

100kFactory Ultra Brain Trust 2017 Meeting

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Product Selection

How did you find your winner?

- Search and find Facebook viral ads in our niche using your own profile or a spouses
- <http://nicheminer.co/> to see Facebook ads in your niche
- Use Aliexpress browsed by number of orders
- To find shopify stores: <https://myip.ms/browse/sites/1/ipID/23.227.38.32/ipIDii/23.227.38.32>
- Use CrowdForce to find Facebook store pages with many Likes
- Use spouse Facebook account for find ads for a different gender
- Google research to find other ads
- Use 100k methodology to find winners
- Find interesting products – give list to VA for research aliexpress info, amazon and other niche stores
- Carefully track competitors
- Know your audience well to test other products that they may purchase
- Look for “pop culture trends”, example: confederate flag
- Use Shopify Inspector – (Chrome extension) to see bestsellers and other hidden info on other Shopify stores
- Subscribe to competitors email lists, click on products, add to cart do things to see retargeting ads

Challenges:

- If you become your audience on Facebook you will pollute your Facebook profile, you only see just a small number of ads in your niche

Price Points and Product costs

- Price for winners - \$10-\$75 or more
- Most are using 3x product cost for store price of product
- Some are using 2x
- Some products can be pushed as much as 10x
- Be careful to track all costs to analyze profit

Other Tips

- When looking at ads, the number of shares and comments are more important than likes.
- Also when looking at other ads, look to see if comments are recent

- Most of us do not compete with Amazon but some of still look at Amazon for pricing and reviews.
- Order the item yourself so you can verify quality

Tools:

- <http://nicheminer.co/>
- <https://myip.ms>
- Shopify Inspector – (Chrome extension)

Product Testing

Free Options

- Most who have a Fan Page with 10k or more “Likes” find it easy to test products and also have ads optimized. One can test product with a product post to see if there are sales. This helps to gauge interest of the product.
- Send an email to your list for the new product to see if it will sell.

Testing Strategies

- Most of us still spend around \$15 to test a product.
- One member- \$1 a day, keep it running if CPM and relevance score is good, then it will sell at some point, then scale when sells, test many different audiences. As many as 60 audiences.
- Test with 3 different ads sets with different audiences, precise interest (smaller) audience, precise interest+broad interest, broad + broad, same campaign, \$10 per ad set for one day. If looks good, keep going if not pause.
- Run an ad for 5 days, CPM usually goes down after day 3. If looks good then scale, if not kill.
- Test with one campaign and 10 or more adsets to different audiences or as many audiences that you can find.
- Another member keeps testing and decreases the price until there are sales.
- Some will keep an ad going for 7 days at low cost.
- Ad objective as Purchasing is mostly used even for new ad accounts. Some use Add to Cart until pixel matures.

Niche Stores and General Stores Ideas and Practices

- Use original test store to test. Can have several niches.
- Take all items off of test store and put about 20 new items in same niche on store to test.
- Create an audience store based on demographics and sell items of different interest niches on the store but items that the specific demographic will purchase. Not only for testing but can be the production store.
- Wide niche store selling items in the niche but items that belong to several sub-niches. Adan gave Gardening niche as an example. Use as both test and production store.
- All types of stores work. Specialized niche has a ceiling to amount money to be made but easier to gain traction.
- Branding is an important consideration for production store,

Ads and Ad Scaling

Scaling Strategies

There are essential two different methods:

1. Increase the budget incrementally on ad sets.
 - a. It was agreed that increasing budget must be in small increments. Some say no more than 20-25% per each 24 hour period and must wait at least 24 for ad to optimize. Some still wait 3-4 days before increasing budget.
 - b. Using the Facebook Automated Rules can automate the process of increasing or lowering the budget.
2. Duplicate the winning ad set, change the audience of the new duplicated ad sets. (Kill adset with low results)
 - a. Many campaigns same audience, can be a problem, best to have few campaigns with many ad sets with one product per campaign,
 - b. Most members used many different lookalike audiences
 - c. LAL - people who like page, add to cart, purchases, visitors, etc.
 - d. LAL- 1%, 2%, 3%, 4%, 5%, 6% - test all levels of LAL
 - e. need to get 25 sales in one day in one campaign for best optimization
 - f. One member said that duplicating ads around midnight gave best results.

