

Andrew: This session is about how to profitably launch a web app, and it's led by that man right there, Rob Walling, whose latest profitable launch is this, Drip. Drip allows you to easily capture email addresses on your website using a box like this one. Let me see if you can see in the bottom right corner right there. I'm going to move it down. I'm going to move it up. Down. Up. There. That's what it does. It also allows you to do this Drip email campaign you can see right there on their website.

I invited him here, because this, like I've said, is one of many profitable launches that Rob has done. I want to learn from him. My name is Andrew Warner. I'm the founder of Mixergy where proven founders like Rob teach. Rob, I'm excited to have you on here, partially because you have so much credibility having done this a lot, but as I've told you before you, we started there is a danger in that, and that is that the audience is going to say, "Anything that Rob launches succeeds," and they can't relate, but not everything did work out.

Rob: Yeah, I had a string of failures before I had any successes to be honest. I think the one that you and I spoke about before is Flogs.com, which was a social network I tried to launch, and I made so many mistakes that I've since corrected, which is why I'm able to now launch products with a little more success I think.

Andrew: You have a clear plan for launching. In fact, many of the steps that we're going to talk about today that are here up on the board, when we talked about them, you said, "Oh yeah, I always do this four step. Oh yeah, I always do this." Did you do a four step email campaign for Flogs?

Rob: Absolutely not.

Andrew: No.

Rob: I did a one-step email campaign, which is something I would advise people never to do. It just doesn't work very well.

Andrew: One step meaning, "Hey..."

Rob: "Hey, we're live." Yeah, exactly.

Andrew: All right, so that's the first thing that we wanted to get out of the way. The second thing is, all right, if you've done it how effective are you? How effective is this launch here?

Rob: I was pretty pleased with this Drip launch. The first month out of the gate we did just over \$7,000 in revenue, so it's definitely a good start for month number one.

Andrew: Okay, and how long has it been around?

Rob: Publicly launched now for about 60 days.

Andrew: Sixty days.

Rob: Mm-hmm.

Andrew: How many profitable apps or sites have you launched in the last, I don't know, decade?

Rob: Well, between launched and acquired, because a lot of them...you know, I will acquire them, and relaunch them. It's...at one point...it's got to be more than 10. At one point I had counted them up, and there were 25, but some of them are smaller. You know, I had some small niche sites that only did a 1,000 bucks a month, but in terms of like more substantial apps there's been half a dozen to a dozen for sure.

Andrew: Okay. That's what I wanted to establish, that this is something you've done before, and we're not talking about anything in the hundreds of millions of dollars. This is attainable. Everything we do here can be done with a small operation. Let's get into now how someone who resonates with this can do it for themselves. The very first thing that you say is we need to choose one value proposition that fills a specific, specific need, and you had a way of doing this, and it started with a text doc. What did you do there?

Rob: That's right, so the idea here is that I'm at...especially at the time, I was working on Drip, really a one or two person show. I don't have a large operation, and so in order to be able to build in a features, and to be able to market, I need to basically pick one thing to be really good at, and be laser focused, so that's what this encompasses.

The way I did this with Drip is I pulled up a text doc or a Google doc, and I brainstormed headlines for the app. I knew that the app would capture leads, capture emails, send Drip sequences, and prove conversion rates. It does a bunch of things. What is the one thing that I need to focus on?

Andrew: Could you give me a few examples of what would be on there?

Rob: Sure.

Andrew: I want to see what a value prop looks like when it's expressed in a potential headline.

Rob: Sure, so one example is "More leads, more customers." That's one headline, and that can fit in a Facebook ad headline or a Google AdWords headline. Another one is "Create a double digit jump in your conversion rate."

Andrew: Okay.

Rob: That's another one. Another one is "Epic auto responders," or "The future of auto responders."

Andrew: Okay.

Rob: Each of those is quite different, but if you think about Drip it actually, at least in my opinion, is all of those things at once, so I had to figure out which one do I double down on, because I don't have the marketing budget, and the team to focus

on all of them.

Andrew: This is before you even started developing the app?

Rob: Yeah.

Andrew: You just had this idea, and you wanted to see, how do I position it? And in the end you came up with this. I found this on a blog, I think actually on betalist [sp], from the launch.

What am I seeing here in the headline, that came out of the doc?

Rob: Yeah. So the full headline that you're seeing which I split tested to get to this one. This says, let's use email and years of best practices to create a double-digit jump in your conversion rate. And so the initial seed of that was that, create a double-digit jump in your conversion rate, and then though some testing I landed up with the longer headline which my designer hated because it warps so many times but...

Yeah, this one worked well for us.

