

Focusing Questions from Call on 6/5 Answered Below as Brainstorm

- How do you convince people they don't need a credit card? *Provide a better alternative, substitute, or replacement for something considered a benefit of having a credit card.*
- How do you put credit card companies out of business? *Present the goal of putting credit card companies out of business as a moral imperative, and render their perceived "benefits" as obsolete.*
- What type of offerings serve customers better than credit, make money, and address the previous two questions? *Examples Below.*

THREE PRIMARY SUGGESTIONS

BONFIRE - A Social Platform to replace the "rewards" of credit cards using collective bargaining as leverage.

Consumer Pitch - "Come together in person or online with likeminded people to share victories over debt, stay motivated, and reap the rewards of direct-to-consumer discounts using crowdfunded capital."

Vendor Pitch, General - "Don't rely on 'Groupons' that may send you 1 customer or 100, discounting yourself out of business. Warm your business with Bonfire in order to negotiate lump sum cash purchases to increase liquidity, pay off debt, or improve Debt-to-Equity ratios in order to attract additional investment."

Vendor Pitch, Local Farmers - "Avoid fees associated with Farmer's Markets and decrease the risk of spoilage by negotiating with local groups that pay cash upfront for what you have to offer!"

How do we make money? For a "free version" could charge a holding/transaction fee similar to KickStarter or GiveSendGo. Premium version could help facilitate connections with vendors, and also help negotiate epic discounts by allowing for large virtual crowdfunding campaigns for things like Group Health Coverage or other offerings typically only available to corporate employees. Data captured from group purchases could also be valuable since it could serve to "index" prices and buying habits

5 to 10-year Vision: "Entreleadership Bonfire Groups" could serve as interest free/micro-angel cash investment (as opposed to loans with interest) in small businesses or other community ventures. For example: a new playground, or even a coffee shop.

KING'S RANSOM - A gamified app to break the habit of wasteful spending and set the stage for budgeting.

Consumer Pitch - "Compete with friends, family, and strangers to see who has the most self control when it comes to not spending."

How it works? Every time you're tempted to make a wasteful purchase, you replace the dopamine rush of a compulsive buy with the dopamine rush of a win-state by accruing points (equated to dollars). A user enters the item they *refrained* from buying and the amount they didn't spend. Users rank against people they know as well as anonymous strangers with similar spending habits [in ranking brackets similar to Duolingo]. In addition to seeing "self control stats" daily, users see how much interest they likely would have avoided if they actually wasted the money over time.

How do we make money? Reduce attrition (and possibly prequalify) for core membership by building habit of self control; also depending on opt-in data (geo-location, barcodes for items scanned, or generic items like "hamburger" manually entered) outside companies could pay for the opportunity to survey app users. Also if this is a successful app for financial self control, the underlying software architecture can be licensed/repurposed for weight loss and other domains where self control is the goal.

Why it could work? This type of "game" gives people a low friction opportunity to fight irresponsible spending in a way that's all dopamine and no cortisol. The unseriousness of the app lends itself to virality in memes: for example, an image of a wife saying "Look honey, I didn't spend 400k this month." At the moment, when pursuing a difficult task like adhering to a budget for the first time, we experience cortisol due to the stress of having to refrain from making a purchase.

Additionally, a variation on this idea for people budgeting would be to see if they can under spend, making their dollars last longer than planned/budgeted..

CIRCLE OF FRIENDS - Managed emergency funds with local peer matching to substitute the need for an emergency credit card and build local community.

Consumer Pitch - “When you face a disaster, an unexpected lay off, leprous armadillos under your deck, an infestation of brown recluses, or emergency dental surgery, the last thing you want to do is go it alone while incurring debt. With ‘Circle of Friends’ your emergency fund serves as a rallying point not only for the unexpected disaster but a catalyst for community, fellowship, and even building wealth.”

How is this different than insurance, and how can someone build wealth? My basic understanding is that insurance companies have high overhead costs and despite spreading risk across hundreds of thousands of people, they’re also heavily regulated to an extent that insurance is generally “one size fits all”. With Circle of Friends I suspect a legal business structure could be formed that would enable a group of 15-50 people of similar income levels, similar expenses, similar health, similar age and other factors that insurance companies are not allowed to consider come together that they might each put in a similar amount of money with expectation that they could withdraw up to Nx max against their contribution – where N would be determined based on likelihood of simultaneous emergencies. As for wealth building example: if you have 50 people each putting in 5k, the money might be held in some type of interest-bearing account. Greater exploration would be needed to determine how viable this is. You might also have “in-kind” services earmarked... for example, a doctor with private practice, or dentist, might participate in the fund with the caveat they would handle dental or medical situations.

How do we make money? One-time fee for templated legal structure, annual money management fee, interest capture, and small platform fee to facilitate social interactions. To put it differently, Circle of Friends might operate like a micro-hedge fund.

HEADS UP: Though not a focus of this pitch, facilitating social interactions and group cohesion would be a major part of making this work... the reason being that in times of crisis having a group that is not only financially committed but personally invested is something a credit card could never offer.

TWO BONUS SUGGESTIONS

DEBT MASTERY, THE WIKI - A wiki of testimonials that are searchable by keywords, categories, Baby Steps, etc, so that someone embarking on their journey can find examples and inspiration specific to their situation.

Consumer Pitch - “Your situation is not unique! Someone has been through the same experience that you’re going through and worse. Use the Debt Mastery Wiki not only for inspiration but concrete examples of what people in similar situations to you have gone through. What’s more? The Wiki makes it easy to find the perfect financial coach for you.”

How do we make money? More detailed pages that function almost as recipes for getting out of debt might be pay-walled. Also, a gigantic Wiki of testimonials could be used as training data for a Ramsey-specific GPT that people could work with to help illustrate tradeoffs, assess the realism of budgets, and make suggestions for how to better break down budgets or add things not considered. The GPT feature could be pay-walled. ALSO, if there are specific financial freedom products relevant to a particular testimonial, those would be available for sale in an ideal context.

THE QUEST FOR FINANCIAL FREEDOM SHOW - take any of the above product ideas listed above and record the process from internal discussions through beta testing and launch, all in the greater context of curing credit-card addiction and helping people escape from debt slavery. As documentary/reality TV/internet streaming, it would be a low cost way to build an audience for a given product, sell people on the overall mission, and show people what EntreLeadership looks like in action.