Ads – Practices

- Fan base size on Page is important to optimization. Over 10k Likes can give better ad results. Quality of Likes matter. Must be your audience for your products for best optimization. This is also for specific ads. The more likes and shares, better optimization for the ad. A member tested this with same post ad on several different pages. Better results with Pages with many likes.
- Most members did not run “Like” campaigns.
- Most members did not put the price on the ad but only the % discount off. This way you can adjust the price of the product without touching the ad. When you modify ad, duplicate a link ad, you can lose social proof.
- Most of the members just use desktop feed, mobile feed and right column.
- Retargeting on right column works.
- Negative comments will impact the negative feedback score and can impact your entire account. However, hide, delete or ban comments is the common practice on ads. Configuring Facebook page moderation was also a common practice to hide negative comments.
- Tracking ad set relevance score is important. If relevance score drops to 5 or lower costs go up and results go down, kill ad.
 - Adexpresso gives you a graph over time of score.
 - Replying to comments increases number of comments and can increase relevance score.
- Members were successful with both Post and Link ads. Some use dark posts to hide ad from competition, others used post ads without hiding. There was a comment in a side conversation that you can create a Dark post ad in the Power Editor that is hidden on the page.

- Ad design – about 4 members were still using the arrow and design elements taught in 100k. Quality images are key.
- 2x-3x return on ad spent is good. At least one member with very large audiences was consistently getting 5x or higher returns.
- Ads need at least 8000 impressions to optimize. This information comes from the Facebook Automated rules.
- Facebook Reels – only a few were helpful most were not
- Some have found Video ads to give great returns. Could be slide shows or home made video.
 - Mark and Brent – idea of every few seconds or slides, show a down arrow pointing to the Shop Now button
 - Video ads showing 360 degree of product.
- Quality of images is very important to ad results.

Retargeting Works

1. Dynamic – Shopify - create a product catalog in Facebook. Facebook uses feeds from shop to keep catalog updated. Then set up retarget ads for this feed. People had varying results depending up how the ad was setup and also how it was targeted.
2. Static – Woocommerce and Shopify - set up custom audiences of visitors, add to cart. Set up ad set to target the custom audience
3. Set retargeting ad sets – one per news feeds, one per right column
4. Many found that right column works well for retargeting.

Audiences

- For mature pixel - If you have working campaign, create ad set and target just the correct demographic without any interests, ad will optimize. For example, just gender and age. Ad costs will be less expensive.
- Most use lookalike audiences, add to cart, sales, visitors to pages, purchases to specific product, go up each percent, 1%, 2%, 3%, 4%, 5% ,6%
- Download email list and then make look alike audiences

Ad Optimization

There was a discussion that spending more money on ads seems to give better results. Two different theories: 1) Facebook finds the customers who are most likely to spend more money, 2) Just the fact that you have more traffic and more sales will optimize the ad.

Tools

Adexpresso – good metrics but sometimes takes time to update, need to go to Facebook Ad Manager to duplicate ads.

Tips and Tricks

- On ad, stating that product is 50% off but on product page in store, stating that the product was 60% or higher off. This prequalifies buyers to purchase at a higher price. Purchasers may think that are getting away with something and more likely to purchase. (Discussion about technically there should not always be a “sale” on products, sales are usually for limited time, but did not think this would be a problem.)

- One member had a product that was very attractive and brought people to site. He set the product as sold out but buyers would purchase other items. Worked at the beginning but he started to receive negative comments so he stopped this strategy.