Andrew; But the key point, and I'll zoom in again. The key points are the parts that are bolded, and I see three words right there, double-digit jump, to get to that and to know that that was the phrase out of all the phrases that you put in the Google doc or the text doc, the one that worked, you did something on Facebook. What did you do?

Rob: Yep. I bought Facebook ads and I tested headlines with at least, I think I tested between 10 and 15 different headlines on Facebook and targeted different audiences as well. Some of it was email marketers. Some of it was startups. Some of it was enterprise sales and that kind of stuff.

Andrew: How much money are we talking about?

Rob: Oh man. Not a ton. To test this? It was less than \$500.

Andrew: Less than \$500, all those different, and here's the other thing that I said. It could be intimidating. Your design is beautiful and when I pointed that out and said, this should be the first thing people create, it's going to be a little bit tough. What did you say?

Actually, you know what? That isn't the official, very first thing. Let's come back to that because I do want talk about what that very first one was and I think I've got a screenshot of it and I see the problem. We'll come back to that.

Rob: Okay.

Andrew: Let me go over to the next big idea here, which is, we found that value proposition by writing out potential headlines that appeal to potential target audience, tested them on Facebook to those audiences. The next step is, you say

build your lean prototype to validate the value. Let's see where that is here. This is, here it is. This is what it is. What site is this on?

Rob: So this is on hittail.com, which is one of my other products.

Andrew: Okay.

Rob: And the idea behind this bullet point is that,

Andrew: Let me go to that site.

Rob: If you're going to make a claim, like, it creates a double-digit jump in your conversion rate, it damn well better do that. And so, realistically, these two steps are actually out of order. I did this part first. We actually had a prototype built on Hittail and I had seen how much it impacted our conversion rates. And then I used that as a way to then brainstorm some of the headlines.

Andrew: Let me zoom in. So what you did was you created, this is now the official version right here but

Rob: It is, because I don't have a screen shot of the old hacked-together version.

Andrew: You hacked together just a pop-up that would come up in the bottom right like this?

Rob: Yep.

Andrew: And you said, can I really get email addresses from it. And when you could, that's when you said, alright I will now start offering this to other people. And that's what you want us to do. To find that simple way to test it.

Rob: Yep. Find the simple way. Yeah. And we did send, we captured email addresses and then we also sent emails and we saw how it impacted our conversion rate. But it was about two days of developer time to build this. Two and a half days. And then it took off for us, so I knew there was a lot of value there.

Andrew: Suppose I wanted to take this little pop-up, and I didn't have a development team and I wasn't a developer myself but I had access to oDesk. Roughly speaking, we can't obviously be accurate on this. What would it cost to create this MVP that just popped up and asked for an email address on a blog?

Rob: Yeah, that just did that? I mean, less than \$500.

Andrew: Okay. So, less than \$500 bucks, again, test out.

Rob: Yeah, yeah.

Andrew: OK. What else, what else, what else? I don't think Hittail got an enormous amount of traffic because it's a homepage. I think where, I think a blog would even get more traffic, so we're not talking about an unfair traffic advantage there.

Rob: That's right. Hittail gets, I think at that time was getting maybe between 10,000 to 20,000 uniques a month.

Andrew: Um-hmm.

Rob: This is not a major media site of any kind.

Andrew: Okay. And I can see, if I didn't have that advantage, where I didn't have a second site, I might go and partner with someone else and say, if I build this for you will you put it on your site, I'll give you all the email addresses.

Rob: That's exactly what I would have done.

Andrew: Okay.

Rob: Absolutely.

Andrew: And the idea is to keep it as simple as possible. What did you keep out of that first version that's our way of validating.

Rob: Oh man. So much stuff. I mean we, it was cobbled together. It used JQuery and just had a pretty basic design. You couldn't split test anything. You couldn't update anything without updating code. You know, I mean it was all just hard coded in there, and you know, now with Drip it's like you can edit everything in a web interface, you can split test, et cetera, et cetera. It was just...I won't say, "It was hacked together," because it was solid code, but it wasn't sophisticated or flexible.

Andrew: Okay. Let's go to the next big idea. Now, we got this hacked together code, or something we got on oDesk, or something that's in MVP. We test out different value propositions to see what works. Let's see what's next for us. Where is that? There, that button. Next, we reach out to warm, potential users to validate the market. I asked you for...actually for an email that shows how you did it. This is what you sent me. There's no way we can read it on the screen, and frankly, I can read it to people, but I want to understand not the words that are on here, but what happened here? What are you doing?

Rob: Yeah, so this is to combat what I call, "The scratch your own itch fallacy," which is where people say, "Well, if you have a need, certainly other people have that need too," and I've just found that to not be the case in most situations, and so I wanted to go with a market first approach where I ensure that there were at least a handful of other folks who would be willing to pay for this same thing, that they also had this itch that needed to be scratched.

