

How we made \$40,000 from \$0 in ad spend by leveraging a small Instagram following, in just 21 days

The purpose of this “document” is to outline, to the best of my ability, the exact system we put in place to turn a small (relatively) following on Instagram into subscribers, and then how we monetized those subscribers during the process.

The summary:

On Instagram I currently have about 19,000 followers (@thetravisstephenson) and I wouldn't say that my Instagram is necessarily “active”. It's people who followed me because I'm an entrepreneur but that doesn't mean they are my ideal potential clients. That said... as you'll see... some are.

One of the best ways to engage your followers on Instagram is to host Giveaways. It's a great way to get NEW followers and to engage currently ones (and you're about to see, a great way to make sales). Currently giveaways are run in a way that really blows my mind. They are hosted in a way that doesn't make the brands any money during the process. This is insane to me. You are giving something away of high value and you have ZERO capability of making money during that process... or even building your audience in a MEANINGFUL way.

So sure, you'll get new followers... but the algorithm on Instagram dictates that you'll only be able to reach (on average) about 8% of those people every time you post. So even if you get a new 10,000 followers you may be able to reach 800 of them when you make your next post...

Cool

But we are changing that forever. The days of NOT being able to monetize your Instagram and relying on a flaky algorithm are over. In August, Instagram released DM automation to every single page on Instagram. This means that you can set up systems, like Chatmatic, to automate your DM's and send people through workflows and collect leads.

This is REALLY IMPORTANT for a few reasons that I'll cover now:

- This keeps people ON Instagram. Please realize, Facebook (who owns Instagram) is NOTORIOUS for making moves that keep people on their platforms. So when you typically do a “swipe up” you likely notice a decline in the reach. Or even when you say “LIB” or “Link in Bio”... again it's crushed in the algorithm because they are smarter than you think and don't want people off of their platform if they can help it.

In comes a new solution. A solution that allows you to get to know your leads (through automations) WHILE also promoting your products and collecting real lead

data you can send emails and SMS messages to. This is a massive blessing. We can now get lead data without making people leave the platform.

- Algorithms are NOT where big businesses are made. Don't get me wrong, you can make a LOT of money living on that algorithm and I've seen many people do it. That said, it's hard to sell a business that only lives via an algorithm to which you have no control over... and if you can't sell your business that means it's not a REAL business. When it comes to creating a SELLABLE business you need assets that are NOT RELIANT ON YOU. That's a tough one for people to understand. But if you are the only one that can make your store money, it isn't likely to sell to anyone.

In comes our new solution that allows you to live on the algorithm, promote things, but do so WHILE building a list off of the platform. If you had a list of several thousand people that would buy something anytime you send an email... that's sellable.

- You will make more money. Plain and simple, if you build your list you will make more money. Anyone who's been online more than a month knows that if you have a list of people interested in your product and a good way of reaching them (SMS or email) you will make more sales. BUT most businesses don't have an aggressive strategy for turning "followers" into "leads".

Again, in comes our solution which does exactly that WHILE allowing you to promote your product.

There are more reasons... but we'll see them come into fold as we continue this document. For now - let's get back to what WE did and how.

So I used my page with a following of 19,000 people and I gave away a 13" MacBook Pro. This document isn't being put together to teach you how to formulate a giveaway but I can't write it and NOT tell you why we gave away a MacBook.

See my page is about being an entrepreneur... and no... I don't own Apple (I do own stock... so kinda?). Most people make a mistake of thinking they have to giveaway THEIR product in order to host a giveaway and sometimes that is the case. If you have a high consumable product (something like food that needs to be purchased many times) it's ok to do that.

On the flip side, it's much better to give away something that is in your ecosystem, but not your actual product. The main reason for that is because you will get people to buy your product IMMEDIATELY if they aren't hoping for a chance to win it. Again, this isn't necessarily true if you sell Paleo brownies... because people will still buy now even if there is a chance to win unless your giving away a lifetime or years supply.

