

Online Marketing Made Easy ^{w/} Amy Porterfield



Social Media | List Building | Content Marketing

The Online Marketing Made Easy Podcast with Amy Porterfield Session #123

Show notes at: <http://www.amyporterfield.com/123>

Amy Porterfield: Hey there, Amy Porterfield here. Welcome back to another episode of The Online Marketing Made Easy Podcast. I've had to rerecord this intro a bunch of times because we had some tech issues and I think I sounded overly fanatic excited. Rick said that's okay because we have something to be excited about.

First of all, I have my good friend, Rick Mulready, on the show today. He's back to talk about Facebook ads. Rick, how the heck are you?

Rick: I'm doing great. This is going to be our best episode yet.

Amy: It is! That's no hype, guys. This is good. Here's what happens. When Rick and I are ready to do a podcast episode together we get on Skype and talk about the biggest questions we're getting right now.

One question we kind of talked about in a previous episode but didn't really drill down is something I hear two to three times a day in my private Facebook groups.

It goes something like, "Amy, I'm running webinars and I want to know how much money I need to spend on my Facebook ads to be successful on my webinars."

Rick, you've heard this question too, right?

Rick: Absolutely. I hear it all the time. Before we go on here, I just want to tell everybody listening that when you say you're excited about this...

Amy: Why are you laughing?

Rick: I want to share with people that you were like, “Holy cow, I have to slow down here. I’m getting so excited about this. We need to jump into this right now.”

Amy: Seriously. I don’t know what happens to me. This is why I am such a geek and know Rick can totally relate to this. When we come up with a really good strategy or formula I am bursting at the seams to share it.

Anything we can put into a PDF or a cheat sheet so that everybody gets to print it out and follow along puts me over the moon. We figured that out too. This is going to be good, right?

Rick: Yeah, it is pretty good. Really good.

Amy: Let’s do it. We are going to answer that question, “If you’re running webinars, how much money do you need to spend on ads to be successful.” It comes down to a true formula.

I’m going to tell you right now that there are two freebies waiting for you if you download them. But I want you to listen to this episode. I want you to hear Rick and I kind of explain it, but you are definitely going to want the freebies for this specific episode.

Here’s what we have in store for you. We have put the exact formula that we are going to lay out for you in a PDF. You have one sheet so that you can see all the little details that go into figuring out how much money you specifically want to spend on your Facebook ads to fill up those webinars.

We have also actually created an Excel Google.doc that you are going to get your hands on where you get to plug in the numbers for your specific strategy into a formula to see exactly how much you want to spend on your ads. That’s was Rick’s idea. That was a good one, Rick.

Rick: Thank you. I'm really excited about that. I don't know why I haven't done this before. This is a really, really cool spreadsheet because it's going to have the formulas that we're going to go through here today. It's going to have all the formulas in there.

All you have to do is plug in your numbers and it's going to spit the numbers out for you. It's going to do all the calculations for you.

Amy: It's so good. So, how do you figure out which numbers to put into that formula? We are going to talk about that right now.

Let's start at the top. The first thing Rick and I were discussing that we wanted to share with you, when you're thinking about running Facebook ads and trying to decide how much you should spend you have to get really clear on what kind of ads you're going to be running in order to fill up your webinar.

There is some strategy around this. Rick, I want you to kind of break down what's working right now with Facebook ads to fill up webinars.

Rick: There are a few different strategies that you can do. I like to call this your game plan. You have to have your game plan first before you jump into your ads.

Of course, you can run your Facebook ad directly to registration page for the webinar where people can register right there. They will then be in your lead-up sequence and will be good to go. That's very, very basic. That is obviously working.

I want to caveat this before we go on with the direct from ad to webinar registration page you can still do that for cold traffic. It still works. But another strategy you can test out is to start to warm those people up (I know you have been talking about this quite bit on your show) by sending

people from your Facebook ad to a great piece of content on your website whether it's a blog post or video or something like that.

You can then retarget those people who go visit your website with another ad that asks them to register for a webinar.

Another strategy that's working extremely well right now sort of includes a functionality roll out that Facebook has done very recently. Some of you guys actually might not have it quite yet but stay tuned because it's coming.