This email, in retrospect, I just read through it as I was scraping it for you, and it's a little longer than it should be, because it requires a bit of time from a startup founder, which is who I mailed these to.

I knew 17 people that I thought could feasibly use Drip, and so I sent the email, and all the email says is "This is the bulleted list of what I'm looking to build. You can

see an example of it here on hittail.com," because I already had the thing compiled together. Then I said, "The value will provide increase conversion rates. It will capture more leads. Would you be willing to pay \$99 a month for that?" That's what I'm doing.

Andrew: You know what's interesting is you actually said to them, "I'm doing customer development on a new software as a service idea. Even if you only time to answer with a yes or no it would be a big help. My idea" And it was just four words, "One click email marketing." Then the summary, "If you visit hittail.com, and look at the lower right hand corner you'll see an email signup form that stays dormant for X seconds, then prompt you to subscribe to our free Long Tail SEO email course, et cetera," and then you give them the list of the benefits, and so on. Can I copy this, and give this to the audience?

Rob: Sure.

Andrew: I'm looking at this, and I don't think there's anything private in here. OK, and so you're being very open, and you're saying, "I want to see if this is an idea that anyone cares about. Here are the benefits. Will you..." In fact, is this the ask? Let's see. The ask at the bottom is "The plans will start at \$99 a month. Would you pay for this, why or why not?" Gotcha. 17 people, you're saying, "Would you pay for this?"

Rob: Yeah.

Andrew: What do you say to someone who says, "Seventeen is not statistically relevant. It's not a real representation of all of the sites that are out there."

Rob: Sure. Yeah, it's not, but as a bootstrapper I don't need all of the sites that are out there. You know, at 99 bucks a month, 100 customers is 10,000 bucks. Is that right? Yeah, that's right. That's not a bad way to get a bootstrapped app off the ground. If I can find 100 customers...so to me, to even find 10 paying, which is what I found out of those 17, I got 11 who said, "Yes," and then six said, "No," or "Maybe." Some people said, "It was too expensive," et cetera, et cetera.

I don't need the whole world to need it. I just need to find a group that does in fact need it. The interesting thing is out of the 17 that I emailed, a bunch of them, the ones that said, "Yes," they were mostly SaaS, and downloadable software founders, whereas the people selling courses, info products, WordPress plugins were in the six that said, "Yes, no, maybe," and so instantly knew, "Boy, I need to...who's my marketing going to be? Where's the value here?"

Andrew: How do you know if they're just being nice, or they're really going to buy?

Rob: You don't, except for...at least these folks that I emailed, I would hope that they would be candid with me. I also wrote back, when people said, "Yes, I love this idea," I wrote back and said, "I'm going to build this," in a nice way, "Can I hold you to that, to at least try it out, to at least give me a test? I should have something in four months." I gave them a time frame. I gave them a price, and I tried to get a verbal commitment, you know? Yeah, you're right, they could totally bail, but most

people, I mean I have at least loose affiliations with these guys, aren't going to tell you, "Yes," and then back out. If they're total unknowns they might.

Andrew: My temptation would be, Rob, to say, "I'm going to launch it. I plan to charge 99 a month but if I give it to you for free, will you give me feedback on it after you put it on the site." Rob: Sure.

Rob: I have to be honest. I don't think anyone in the audience is going to own up and say that's how they are. Let's all speak up. I believe we do this.

Okay. So the reason, I didn't want to do that. I'll admit it. It's tempting. I won't say I'm immune to that. I got a lot of feedback when we started getting customers in and I really wanted feedback from people who were willing to pay for it. That's the bottom line. If you give it to someone for free, they just don't value it very much.

There were a few people that I did comp for reasons. Either they couldn't afford it. There was one blogger who wanted to use it and I was like, guys, feedback will be valuable but, sure enough, it wasn't. It was way off the mark of what the cluster of paying customers were saying. It was way off the mark. I would really discourage people from doing that.

Andrew: How did you come up with 99 dollars? I got to move on to the other pints but why 99 dollars? How do you know what to ask?

Rob: In the end, the pricing is not 99 dollars. It's actually 49 dollars. By the time I got to launch, I had changed that. I wanted to move up market and I wanted to figure out what I had to build to get to a 99 dollar price point because you can scale an app at 99 bucks a month. It's really hard to scale an app up at 10 or 20 bucks a month and I've already gone down that radio so I wanted to step it up a little.

Andrew: Alright, let's step it up here too. Next is put up a landing page for warm traffic. Who's warm traffic?