So when creating your giveaway think about things that your audience would love to have that COMPLIMENT your offer.... Here's a couple ideas.

- Someone who sells a cookbook could give away their 5 favorite cooking items instead of giving away their cookbook
- A gamer could give away their favorite console instead of giving away free access to a private stream
- A fitness expert could give away a \$250 shopping gift card to an athletic clothing company instead of a months free access to their app.
- A camera company could give away a free RAID storage drive instead of giving away their camera.
- An entrepreneur could give away a laptop (which would be used if you run a business) instead of access to their product.

Another thing you'll notice is the value of what's being given away, in some cases, is MUCH higher than that of the product that we are trying to sell. This is how it should be. We've had clients come to us trying to give away a \$25 ice cream gift card (I'm not kidding) and the giveaways never get momentum.

Remember, you are taking people out of their "flow" on Instagram and asking them to become a lead for you... depending on the size of your following you could get THOUSANDS of new leads in a day. Traditional marketing tells us that the average email lead is worth \$1.00/ month to you as a business. You can make at LEAST \$1.00/ mo from a subscriber on your email list on average. So if you build a list of 10,000 subscribers... that's technically worth about \$10,000... so don't be cheap on what you giveaway because that would KILL the vitality of the contest.

Sidenote Let's say for example you make custom shoes and you want to host a giveaway. It may be hard for you to give away something that makes sense without giving away your actual product. This is understandable and we've run into this issue in the past. So what we try to do in these cases is give away something CUSTOM or limited. For instance, you could give away your next "unreleased" design. That way people still have the opportunity to buy something from you that they can't get now. This is better than giving away something that is currently available because that might be the only thing they are inspired to buy at the moment... leading to hesitation to buy before the winner is announced. Also - you can use a discount code that is good only during the giveaway process. So if you host a 5 day giveaway you could give everyone who enrolls 15% off your store good for the next 5 days... place urgency on it and people will shop.

So now that you know why I gave away a MacBook... let's talk about the rest, which is REALLY simple.

Using Chatmatic I'm able to automate my inbox on Instagram. Allowing me to set up "triggers" that will fire off a pre built chat sequence. So for this contest I set up a Trigger that was looking for the keyword "MacBook" and I created my contest.



It was a simple picture of me holding the laptop. Not too much science here. I did want a picture that had my face in it because that's how my audience knows it's me. I was looking AT the camera and not away from it, to engage eye contact of the scroller. Then I made sure we had some blue affect on it to really highlight the laptop. That's it. I used an app (pixel cut) to put a lining around my body to make that stand out more. That's it.

In the post I just said what I was giving away and then I listed the rules to enroll. The rules were the same as basically EVERY GIVEAWAY with the exception of 1. As I mentioned before, Giveaways are MOSTLY about getting new followers. And they work well. There are 3 main types of Giveaways -

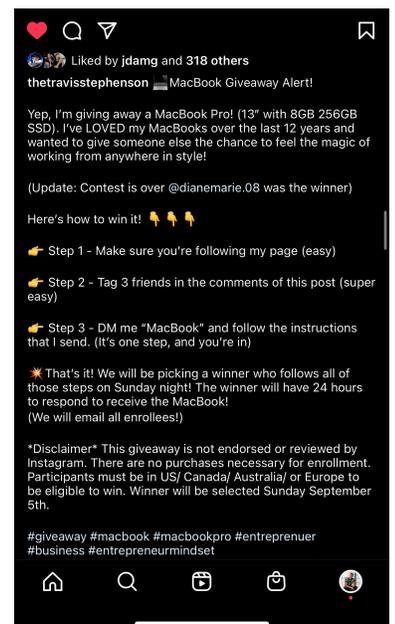
-Self Giveaways. This is where you use ONLY your own audience and/or ads to spread word about your giveaway. In these, you are the only benefactor of the giveaway and solely responsible for the prize.