Do a video, a Facebook video ad, where you're actually teaching something. Teach a little bit of something you will be teaching on the webinar then you can have a call to action that gets people to register from your video ad into your webinar registration.

You're teaching something and giving value with the video. Then your call to action is to get people to register. This whole functionality thing I was talking about is that you can now retarget people who watch specific links of your video.

You can retarget people who watch 25% or 50% or 75% of your video. Even though they are watching your video but maybe not registering it doesn't mean they are not interested in registering. You can set up a retargeting audience of those people who are watching your video and then followup with them.

You can retarget them with your webinar registration ad. That's a great strategy.

Amy: I love that. Let me get a little clarity around it. I'm actually not sure. This functionality you're talking about that's getting rolled out, right now can everybody retarget anyone who watches that video ad (with the length

not part of the conversation)? Can you always retarget the audience that watches a Facebook video ad?

Rick: You can. Your objective needs to be video views in order for that to happen. Facebook will automatically build a retargeting audience for you but it's like somebody is watching three seconds of the video or 95% of the video. The gap is too big.

With this new engagement retargeting (as they are calling it) you can now retarget people based on a percentage of the video they have watched. You can choose to retarget people who watched ten seconds or 25% or 50% or 75%.

You can get really specific. Then you can take it a step further and note the people that watched 25% of your video. It shows you they are preengaged in the video you created. You can then create a lookalike audience out of those people.

There are a lot of different types of things you can do with the new video engagement retargeting.

Amy: I love that. This is good stuff. I failed to mention when I was teasing everybody about this freebie, I didn't actually give the URL and I like to give it in the intro before we get into the details. If you go to <http://www.amyporterfield.com/123download> you will go right to the page where you can get the two freebies we talked about.

You will get a one-page PDF where it walks you through the entire formula and then you will get access to the Google.doc so that you can plug your numbers into the formula. I just wanted to give that URL.

We are now literally moving into the formula. Are you ready for this, Rick?

Rick: Let's do it. This is the part that really super pumps me up. This provides such clarity for people. When people are listening to it and they actually see it on the PDF or in the spreadsheet we are talking about it is going to make total sense.

It is going to be one of those, "Why didn't I think about that beforehand?"

Amy: That's so true. Some of the time when I'm trying to think about how to teach my students how to do something it's all jumbled in my head. I try to help them on the fly in my live Q&As in my groups but I never feel like I really hit the mark completely because I know they don't have the whole story.

To me, this is the whole story we are giving them.

Rick: We are going to be going through an exercise of working backwards. I talk a lot about this. We just talked about setting up your game plan or setting up a strategy. You are going to do a webinar. Now how are you going to use Facebook ads to get people into it? That's our strategy.

You want to work backwards from the end goal. In that case our end goal is to have a webinar and get people to register for it. What are all the steps that need to happen in order for that to take place?

Figuring out what to spend on your Facebook ads when you're doing a webinar and to have the webinar be "successful" is the exact same thing. You are going to work backwards from your end goal.

Amy: Walk us through it.

Rick: Alright. Whatever your end goal is, obviously this is going to be different for everybody, but you have to start with figuring out what your end goal is. What is your revenue goal?

In this example we are going to go through let's just say our goal is \$10,000. We want to make \$10,000 from our webinar. The previous step to that is to know the price point of the product or service we are selling.

Let's just say we are selling a course for \$500. The previous step for that is knowing how many courses you need to sell at \$500 in order to make a goal of \$10,000. That would be 20 sales.

These numbers are going to be different for everybody. We are just using simple numbers here but you want to start with whatever your end goal is and then you will know what your product is. Just say you are selling a \$500 course. So to make \$10,000 on a webinar selling a \$500 course you have to do 20 sales.

Does that make sense so far?

Amy: Total sense.

Rick: Awesome. Then, from there we have to know roughly what our conversion rate is on the webinar. Of the people who are on our webinar, how many of those people are going to convert?

I want to talk about this real quick because you talk a lot about conversion rates on webinars and stuff like that. Can you kind of talk through that?

Amy: I typically say the better you get at webinars the higher your conversion rate. It takes a little bit of time. If you're brand new on webinars you might actually only convert at 2%. As you get better and better it's going to go to 3%, 4% or 5%.