Rob: The idea here is, I have this thing that I call Concentric Circle Marketing. You start by spreading the word to the inner circle. That inner circle is your warm traffic. It's anybody who knows you. It's your audience. It's things like Twitter. It's your blog, if you have one. Maybe you have a podcast. Maybe you have an email newsletter. Anybody that you can easily reach, you test it out by starting to spread the word to them first and that's what they mean by warm.

Andrew: How many people did you send it to who were warm?

Rob: There were some podcasts has several thousand listeners and I started mentioning it there. Hey, go check out the new app that I'm working on. I had about 6,000 email subscribers that I sent it to, again, just as a heads up like, hey check this out. If you think it's interesting, sign up. It's in the 10 to certainly not 20,000. Probably like 10 to 15,000 and of those, it's pretty loose because you might send 6,000 emails and only get 500 of them even opened. Then you might only get 300 clicks so it's not like thousands of people saw this landing page. It was maybe 1,000 people from the audience that actually clicked through and saw it.

Andrew: And what you're trying to do is get them to come to this page and give you their email address as a way of gauging their interest.

Rob: Yes.

Andrew: There's that phrase that you checked out.

Rob: That's right. To be honest, the warm traffic is a bit of a double edged sword. I call it the curse of the audience because when you have an audience, they often just want to see what you're up to and so they'll sign up so you'll get abnormally high conversion rates. It might be people who are never really going to buy from you. I had to be careful with it.

The conversion rates of this early first circle, the people who had businesses that converted really high because they trust that I'm going to do it and do a good job with it. There was also a really low conversion rate portion which is everyone who just kind of wanted to check out what I was doing and see how I was going to launch it.

Andrew: I must admit, I do that with people all the time. I have a special email address that I use just to stay in touch so if I ever need to reconnect with them, I can go to my inbox, do a search and say ah, that's what you've been up to.

Rob: Yep. I do as well.

Andrew: I showed you this and you said two things about it, or I said to things and I want to get the responses that you said before. The first I said is this is beautiful and you said two things. The first is, there's not. There's a mistake that I already see on this. What's the mistake that you see on this that I, Andrew, do not see?

Rob: The text box is not the right width.

Andrew: The email address box.

Rob: That's right.

Andrew: This part right here.

Rob: It should be the same width as the button below it. We just have a CSS screw up there.

Andrew: Okay and then the other thing you said was, this is not the actual page Andrew. I was moving so fast, I didn't screen shot every step of my way for when I'm on Mixergy.

Rob: That's right.

Andrew: The actual page looked like?

Rob: The actual page I don't have a screenshot of, unfortunately but it was a clean design but it was not really something that a professional spent a bunch of time on. You can tell that one with the envelopes, I hired someone to do that. The other one was thrown together in just a couple of hours. Frankly, I would have gone to Theme Forest and paid seven bucks for a landing page if I didn't have this one.

Andrew: You would go to where?

Rob: Themeforest.net

Andrew: Theme Forest. Yes. I love that site.

Rob: Yeah, they have plenty of really nice landing pages for five to ten bucks and that's what I've used in the past. I happen to have a designer handy on this one. But the one that didn't look as good as this outperformed it in a bunch of tests and I had to do a lot of work to get this one up to snuff. So the theme forest approach is potentially superior in the early days.

Andrew: Here's Theme Forest. When we go to these page here for 11 bucks. I'll randomly click over here to show people what it looks like. I think theme forest landing pages are just beautiful. Well, when we do. What are we trying to put on there? This is a whole page that you can get and this is maybe even more complicated. We don't want, the elements that we want to make sure we keep in there are what? The headline that we tested that works. Email box so we can see if people really care. What else?

Rob: Really just one sentence, just enough to peak curiosity and to give enough information that people understand how you're going to do that, cause you look at that headline, Create a Double-Digit Jump in Your Conversion Rate, that really a lot of ways. You could do it twenty different ways. I would like to get at least a little bit more information. For example, we could use email to do that. So you're peaking curiosity but giving just enough to get their interest. And frankly...

Andrew: And so, that's the part of the sentence that says Buy Reconnecting with Website Visitors via email.

Rob: That's correct. Right Yep.

Andrew: And so, the longer landing pages that I've tested against this, you know, that have even testimonials and product logos and other stuff, it doesn't tend to do as well in this early stage. You really want to minimize the amount of information. Two to three sentences, tops, is what I found works best.

Rob: Okay. So it's value prop and then maybe a sentence that includes by or though. So value prop is buying whatever, give me your email if you want to know.

Andrew: Yep.

Rob: Alright. Um, next. Now we've got all the information it's time to act. Build out a full version but be flexible'

Andrew: Actually, drive page...