-Group Giveaways. This type is usually done in a small group of other brands or influencers. You'll see they say "follow these other pages" and that's part of the enrollment. These are popular because brands can use

Influencers to push these and it's an easy way to get new business. BUT you (traditionally) don't get any leads... we are changing that.

- Loop Giveaways. These are incredibly popular and the logistics are harder to describe than I care to type out. But the idea is that you take a MEGA influencer and they "host" the giveaway. They tell their followers to follow some third part page, AND everyone that page follows. That page is only following 50-75 people that all paid big money to be in the loop giveaway.

In my case I did a self giveaway. That's OBVIOUSLY going to be the lowest producing type because it's only my audience and my audience is small. So these results likely could have been better in a group giveaway.



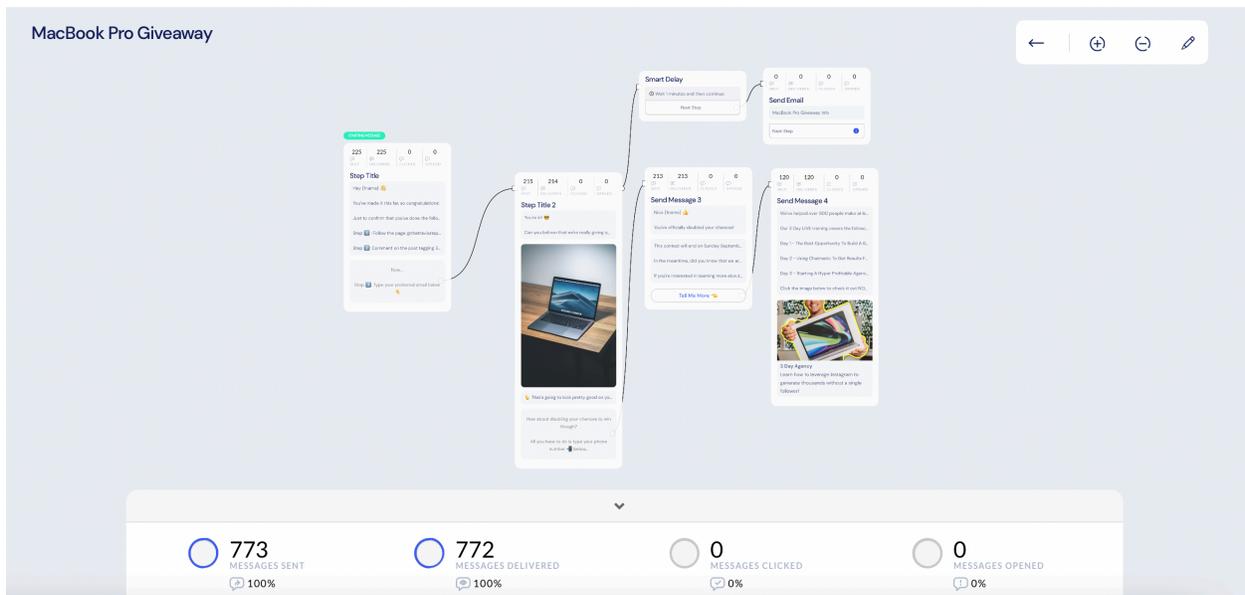
I told everyone to Follow my page, Tag 3 friends, and DM me the word MacBook. Now there are technically two ways you can run this. My method was to get people to actually go to my DM's and message me a phrase. I had Chatmatic looking for that phrase "MacBook" and it would send everyone through a sequence which I'll show here next. The OTHER method to getting people into the inbox and to start a sequence is something called "Private Replies", which allows you to have platforms like Chatmatic setup to send a message to ANYONE that comments on a certain post. This is a really cool method but I didn't test this with mine because I was going for a more direct to DM route. That said... our next test will absolutely be Comment to receive a private reply with details.

So that's the details of what we actually did. It's really not rocket science. In short we gave away a MacBook Pro and in return asked people to like my page, tag three friends, and opt in to a DM sequence...

