

# CONVERSION CAST

## How Khierstyn Ross Took a Crowdfunding Campaign from \$16K to \$600K

### Our Guest:

Khierstyn Ross started off as a biochemistry major and fell into business during college when she had a chance to run a franchise for a few years. After becoming one of the top revenue producers of the franchise, she was asked to be a startup advisor to help onboard new franchises. Within 6 months, startup franchises she oversaw would earn over \$60,000 in revenue. She was inspired to go into online business because of Tim Ferriss and his residual income techniques. She became more involved in digital marketing and started advising companies online. She fell into the role of crowdfunding consultant after getting hooked on fast paced product launches.

### The Case Study:

Khierstyn recently helped a client with a crowdfunding campaign on Indie Go-Go that failed on the first run. The campaign only raised \$16,700 of a \$50,000 goal. After going back to the drawing board with her client, applying an important marketing tactic, and relaunching the campaign on the crowdfunding platform, they raised \$600,000. The second campaign had a 35 times increase from the original campaign.

Khierstyn explained the problem with the first run of the campaign was not getting into the right customer base. They essentially had to guess who would buy the product. Crowdfunding is tricky because, generally, people

don't have an audience when first launching, which leaves them without a customer profile. There is ambiguity in who will buy the product.

After acknowledging this, Khierstyn initiated a survey with the audience of her client's product buyers. She did this through an email saying "thank you" to the purchasers and asking them to fill out a survey. She was able to utilize the export backer (purchaser) email function on the Indie Go-Go platform to reach out to them directly and communicate offline (note: Kickstarter doesn't offer this function on their platform).

The email contained an optional part of the survey that included five demographic questions such as age, male or female, and why they would use the product. Khierstyn collected real-time data of who was using her client's product through the email survey. This data gave her and her client a clearer idea of who the customers were and where they spend their time online. For example, they discovered information such as 25-34 year olds, of which 70% are male, with certain habits, are customers of their product. The customer information gained from the results allowed them to tailor online advertising in forums, blogs, and publications to a specific audience.

Khierstyn used a target audience surveying technique via email in the area of crowdfunding to gain more information on her client's customer base for more effective marketing. She explained the challenge with crowdfunding is that you have limited information on your customer beforehand. The "catch 22" with crowdfunding is you don't receive buying data until after someone buys the product, but no one buys the product before you launch. You don't want to run into the trap of making assumptions and spending too much on paid advertising to a landing page before launching without knowing who your customer is.

### **How To Convert Using Crowdfunding:**

Like any online product launch, you can drive traffic as much as you want, but you need to set it up to convert properly, otherwise there will be a lot of people visiting your page that will leave without taking action. Because there is a small window of opportunity to grab prospects' attention and influence their buying decision, Khierstyn shared a couple additional ways to effectively set up a crowdfunding campaign.

1) If you have a decent marketing budget to work with, Khierstyn suggests creating a three-page website that includes a sales page. Drive paid advertising to the product website and analyze how many people it took to receive results as well as how much it cost for people to click the “buy” button. Facebook Ads can be used to route prospects/customers into a survey to understand who they are based on their interest in your product.

2) Khierstyn also recommends paying attention to the real estate on the Indie Go-Go and Kickstarter platforms when setting up your launch page. Your video on your page needs to get to the point of how you’re different from competitors within the first 30 seconds. The space directly underneath the video needs to drive home how you’ll make difference in someone’s life and why your product is worth funding.

### **Additional Best Practices:**

There are normally three parts of a standard 30-60 day campaign. Khierstyn explained that you drive traffic differently depending on which stage you’re at in your campaign. The first one to two weeks is the organic traffic stage (friends, family, direct connections, and early supporters). The next stage depends on your budget and marketing tactics. Traffic sources in this stage can include press, publications, bloggers, and Youtube. For the rest of the campaign, you can focus on driving traffic from Facebook ads and retargeting ads.

It is also important to monitor the dashboard on the backend of either crowdfunding platform for statistics on traffic and sales. Note that a healthy conversion rate is around 1.5%. Khierstyn usually monitors campaigns over the first three days and makes changes with the goal of increasing the conversion rate as traffic increases.