Traffic Diversification

- Pinterest – only a few do it, results are not as good as Facebook Ads but works.
- Facebook Ads still are the most consistent in obtaining higher conversions. Google Ad Words difficult as you need large margins.
- Using Ad Words, SiteScout and Perfect Audience – can't always use an image
- Instagram was mention but only one team was using it

Payment Processors

Most Common:

1. PayPal (Business, Advanced, Personal)
 - If you grow fast or have large number of disputes or chargebacks they will limit your account for a number of days. Then need to provide info they require, one member emailed all of the US directors to get them to respond
 - Can be limited multiple times
 - A good practice is to enter shipping tracking codes to each paypal order in the PayPal interface.
2. Stripe
 - Only available to US persons international customers with US LLC and bank. (I did not need LLC for Stripe in the US.)
 - No one said anything negative about it other than it takes several months for a chargeback to be resolved
3. Shopify Payments
 - If they see that you are drop shipping by having Oberlo or Shopified app installed they will hold 25% at first however the percentage can be negotiated
 - Only available to US persons with Social Security #
4. Amazon Payments
 - When you start there is a delay of payments to you but that goes away, available for free
 - Downside may be that people might look on Amazon for products because they see you have Amazon payments

Although there was brief conversation about getting your own Merchant Account, no one had done this.

Platform

Most members have moved to Shopify but some were still using Woocommerce

Shopify Advantages

- Fast, stable
- Members used either Oberlo or Shopified App for fulfillment. Many said that Shopified App enabled them to fulfill 90 orders in ½ hour. Others said Oberlo has been improved.

- The Shopify Theme is important to keep high conversions. Need to test to find theme with best results.

Fulfillment and Sourcing

With current drop shipping from China, challenges and solutions are:

- Delivery Time
 - Some send out voucher discount codes to customers for items with very late delivery
 - Late October, November many orders went into the blackhole and took several months to be delivered.
- Cost of product – not as good as bulk price, prices change frequently
 - Shopified App will send email with price on Aliexpress product price changes
- Finding and nurturing a good Aliexpress vendor
 - Some have found an Aliexpress vendor that will fulfill all items then they just send a spreadsheet of orders and pay by PayPal. This strategy varied in success. Some Chinese middlemen were great but others found that the middleman could not get the good epacket shipping prices.
 - Other Aliexpress vendors are worthless in handling our complaints or when we want to make a small change
 - Some used the **WhatsApp** for vendor communication
- High volume customer service messages – usually answering where is my order?
 - Using a Help Desk solutions was key to managing it. Some had VA do this others did it themselves
- December is a challenging time as customers expect delivery before Christmas. This was handled in different ways.
 - Shut down store
 - Power through customer complaints even after more visible notifications and with this power through disputes and charge backs
 - Buy enough stock and ship yourself if you are in the US
 - ***Convert to those items to Amazon White label and sell on Amazon. This was very successful or the team that did it.
 - Use the current US warehouse for customer fulfillment in the US
- Some have had good success with a Chinese middle man negotiating prices.
- Returns are a non-issue. One person, refunded money but told customer to keep items others experienced a very low return rate

US Fulfillment

Many felt that for US customers this would increase customer satisfaction and potential increase repeat sales.

Challenges and possible solutions

- Purchasing in bulk – can you get a good discount to cover possible import taxes and fulfillment fees.
 - Some were able to get a 10% discount in purchasing 500 or more orders from an Aliexpress vendor

- However there are other sources for bulk purchasing
- Cash Flow at the beginning may be a problem to purchase 2-4 weeks of inventory. It should even out over time and not be an issue.
- If only winners are US fulfilled, orders will have a mix of items fulfilled in US and from China.
 - Would need an automated solution for this.
 - Some felt that customer satisfaction would suffer if they receive some items quickly and have to wait for other items in their order.
 - On the other hand, trust is built quickly because they received the US fulfilled order quickly and they are more willing to be patient because of the trust.
- Also items shipped to other countries other than US would need to be fulfilled in China or they would need to develop a local fulfillment center in that country.