The Sequence:

I'm a bit embarrassed to admit that this sequence was INSANELY short but there's a reason for that. We were hosting a live training at the time showing our members how quickly we could set something like this up and we really only gave ourselves 15 minutes. Truth is, I didn't actually set it up... it was done by my account manager Trent. So we made things a bit more difficult so we didn't take advantage of all of the benefits that a sequence like this can have...

That said - we still did really well.



As you can see this sequence has all of 4 Messages with a delay and an email. Yes, *Chatmatic allows you to build and send email from within our platform.* The idea was pretty simple here.

I first asked them to officially “enroll” in the contest by confirming their email address. Simple ask and as you can see we had 225 people make it to that step. 214 of those 225 people gave me their email.

This should really be one of the first BIG takeaways for most people reading this. That’s above 95% opt in. Which is an opt in rate you’ll NEVER get from a website. Think about that....

Next - we said “Great, would you like to double your odds to win... just give us your mobile number.” So now we are collecting SMS.

Chatmatic ALSO allows you to send SMS messages as well. This is HIGHLY important because you can hyper segment with the data you collect. This giveaway is one of MANY sequences you can run people through and over time you’ll get to know something about each user at scale. So you could, in theory, send a text message broadcast to everyone who owns at least 5 pugs and lives in Nebraska... it’s literally that in depth.

As you can see from the stats above, of the 214 people who gave us their email - 213 gave us their mobile number. That’s STATISTICALLY INSANE. 99% opt in rate from email to SMS. You try putting an opt in form on your website and ask for both email and sms and see what your opt in rate is...

Go ahead, **I’ll wait.**

Traditionally it’s less than 15%... so this isn’t even a fair fight anymore. Using these sequences is easily the best lead generation method there ever was.

Moving on.

After we get that info we tell them about a training we are hosting. This particular training was pretty limited so it made our giveaway timing pretty perfect. It’s all part of the urgency/ scarcity. I want to add NATURAL scarcity (limited quantity) and NATURAL urgency (limited time) to every sequence to get people to take action quickly. I mentioned earlier giving away a 15% discount ONLY during the dates of the giveaway... again adding urgency.

So in my sequence I also happened to be hosting a live training showing people how to use Chatmatic and we gave everyone a link to that. In a perfect world we would have added a follow up for a few hours later to remind them to check out the training or ask if they saw it. We didn’t and that’s us dropping the ball due to such a limited time.

Once we collected everyone's email we had an "automation" (that's what we call them in Chatmatic) setup to send all of their lead data over to our autoresponder. That autoresponder had a new list on it called "Instagram" that we used SPECIFICALLY for getting leads from our Instagram DM's into our mailing platform. We obviously used that list to continue to promote our live training, which at the end had a sign up to get information about our high ticket program.

People obviously purchased and that doesn't include payment plans which are obviously going to continue to add to the results.

But again, the sequence was INSANELY SIMPLE which is the entire idea. We didn't overcomplicate it or let the POTENTIAL complication be a factor in our process. Often times, most people think they need a massive, long, overdone flow to make it work. What you need is a list and a congruent offer people care about and the ability to reach them OFF the algorithm and in their inboxes.

In our education process for our users we teach something called the 4 Pillars of EVERY successful promotion, and while you don't have to use all of them, the more you use the better.

These pillars are:

- The Lead In. This is the process BEFORE the actual lead generation system is put in place. So maybe you are telling people you will be hosting a giveaway. I didn't do this, so I definitely lost out on some potential. IF you spend time telling people a giveaway is coming they will be looking for it... and that anticipation will help it go more viral.
- The Event. This is the actual giveaway. We obviously did this.
- The Replay. This is when you tell people that the event occurred. Maybe do more Instagram stories telling people about your giveaway... share your post into your stories, etc.. This keeps it alive. One of the things I did was sent an email to my list telling them it was going on.
- The Close. This is SUPER important. But we used two layers to this. We closed the contest, which obviously there is a close date for every contest so this isn't incredibly hard to understand... but the other layer is to then use this when you have your list. So we add scarcity and urgency to the end of the offer that "just so happened" to be live at the same time as the contest... and that pushed people to take action quickly.