Rob: Right. I just jumped over that one.

Andrew: Drive pay traffic. And I actually see one of your ads. Can I put the ad up now?

Rob: Sure.

Andrew: Let's do it. And I'm going to zoom in because this ad campaign from where, because it's so small.

Rob: Facebook.

Andrew: Facebook. Why Facebook?

Rob: Um, Facebook has cheaper clicks than Google Ad Words and you can target demographics with Facebook instead of just intention. So obviously with Google Add Words you're typically targeting search keywords and any actions someone has taken. For example, when I went onto Facebook to test this out, you know, I could run increased trials 30% and run this for startup and fast founders specifically. And it would appear in front of them.

I also had some ads that said more leads, more customers. And I ran those against both sass people and enterprise people and digital marketers and tried to figure who cares about leads, who cares about trials, Who cares about conversion rates. So in order to test different value propositions across demographics.

Andrew: Okay. How much would you actually, I have the price here actually but, I'll say it. You were able to acquire a lead for \$3.50.

Rob: Right. And that means a email address for \$3.50. Clicks were around, I know that was going to be your next question, so...

Andrew: Yeah. I was trying to get the whole understanding of how you knew that this was going to pay off based on the ads.

Rob: I didn't know. I tested.

Andrew: Okay.

Rob: No, I just figured... I've done Facebook ads in the past and I had an idea that you could get clicks between, well there are a number of factors, but between 0.30 and 0.70 is completely doable. That's that you can be a beginner and get in that range with this audience. And so I kicked it up and got a bunch of clicks and then looked at Google Analytics and it showed me how many conversions I was getting and it's pretty simple math.

So it was about \$3.50. There you can do easy math and say wow, I'm charging

\$50.00 a month for a product I don't need and I don't need a ton of conversions to make back this money.

Andrew: Cool. Got it. By the way, you and I grew beards roughly at the same time. Don't you miss being able to do what I just did there?

Rob: [laugh] Stroking the goatee. Yeah. I do it. I shaved it last night. Maybe I should have left it on for 1 more day.

Andrew: [laugh] No. No competition or the beards.

Rob: Okay.

Andrew: Maybe I should ask if you tested that with a Facebook ad. Which will you click on more? Which will you trust more?

Rob: Right.

Andrew: On to the next. This is the one that I was jumping the gun on. Build out a full version but be flexible. You spend how long building it out?

Rob: It was, so I have a developer working for me at this point. In the past I would have built it myself but I'm working on so much other stuff that I had a guy working half time for a while and I'll put him full time once we launch. It was about five man months to build it. I originally estimated three to four, but as you know it always expands.

Andrew: We got this image here. Why did you pick this image to represent this point?

Rob: With my original viewing of Drip, with that very specific value proposition that I said, I felt that all it was going to do is increase conversion rates. All it's going to do is capture more meat. And as soon as people had a look at it - I let in one or maybe two users early on -- they said, "I need to be able to configure this. I need to be able to add it in mobile. I need to be able to send broadcast emails. I need to be able to..."

Suddenly it was turning into a different product than I had envisioned. So - and this is simplifying - right away I had to add settings that I really wouldn't have wanted to add. I would have just wanted to default all these to what I had split tested as working the best. But people want more. You need to be flexible as a founder.

Andrew: How do you know where to stop?

Rob: It's a really good question. It's a hard balance. When I had folks using it who were of similar demographics - a lot of SaaS and software operators - they tended to ask stuff in the same domain. As soon as I got bloggers in there, they started asking for totally different stuff. And it was an obvious break between asking for more analytics and asking for something that would parse on our assess feed and automatically sent emails to the list. No, that's just not even on the radar. It quickly

became obvious what we were and were not going to implement.

Andrew: On to the next point, "Bring influencers in early." You brought in a couple of sites, including this one. I wasn't able to bring it up on Plan Scope, but Ambassador I see right here. I hope people can see it as I bring it up and bring it down. Maybe I need to move it. That will show it right there in the bottom. These two sites are influencers who started out with you. Then you got a phone call from a site called WhenIWork.com. How'd you get that call?

Rob: It was an email actually. It was a recommendation. As soon as Ambassador and Plan Scope started using DRIP they started spreading the word. That's what I meant by, "Get influencers using it early," because they spread the word. They have folks who listen to them. So when I work [??] basically said, "I saw it on Plan Scope and I'm interested in checking it out. How can I get in?"

So at this point here I am with basically an alpha product with two unpaid trial users, though they've committed to paying, but aren't paying yet. I already have people I don't know, and have successful fast apps like When I Work, cold emailing me asking to use my product.