Jon reported that cost of current fulfillment in his center is \$1.25 per order. This includes packaging and labor. USPS Shipping First Class with tacking for 15 ounces and under is about \$3.00 or less per order depending upon weight. Larger or heavier items will have higher shipping costs. The required minimum orders is about 30 order a day to make this work.

Steve's Possible Solution with Steve's and Aidan's Team

Create a consulting group made up of US Fulfillment warehouse rep, China warehouse rep, and Chinese middleman for sourcing and pricing. 100k Factory store owners would virtually sit down with consulting group to figure out logistics and negotiate pricing, inventory shipping to the various locations and other considerations. Possible that fulfillment cost could fund this and consulting could be free. This could work well with an automated solution that will fulfill order automatically knowing where the various inventory is located.

Diversifying Selling Solutions

Amazon White Label

- Sell complementary products in niche
 - takes advantage of Amazon traffic
 - Can use your current email list to leverage quick sales and reviews for high rankings.
 - Look for products with the bestselling potential
- Sell same items – can also use email list for quick reviews
 - Change packaging to fit Amazon model
 - Advantage no customer support or Facebook Ad costs
 - Only need a few 100 or less products to test on Amazon
 - Can also leverage your email list of previous buyers for reviews
- Mention of Blackbird for training and managing Amazon White label. A few of us have purchased it.

Print On Demand

- Only one person in group has a tshirt using teespring. It was not his bestseller but it did ship from US.
- Discussion – could have potential as tshirts are a big market

Clickfunnels

Clickfunnels was briefly brought up in discussion about a possible way of selling specific items with upsells.

Miscellaneous

Mindset

- Focus on only this program and follow steps exactly
- Glass Ceiling – One told the story about how he and his partner were making about \$2000 a day of sales. He thought that perhaps next month they would increase. However that evening he has the thought about why not double it to \$4000 now? So he did.
- Partners can help each other with limited beliefs to break through mindset limitations.
- Stories of successful people were motivating
- Momentum also place a large part in mindset

Virtual Assistants

VA's were found in various ways. Some people paid by hour others paid by job or weekly. Some VA's are great others had experiences where VA's were doing other work while on the timeclock.

VA Sources

- Freelancer: payment is horrible, but one person found the VA there and then paid them directly after the required interval.
- Elance which is now Upwork
- Local sources, family members, etc.
- VA's were from various countries, Philippines, India, Egypt, Argentina, UK

Ways of tracking and paying

- Some were paid per hour and tracked with screen shots of work.
- Some were paid just by see that the work was getting finished and paid weekly
 - Example: Brent and Mark pay \$75 per week for full time, \$110 per week to certified CPS, \$97 per week to his graphic artists. Also a bonus of \$100 a month if work is issue free.

Tools and Resources

- Crowdforce
- Shopified App
- Oberlo
- Canva, 100K designer, Photoshop for Ads
- <http://www.photoupz.com/> - for photo editing, taking out watermarks,etc
- Adexpresso for ad management and tracking
- Online Help Desk solutions
 - Freshdesk – free toll free number
 - Groove HQ
 - Live Agent
- Accounting Solutions – most were using Spreadsheets

- <https://apps.shopify.com/autofill-discount-from-url> - adds a discount code when customer clicks the link
- <http://nicheminer.co/> - find Facebook ads in various niches, also helps to find keywords for searching
- To find shopify stores: <https://myip.ms/browse/sites/1/ipID/23.227.38.32/ipIDii/23.227.38.32>
- Shopify Inspector – (Chrome extension) to see hidden info or best seller for a specific shopify store.
- 100k Factory Ultra Brain Trust Facebook Group – Aidan will create
- Aliexpress affiliate program
- UpWork and Freelancer for finding VAs
- WhatsApp – for communication with Aliexpress Venders
- US Return Center and Fulfillment Center owned by John
- BlackBird to learn and manage Amazon White Lable