital continues to accrue to the point you see that graph up unto the right a few decades of this your social capital your reputation is your largest asset. But if you mess up once particularly if you mess up once publicly as the stakes start to rise everything is lost in a single moment. I love this saying in the poker world is that the best con is the long con. That if you stay honest forever you will always have opportunities that will find you rather than having to seek out opportunities where you don't know who you are character wise. So I was able to expand in a lot of ways within poker just because I had this reputation of being someone who was helpful and trustworthy. Two of those notably I did a lot of investing in other players. So knowing that I was someone who had a strong reputation I was going to do right. I had a lot of players come to me who would not have seek investment otherwise. It was my proprietary deal flow. I was able to then move to a cash transfer business where essentially I became a holder for people who wanted to increase their holdings on one side at the expense of the other. You're generally playing on multiple sites just as like you have multiple income streams and a business. And so being that go between allowed me to have a very nice arbitrage just by people knowing that if they sent me money I wasn't going to keep it. And it's really hard to underestimate the amount of opportunities that will come your way with just the baseline of people thinking you as a good person. Some of that they can trust. I think of this as maximizing the surface area of serendipity that just by being someone who others want to work with. My optionality is maximized.

Tim

You raise a really good point and it seems so obvious Chris. I do a lot of public speaking. I hang around with a lot of professional speakers. Some of them hold their cards very close to their chest. When you seek information about how to improve. How to get more leads. How to get better client briefings. How to manage your stage presence all those questions that we have as speakers and they won't reveal their secrets. Others openly reveal all affect all. I'll name one of my mentors Keith Abraham openly just let you inside his headquarters if you like and answers any questions that you have about being a better speaker and as a result Keith one of the best speakers in Australia. One of the most popular sought after speakers in Australia. So there is clearly a direct relationship between being a business owner and doing a great job in what your niche is and being helpful to others who are also trying to do a great job.

Chris

Yeah I'd love to touch on that. I mean that's been an area that has been a huge personal shift to me. So historically your advantage in poker comes through information asymmetry. Right where you know more than your opponent does. That's where your profit comes from. And that's been a major shift for me in I would summarize this with the line from the Tao Te Ching and that the biggest winner does not compete as in those who I am in an industry with who I am going after the same customers rather than fighting after each other and have a race to the bottom. If I can compete we ensure that we each work with who is going to be the best fit. And I have oriented towards this perspective that all of my knowledge is open source. I see my work with clients as experimental training ground for I want to learn what generalizes across these peak performance and I want to share everything that I learned so that everyone has the opportunity to put these things into practice. That I work with the best. I try to deconstruct what makes them the best. And then I share that in a forum that others can act upon and nothing I hold close to the vest anymore because all of these ideas are completely worthless on their own. Ideas are only force multipliers. They require action in order to have value and the value in becoming a great public speaker is applying these concepts over and over again with those tight feedback loops like the power of becoming a peak performer is taking these principles and applying them to your life. If knowledge was the bottleneck we'd all be achieving our dreams already. It's the force multiplier

Tim

Two things come to mind when you said that Chris. One is would you have taken that stance before you were successful and do not feel threatened by opening up. I kind of know the answer to this but I'll ask it anyway. By opening up your knowledge base to those who may one day compete against you?

Chris

Yeah that's a great question. I would say for me I don't think I would have done that before because I think my values were different. As I've been fortunate enough to enjoy a degree of success particularly in this one dimension I've realized that it's only one dimension of success and that so many other areas of my life which I highly value now which I didn't place that level of value on. Being able to help others being of value having friendships where I can be completely open and vulnerable about what's going on and not needing to worry about am I sharing too much all that sort of stuff that I highly value now was not my perspective in the past. And as I orient more towards a life of meaning and happiness I find that the trade offs are worth it. Now clearly there's going to be times that I give away information to opponent that they can use against me but my suspicion is that the number of opportunities that will come to me is going to be much greater in the long run. And I'm very concerned about these compounding returns. Anything worth doing is worth doing often and early. And my thought is that if the more that I strengthen my friendships the more that I build trust in a public forum. All of these things are only going to compound over the next few decades.

Tim

We're chatting with Chris Sparks whose job is a high stakes online poker player putting in all sorts of interesting positions which he's now sharing with other business owners as a high performance coach. Chris you told me previously that Michael Gerber book The EMyth was a life changer for you. How was that?

Chris

It's a fantastic book. I give away a copy to all my new clients. I like to think of it as a red pill and that I saw the world of business very differently after reading that book and it actually cast him here on what I was doing as a business owner which was working very very hard to maintain a job. So I wanted to be in his words a coach or a practitioner. But what I really needed to be was a coaching business owner. Moving more towards a CEO and realizing that all of the things that I was avoiding doing were also the things that I needed to do in order to scale this beyond just trading time for money. And so reading that book massively overhauled the way that I structure and plan for my business as far as making sure that my time is going towards things that are high leverage that are scalable and that I'm setting myself in a position to be able to grow.

Tim

It's wonderful when you find a book like that and it's an absolute life changer. Any other books in your shelf Chris you don't need to go through them all. But was there another book that made you sit up and take notice.

Chris

Yeah I have been on a bit of a philosophy kick. That's the Tao Te Ching that I was referencing the one that I recommend to every entrepreneur that's very foundational to what we do here at the forcing function is called the goal. And so what the goal does is introduce the Theory of Constraints which in terminology is a bottleneck. Essentially the bottleneck is the weakest link in any process and the fundamental principle that I build my workshops and coaching around is that our job at all times is to be discovering our own personal bottlenecks that there is one thing that is most preventing us from getting towards our goals. That if removed everything will work faster and the obvious implication of that we're talking about the power of time before is that most of the things we do to try to improve we'll actually have no effect because they don't address the bottleneck. So that's a very very strong recommendation for anyone who has a process oriented business. We think about pretty much every business is taking raw materials adding value and translating them to a finished good that they can sell. It's buying quarters adding a little bit of value and selling them for 50 cents is essentially what every business boils down to. And so this framework is a very good way to identify what are these bottlenecks within one's business and to that extent one's personal life.