Andrew: I've actually seen that with influencers. Even if they don't end up using your product themselves they talk to so many people that, if they find someone who's the right fit for your product, they end up telling them about the product. As a general rule do Influencers get the product for free? No, they pay.

Rob: I'm just not big on giving products for free, to be honest. I pay for everything. I have students who I've trained or mentored and advised, and they'll build a product. I will absolutely pay for that if I can get value out of it. I will tell them not to call me specifically. I've had comps that I've rejected. I feel the same way. It's like we're all in a big community here. Where do you draw the line at comping and not comping. Do you comp someone so they spread the word? Are they now obligated? If it provides value for them they should pay for it. I know that I like to do that.

Andrew: You're lean. Everything's bootstrap. It's all you own money. If the money didn't go to this app, it might end up going to a vacation for the family. Sometimes I have dinners and drinks with people who are funded and they have the ability to pick up checks because of that. Their ability to do all kinds of stuff without it is out of this world.

Rob: We're in the wrong business. No, I'm just kidding. [laughter]

Andrew: I don't feel that way too. I think that they will often admire what you're doing. They'll sit around and talk about their lifestyle business idea, but it's a whole different way of spending money. It's a whole different way of having to be aware of it. Actually I have one more thing. So many people are trying to reach Influencers. How do you get through to an influencer and say "Here's my product. Would you please just check it out?"

Rob: I'll admit I stumbled into this one. Most of these other ones that we've listed are

thing that I've done very intentionally. But this one I kind of stumbled into. I meet a lot of influencers at conferences to be honest. I mean, I [??] you just kind of get to know people. So I don't know that I have a one day secret of how to do it. I didn't cold pitch influencers via email and have this magically happen. It was relationships for the most part. So....

Andrew: Sometimes when I try software the person who runs the site will email me back and say, "Andrew, you might like Mail Parser. I just tried that out and the founder emailed me and said, "Hey, you checked out my site" and he started asking me some questions.

Rob: That's cool.

Andrew: I just interviewed someone who had a similar experience too where he just was watching...oh, the founder of what used to be Tweaky. I think it's now called Elto.

Rob: Okay.

Andrew: And he said he saw that - who was that - I forget which influencer he saw was using it. Ah, the founder of the Next Web. And he said, "I see you're using my site." I just want to check it out. That's how we got on good terms.

Rob: That's definitely the way to do it. Yeah. To do a lot of hand holding, really.

Andrew: He's coming in. So, we got the influencers. Next big idea is we're going to go to build your onboarding process. Onboarding is one word, isn't it? I should just combine it.

Rob: Yeah.

Andrew: I like to combine it. I must have before, but Apple has its own opinion on how I should be writing things.

Rob: That's funny.

Andrew: Thank you, Apple. Onboarding, what do we need to do? Why is onboarding even important? I'm just trying to build a profitable web app. Don't I just need to get people in the door to pay and I'll improve the onboarding later on? But first I need it to be profitable. Why do you think onboarding is important?

Rob: Well, because if you have this landing page and you're building up an email launch list, you're going to be eventually sending people this app and you want to take advantage of all that hard work of building that list. And if your onboarding sucks, people will not get value out of your app. They just won't work through it and get that first "ah ha" moment, that first unique experience that just blows their mind.

And that's what this onboarding is designed to do. I see how some people can think of it as maybe it's premature optimization. It's the cart before the horse, but if you don't do this you will get dramatically less. Maybe in order of magnitude maybe it's

only 50% less people to get value out of your app and thus you will bleed customers out of the bottom of your file.

Andrew: Okay. I know that we had one point. You said, "Andrew, let's remove it from the conversation here. It's too far in the process, but the onboarding process is early on. It's part of making sure that your launch is profitable. I asked for a screen shot of one part of your onboarding process that shows, that gives us a sense of what the process is like.

This is what you sent over. What are we looking at here and how does this help us understand your process?

Rob: Yep. So the thing to do if you're looking at your own app and try to figure out how to onboard is figure out what are the one, two, three steps someone needs to accomplish in order to get value out of your app. And so with this app Drip you need to do three things. Two are required and one is optional. And so in the upper left if you look at the red X it says activate your campaign. That means that they've actually set up an email campaign with a couple of emails to be sent out in a sequence and that they've made their opt-in form visible.

Andrew: Okay.

Rob: So once they've activated that I know that's happening. Step two which is next to it - let's see. I'm lagging a little bit on the video.

Andrew: Oh yeah. Install your JavaScript?

Rob: Install your JavaScript. So they have to have a little snip of the JavaScript installed from Drip in order for the opt-in form to appear. Until they do that, zero value. They will cancel. They will either cancel during the trial or maybe they'll make a payment and just say, "Oh, I never had a chance to set it up." So that's a critical thing. Every time they log in until this is done this is the screen they see.