The Results:

LIST	ACTIVE LEADS	TODAY	YESTERDAY	GOALS	REVENUE	SUBSCRIBER VALUE
Instagram	400	+1 -0	+1 -0	48	USD 40,460	USD 99.7

The results of this campaign were better than I ever expected. Honestly at first the goal is to always just make more than you spend on the giveaway.

Typically there are only a few things you'll be spending on and this is all based on what assets you bring to the table.

- If you have followers, something like 10,000+ (it can be less but has to be VERY engaged) you won't really NEED to spend on ads. One thing I would note, using ads to boost your contest to everyone who's ever visited your instagram profile is a genius way to engage your audience. SUPER cheap and easy way to grow. Literally could be \$5-\$10/ day but I would go bold on this and spend \$100/ day to reach your audience.
- If you don't have followers you will need to spend on ads or pay an influencer (or multiple) to promote your giveaway. This doesn't have to be super expensive. In fact, the best move is to find MICRO influencers (less than 50,000 followers) to promote for you. They are VERY cheap and may even do it for free product. BUT if you don't have a big audience you need to get one... so you will obviously have to pay something.

The only other cost to Giveaways is the product. If you follow my example you are spending money on SOMEONE ELSE'S THING... but if you are giving away your own thing there is obviously less cost while still having a high perceived value.

You are welcome and I would definitely advise to choose multiple winners, offer runner up prizes, etc. Giving everything to one person isn't the best way for you to create User Generated Content... but if you're a coffee bean company and you give away 3 espresso machines, you could have the winners take videos of themselves making a coffee saying thanks. That's something you could use in an ad potentially... so you win either way.

At the end of the day I generated exactly 400 subscribers from this campaign so far (obviously people opted in after the contest was over) and that has resulted in \$40,460 in revenue for us.

The giveaways work if you do.

Key Takeaways:

Every business on Instagram needs to build their list OFF OF THE PLATFORM. It gives you more ability to reach your potential clients and give them more info on you.

Let's just think about what Instagram and making content even is. It's a free way of reaching an audience and informing them about why your product is one they need or want. Right? I mean... at it's core that's what it is.

The DOWNSIDE is that it's an algorithm so you have to produce a lot of content and 90% of your audience won't see each post. Be honest... no one is turning "on notifications"... the world doesn't do that.

By using these new automation features you can run SIMPLE giveaway sequences and generate sales to your product RIGHT NOW. This doesn't even include the future value of that email and SMS list in the future. Your next sale, your next merch drop, your next live event... you name it! You can actually tell these people about it.

This is an absolute game changer and Chatmatic makes it INSANELY SIMPLE.

You literally login to <http://app.chatmatic.com> and login with Facebook. It's totally free to start using.

You connect your Instagram page (and make sure you follow the steps in the Connection Guide, which is linked on the connection page, if isn't working).

You then go to Workflows and create your workflow.

You can connect Zapier in the Settings > Integration area or get our Full Zapier walkthrough in the top right corner when you click your profile picture. This would allow you to get all of your leads out of Chatmatic in real time. As always, you can of course export your leads if you'd like.

Once you've made your workflow and have your leads being sent to your autoresponder it's time to set up your trigger. Head to Triggers, Create New, And if you'd like to copy MY method you'll choose "Keyword Engagement".

You simply type the keyword you want people to type to trigger the workflow, and hit enter, then you select the workflow you created and hit save.

DONE..

Not bad right?

And you pay NOTHING until you hit 500 subscribers... so you'll get a nice taste of what it's like to build your list without even needing a credit card.

That's it... I can't imagine a reason you're still here. You've got a link to go start this process free... so get to it! I hope you enjoyed!

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