Tim

Great question to ask. What's the bottleneck that's I'm going to work on today that we've got to release today in order to move forward faster. The goal. That's a book I will link to in the show notes. Chris you've now started a business. You are a small business owner. You've got a business called the forcing function. Can you explain that name please.

Chris

Yeah I'd love to. So a forcing function comes from both mathematics and design and it refers to a designer's goal of drawing one's attention to something. It's an attractor of consciousness and so it has a double meaning as I use it where my role as a coach the Jedi mind trick that I play is shifting someone's attention from things that aren't important to things that are important usually putting some form of metric there so that they can track progress that simply by being aware and tracking that goal they will make progress on it. On the other side of the forcing function is on the drawing one's attention to something as far as productivity and performance come through constraints. So by drawing someone's attention to something you are by definition drawing it away from the other things that aren't as important. And so that's what I try to do is keep someone's attention on the important things and serve that role that because they know we're going to be having these conversations about the important things they make sure that they move forward.

Tim

What's it like being a business owner these days?

Chris For me I get to work from anywhere I get to talk with super smart and interesting people all day. I think it's great I was working from home for a number of years. Now I have a full time office here with my team in New York which has been a huge win. I find that so much of our performance is deterministic as in we can predict how we're going to do. Based on the context we find ourselves in. So shifting my context from a place that was very mixed right at home my sleep. I have friends over I eat etc. Lots of different things are very mixed context. When I come here to this office with a very strong intention I do find that I get a lot more done. We've been talking a lot about values today. I very highly value my freedom and autonomy and that allows me to spend much of my time travelling. Seeing the world. Doing things that bring me great happiness and satisfaction. And I'm doing here at the forcing function as incredibly important but at the end of the day subservient to my larger mission.

Tim

What's the best marketing that you do to attract clients into the forcing function?

Chris

You've had so many talented marketers on this podcast. I'm probably the last person to give marketing advice. The one thing I will say is if you are a monopoly of wine. If you are the person who is the only one who can do what you could do and thus you're naturally the best at doing what you do. People will naturally talk about it. So I always like to say that my product is my marketing that if my clients have amazing results people will not be able to notice that they're accelerating their growth and they'll ask them Hey how are you able to do that. And occasionally perhaps after a drink or two they might drop my name and say hey you guys should talk. I think you'll hit it off. I think you'll get a lot of value from the conversation that hopefully all they need to do is drive massive value for my clients and everything else takes care of itself.

Tim

Yeah it's that classic thing. I'm speaking about it to last week's guests Melanie Perkins from Canva who has just had her business value to three point six billion dollars. She's a 32 year old entrepreneur in Australia and it comes down to the best marketing is a great product. She has a great product. You've got a great product. You've also got a hook by the way I mean top 20 online poker player in the world is a good hook. It puts you as a rather high performing individual and you say you're a bad marketer very humbly or not a bad marketer but you say there's better out there. Maybe there are but I love the fact that you have got a new book coming out called experiment without limits and you are giving it away for free which is the Brendan Bouchard school of giveaway your best stuff in its best form and build a database for which you can then market to is that you thinkin there?

Chris

Hundred percent. Yeah we were talking about open sourcing knowledge. This is the best that I have learned in my last three years of doing this compressed down to a less than 100 pages with lots of exercise and prompts so that everything I learned everyone can have the opportunity to immediately apply on their own. And my hope is that by giving it away more people will have that opportunity. So this is a compilation of essentially what I give to all my coaching clients and it's the best substitute to working one on one with me.

Tim

I love it. I look forward to getting it. I do love a short book 100 pages or less great for someone with a short attention span like myself. That's great stuff. Chris great story. Congrats on all the success you've had. Wish you great success with the forcing function going forward and clearly work life balance is high up on your agenda to which I admire. I've never played poker for money. I think I'll start. I'd like to win one hundred thirty five thousand dollars. One tip please as we farewell you.

Chris

One tip. I usually like to bring it around to what the theme was and it seems like the theme for it today was really knowing what you want. That our business is subservient to our lives. And if we are aware of what we do really well and what we enjoy. The saying that you never work a day in your life I think is very true. So as marketers as humans I think we should continue to lean into our strengths and to learn through experience. Everything is an experiment. Everything we are just trying to learn and get a little bit better every day. And if every day we go to bed slightly better we're going to really really compound. And at the end of the day you know we're gonna blow ourselves away with where we are. I would just just close by I brought up the goal as far as this idea that there is something that is most blocking us right now. My challenge to you would be to take that step back and determine what is it that is most holding you back. I do have a quiz on my Website which is similarly free which I call the performance assessment or ask them questions which are designed to uncover that bottleneck for you. And if anyone on this podcast wants to take that quiz I'd be happy to give feedback.

Tim

That's an awesome Chris I'll be taking that quiz. I mean how do we access that?

Chris

Sure. So that's at theforcingfunction.com. And that quiz would be at [/assessment](http://theforcingfunction.com/assessment). You can also have a free download of the experiment without limits workbook. That's theforcingfunction.com/workbook.

Tim

That's brilliant buddy I'm going to go and find out what's holding me back. Right this very minute. Chris Sparks thanks for sharing buddy.

Chris

It's been a pleasure. Look forward to continuing this Tim. Thank you so much.