And then the third thing is an optional thing. It's setting up a goal so that they can see how many people actually become paying customers, and that's more of a retention mechanism of hey, if they know that they're selling three, four, \$500 worth of stuff every month because of their direct sequence, then obviously they're going to stay customers. So we want to encourage them right at the top...

Andrew: Right at the top and that's what I zoomed in on, and I'll zoom out to give people a perspective of how it unfolds. That is what's important. You have your whole page right there, and you zoom them in on one step and you say, "First, I want you to activate your campaign. Then I want you to install the JavaScript. And then I want you to define a goal. That's the onboarding and..."

Rob: Yeah. And even below that, if you scrolled back down you can see that finished setting up your campaign, that's the same thing, activate and setting up. It's really guiding you too. You can get around this screen if you want, but it is urging you desperately to do that. In addition, there's a sequence of emails being sent out to bring you back into the app so that you just don't have to log in. Also if you're just

checking email you'll be reminded as well.

Andrew: Alright. I was going to ask you about how you keep from going crazy as your onboarding, especially when you're just getting started. You can't do the perfect onboarding process. You get people to do everything, and now I see it. You're focusing on the most important parts and that's it. In order. Most importantly activate is nothing else is happened afterwards second most important is install the java-script because otherwise you are not going to care and the third to find the goal alright lets go on to the next big idea here.

The next big one is there are highlighted right now using email sequence you have this four step sequence you said use it all the time I am about to bring up one of the page here from the sequence moment but what is this Can you give me some overview about this four step sequences

Rob: Like you said I use it to launch book conference and all my membership site multiple software products just of it is that it is four emails over question about two weeks and you are building anticipation is what you are doing and if you ever seen one of those long form sales letters that have you know, paragraph after paragraph text. You almost trying take a piece of that long form thing and spread it out of multiple emails.

Andrew: Okay

Rob: And so the first email will typically say hey you have been in the list for x months and we are going to be launching next week and here is a sneak peek bring up behind the scene what we have been up to. And then you presume what your apps what is the sense of your app value propositions you know whatever it is you found to resonate to people you start talking.

Andrew: Number one is you then on the list a long time here's what we have been working on. Is that right? And you include screen shots anything else.

Rob: You like to meet them next week. You don't have a chance to get access to the help.

Andrew: But this is the list of people who are in that landing page. Alright. Okay. We do that the next thing we do is begin the data launch but they can't yet buy right.

Rob: That's right, that's right. I don't actually give a specific date. I typically say next week you will hear from me with more details basically. An then number two is gets more specific and provides some additional details about the app more value prop more screenshots and then it says the press so you kind of built a case for the price so you kind of built a case for the price you haven't mentioned price yet because you wanted to build value first.

Andrew: Okay.

Rob: And then, it says tomorrow at x you know, you need to time whenever you expect to hear from me and from there you have 72 hours to get a discount and no

one else will receive this discount.

Andrew: Seventy-two hours.

Rob: Sometimes just a week.

Andrew: To get a discount.

Rob: Right, the time for dependence forty eight hours to a week and then number three is the launch view.

Andrew: The 42 hours to a week.

Rob: Forty eight hours a week.

Andrew: Is that make sense? Okay. Number three.

Rob: Number three is the actual the doors are open you know, the gates are open and this is a very short email because you would play the ground work by now. You'd have to show the app how it appears the value provides shown the price so there is no price shot and so the doors are open to get your specialty that only last 72 hours click link these below look forward to see me on the inside some think like that. So it is way shorter than the other too. And the fourth email you sent is just about twelve hours before the sale ends.

Andrew: Okay. I scrolled it up, 12 before and it's to say, it's about to close.

Rob: That's right. No need of information here.

Andrew: Okay. You sent me to show people where is the page to emails. This is one of those emails which actually is little bit hard to see I am in strain but is it okay? I give these to the audience.

Rob: Sure.

Andrew: I could see I see screenshot on here I can see details I see multiple screen shots. Okay.

Rob: This is email number one. You see it very long it really tiring to lay ground work of what app does? How it's valuable? You noticed, no price is mentioned, no specific launch date.

Andrew: Okay.

Rob: That's when, this is the email sequence getting started our whole process before allowed us to build the mailing list now we are going to send four emails to this list to get them good. Let's go to the final point then, this is launch slowly so you can hit the rate of your product. What is slow launch for you? So our email list was 3,500 people by the time it came around to letting everybody in. I was letting them in. Early on I let in 300 at a time and then I started letting in 600 at a time once I had

confidence that we could actually on-board that many people successfully.