Typically, I'm somewhere around 10% and sometimes a lot higher depending on whether it's a really warm audience. I typically don't dip below 10%. That's usually where I'm at.

I have been doing it for a long time so has Rick. Our numbers are going to be a lot higher than those that are kind of just getting into the webinar game. So, anywhere between 3% and 7% would be doing really well.

For this case we are just going to say a flat 5%. Again, Rick came up with the awesome idea of a Google.doc and punching in your own numbers, if this is new to you and you don't feel you can convert really high in the beginning then you can plug in 2 or 3% and see what it looks like.

Let's use 5% for our example.

Rick: If we do a 5% conversion rate, in order to get 20 sales it means we need to have 400 people on the webinar. 5% of 400 people is going to give us our 20 sales. If we have 20 sales at \$500 apiece that gives us our \$10,000 goal.

We then have to back out again. In order to get 400 people onto the webinar we have to think about the show-up rate. How many people are going to actually be showing up to our webinar. Remember, we're thinking about how many sales we are going to make on the webinar because our goal is \$10,000.

Let's say we have a 30% show-up rate. Amy, can you talk about the average show-up rate and what you've seen.

Amy: The average show-up rate, the number of people that are actually showing up live to a webinar, is around 20%. So, if you get 20% on you are doing good.

Except, Rick and I are not okay with that. We think there are some strategies you can do to get to the 30% every single time you do a webinar. I just did my Courses That Convert webinars and we were around 40% show up. That is really high for us. We were really proud of that.

We did a really good pre-webinar onboarding sequence. All of my Webinars That Convert members know exactly how to do this because I teach it in my program. It's basically a series of emails that you are going to write so that when someone registers for your webinar they hear from you a few times before the webinar goes live.

That makes a dramatic difference in your show-up rate. So you have to have the pre-webinar on-boarding sequence to get people to show up live. That will dramatically affect how many people are actually there with you live.

Let's just say you will have 30% because you are going to do some good work to get them on live.

Rick: If we are saying 30%, again this goes back to the Google.doc spreadsheet when you add the formulas in there. This is one of the numbers you can play with. We are going to use an example of 30%.

Let's just say you put in 20% or let's just say you put in 40%. Obviously these numbers are going to change. If our show-up rate is 30% that would mean we would need to get 1,333 people registered for our webinar.

If we have 1,300 people registered and 30% of those people show up that gives us our 400 people on the webinar. Then, if we add the 5% conversion that's our 20 sales at \$500 apiece, that gives us our \$10,000 goal.

Are we cool so far?

Amy: So cool. I love this. I hope you guys are just seeing how matter of fact it can be when you're looking at the numbers and actually saying you have to see what happens with your numbers but you can play with them a little bit.

It's all a little bit of an experiment.

Rick: It's a numbers game.

Amy: It is a numbers game. It's all experimenting.

Rick: Now we can answer exactly how much we need to spend on our Facebook ads if we want to reach the \$10,000 goal on our webinar. We know we have to get 1,333 people registered. Then it comes down to what your cost per lead is going to be if you are going to run Facebook ads.

Obviously this will be easier for people who have done webinars in the past or have run Facebook ads before for a webinar and they roughly know what their cost per lead was historically.

If you have not run Facebook ads for a webinar before you are going to have to take a guess. Amy, you and I talk about this a lot because we always get asked what a good cost per lead is.

Amy: What would you say to that? It definitely varies. A lot of the time I like to say that if you're paying \$3 to \$5 a lead you are doing really well. Would you agree with that Rick?

Rick: Absolutely. I had somebody in one of my Facebook groups yesterday. It was his first time running Facebook ads for his business and he was getting \$1.53 or something like that per lead. He didn't think that was very good and thought it was really high.

I said, "Are you kidding me?" For his niche it is really, really good. But that's the thing, it's for your niche. The cost per lead will vary from niche to niche. Somebody in the B-D space (Business to Developer) would kill for a \$10 cost per lead where other people might think that is way too high for them.

Just know it's definitely going to vary. For people with online businesses I usually tell them a very rough (very rough) estimate, if you are under \$8 you are doing pretty well. If you are over \$8 it is probably time to look at the ads and troubleshoot some things.

In this example let's just use a \$5 cost per lead for our calculations.

Amy: Okay.

Rick: If we need to get 1,333 people registered at \$5 per lead that gives us our Facebook ad spend. That is \$6,665.

Amy: Time out.

Rick: Yes.

Amy: \$6,000 and some change. Some people are asking if you are crazy. They don't have \$6,000 right now to put toward the campaign they are running. That's okay because you don't necessarily have to get all of your leads from Facebook ads.

A lot of the time we (I know Rick does this) use some people from our list, we use free social media, and we use Facebook ads. If you don't want to go for the whole shebang with ads you can do some really good things.

If you have an email list you are going to rely on it and you are going to use social media. You are going to do Facebook Live videos. You are going to post a lot. You are going to do quality content on your blog. You are going to work really hard to get that free traffic. It's not necessarily going to work as well as Facebook ads but there are things you can do to pad it.

Rick: From doing these calculations and backing out from your goal and doing the rough conversion rates at least you know how many leads you need to have. In this example we are using you need to have 1,333 leads.

That doesn't mean, to your point Amy, they need to all come from Facebook ads.

If you are someone that is only going to run Facebook ads now you have a rough estimate of what you need to spend.

Amy: The thing is, you are saying that you wanted to make \$10,000 on the webinar and now you have spent \$6,000+ on your ads. You are still making \$4,000 with a webinar. We're talking about a one-off webinar.

Those that are a part of Webinars That Convert know I talk about a webinar system. After the webinar you followup with emails and you get more people to sign up in your post webinar sequence.

There are other things you can do but Rick and I wanted to give you just the black and white formula so that you can decide from there where you are going to pad it so you don't have to spend it all on ads.

Your safest bet is definitely with ads.

Rick: Exactly. I think you bring up a really good point. If you want to make \$10,000 but you are spending \$6,600 on ads then you have to decide if you goal is just to make \$10,000 or whether you want to profit \$10,000.

If that's the case then you need to start rejiggering the calculations.

Amy: Rejiggering. Is that in the dictionary? I love it.

Rick: As that word was coming out I was trying to decide if I should say that word right now. But it is the first word that came to my mind.

Amy: We rejigger all the time. That's cool.

Rick: I went with it. But if my goal is \$10,000 and you do spend \$6,600 on ads you are basically saying that you would give Mark Zuckerberg \$6 and he is going to give you \$10 back.

Amy: Exactly.

Rick: I'll take that. I'll take it all day long.

Amy: Everyday. Yep. It's so cool. I'm so glad you outlined it. It's so incredibly powerful.

Rick: It really simplifies it when you just look at it from the end goal, what your goal is, your financial goal. Then just start working the numbers backwards and it will tell you exactly how much you need to spend on your Facebook ads.

I know in the spreadsheet formula that we are putting together that you will have an area, if I'm not mistaken, to take the number down if you're getting leads from your email list or from Facebook Live. That will help take the cost down from your Facebook ads a little bit because you are getting other leads from other areas.

Amy: That will be cool. You can plug in some of your cushion you want to use if you do have a list and you are going to rely heavily on social media as well.

This is exactly answering the question, "How much money do I need to spend on my Facebook ads to have a successful webinar?" I think this is the best we've ever done to kind of break it down for you.

Do you want to add anything else before I wrap it up, Rick?

Rick: I think this is good. I think this has been a lot of fun. I love clarifying this type of thing. Because we get these types of questions all the time I think this is going to be a great resource for people.

Amy: I do too. Don't forget, you have to go check out the freebies. They are some of the best we've ever created together. It's at <http://www.amyporterfield.com/123download>. That is where you will get the one-sheet PDF cheat sheet of the formula as well as access to the Excel Google.doc where you get to plug in your own numbers.

As always, don't forget to check out <http://www.rickmulready.com>. Rick is always working on some cool things. Any time you need a Facebook ad expert Rick is your guy. Rick, thanks so much for being here with me today.

Rick: Absolutely love it. Thanks.

Amy: Bye guys. Have a wonderful week. I can't wait to connect with you again next week. Bye for now.

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