Andrew: And this is after you did the four series email or is . . . You open it up to a lot of people with a discount, any number of them could come in from the 3,500.

Rob: Nope.

Andrew: Oh no.

Rob: I did the four series email over and over and over to groups of three to 600.

Andrew: Oh, I see.

Rob: That make sense? So about every three weeks, which is how long a trial would run, we had a three week trial. Every three weeks I would send this forward sequence email to the next group and let them in. It was in order of sign up so I started early on and just moved all the way through.

Andrew: Why not just email everybody and say, "Hey, my thing is ready." and just get all of them in at once?

Rob: Yeah, that's a good question. There's two reasons not to do that. It's a really bad idea actually. There's two reasons. One, is because your on-boarding sucks still. No matter how good of a job you think you did, you're going to tweak the crap out of it until you get it to where you're getting 50, 60% of people who come in actually sticking around.

Second thing is, you don't know if you can handle that many people period. 3,500 people is a lot. That's an enormous support burden. As soon as you, as a bootstrap company without a lot of support folks, you just can't handle the burden. And the last thing is, as, so I guess there's three things, as you let people in they're going to start asking for feature requests and all types of stuff. It gave time to build a bunch of those and therefore retain more of the next group. We saw retention rates go up in every group because we had just had a more mature product. It bought us time.

And I call this the slow launch. I mean it worked out really well. It took us about 90 days to launch to 3,500 people and one of those months I was in Europe and I was barely working. By that time it was the third of the three months. My team, who was at that time just two people, one support dude and one developer, we knew what to do. Everything was set up to do it automated.

Andrew: And you just kept doing it over and over and over and over.

Rob: We got better each time, yeah.

Andrew: Three hundred emails got you, at one point, 30 replies?

Rob: Yeah, that's right.

Andrew: What does that mean, a reply? I mean, people responding or people

going to the site?

Rob: The first that was email replies that I got and it was that first email of that first four email sequence to the first 300 people I sent that out just like you saw it and 30 people replied and said, "Can't wait to see it next week. I'm loving this. Are you going to integrate with apps?" There were questions, but there was a lot of encouragement and that showed me right there, wow, people are engaged to get 10% reply rate on a list that was months and months old was a good sign for me.

Andrew: All right, I think we've got everything. Who else does this work for? This whole process that we just went through, you had other people go through it, it's not just you.

Rob: Sure. I don't know that everyone has done every single step of it, but I know, especially the launch sequence has been used, like I said, with a ton of my products. Pretty much everything I do now follows this same basic thing. Reuben Gomez with BitSketch early on used a version of this. A friend of mine, Phil Dirkson, he has a Word Press pin it button plug-in, he uses this sequence. A lot of people in the academy, the Micropreneur Academy, my membership website, use it just because it's something that I espouse pretty heavily.

Andrew: I called it. This is my name. How to profitably launch a web app.

Rob: Mm-hmm.

Andrew: Is it safe to say because this has been used for book launches and conference launches, that it's just how to profitably launch?

Rob: Yeah. Yeah, I mean, it is.

Andrew: Am I, not safe? I don't want to just be safe, I want to be honest. If it's not honest and it's more narrowly targeted towards web apps, perfectly fine. But is this something that will work beyond web apps?

Rob: It will, absolutely.

Andrew: Okay, yeah, all right. How to profitably launch a web app, an eBook, a conference. And thank you so much for doing this. The site, if people want to go over to it is Getdrip.com. Getdrip.com, go in, play around, check it out. And if people want to be a part of your community, if this isn't the right tool for them where do we send them?

Rob: Yeah, if folks listen to podcasts, startupsfortherestofus.com is a place I talk every week for about 30 or 40 minutes about pretty much what we've talked about today. It's very nerdy and very start up and marketing focused, but it's what I live and breathe.

Andrew: I'm very nerdy and very start-uppy focused, you never have to apologize for that. Thank you so much for doing this. And to the nerdy and start up focused person who's out there listening, thank you for being a part of this. If you've used

any of this and it has been helpful, if you've used any of this and it opened up ideas let us know in the comments and find a way to let Rob know. Rob, what's a good way for them to contact you and say, 'Dude, it worked.'?

Rob: Twitter @RobWalling.

Andrew: I think that's how we actually ended up doing this program. I saw you talk about something on Twitter, I said, 'Would you be interested?' And actually the first thing I said was, 'Why didn't we freaking think of this internally?' Why do I have to discover this on Twitter and I think we might have gone back and forth on Twitter, but thank God for Twitter. Thank you for doing this program. Thank you all for being a part of it. Go use it and tell me how it worked. Bye.