



## **Nick Asks, "Can I Turn My Brand Around & Into An 8-Figure Exit? Road To \$1 Million - Transcript**

Ryan [00:00:00]:

This is The Road to \$1 Million. I'm Ryan Daniel Moran. Today I'm going to be joined by Nick, the founder of Keto Brownie. Keto Brownie is a company that I've invested in through my fund and it's a little bit of a different kind of deal. I've known Nick for 5 years. I met him at a very small workshop about physical product brands and I was brought in as a guest speaker, and at the time I was eating a mostly keto diet. And so when I heard this guy say that he wanted to start selling a keto brownie, I got really interested and really excited.

Ryan [00:00:38]:

And I became a super fan of Nick's products over the following years. Nick was a one-man show the entire time and he worked tirelessly. This was his baby and the products kept getting better and he kept improving them but he got really burnt out in a lot of the details of running a business. And in 2020 when all of the world craziness happened, he had a tough year. So, I invested in the company with my partner Sam. We have a fund for businesses that we love and our job is to put money into the company and free up the entrepreneur.

Ryan [00:01:15]:

Free up the entrepreneur so that they can lead vision, free up the entrepreneur so that they can focus on what they're best at. And Nick is one of the best product creators I've ever met and he does the important things really well. And so, in this conversation we go through how the relaunch went, how we got back in the game, what sales look like, we talk through what agencies we've been working with, we talk about what the product line is going to look like moving forward, we talk about how Nick is shifting from being a one person show to being an owner of a business. So, please enjoy this case study with Nick from Keto Brownie. When you're ready to start your journey to \$1 million, join us in The One Percent over at [Capitalism.com/1](https://Capitalism.com/1).

Ryan [00:02:10]:

Alright, Nick, so tell me how you're feeling and don't BS me just because you agreed to be on the podcast. How are you feeling about the relaunch and everything that's happened up to this point?

Nick [00:02:22]:



Yeah. So, I'm, no BS, feeling great. I know we were texting a little bit offline and I was just saying that I'm feeling way less stressed which is kind of nice for a change. Since we started working together, things have been great. I've been able to relaunch the bars. We got the new flavor out, and just launched about a month ago so we're like 4 weeks into that. Everything's going great. The customers are loving the new formulations, love the new recipe. So, yeah, everything's going great and I'm just feeling a lot less stressed which is nice and kind of getting back into the creative product mode which I know we've talked about extensively is kind of the sweet spot and where I want to be and where I have the most enjoyment.

Ryan [00:03:01]:

Yeah, you are an amazing product creator, so my intent has always been to just free you up from everything else as much as possible. Tell me how the launch was in your mind. I told you, what's important to me is, are the customers excited? Is there momentum? Are we increasing in rank? Are we getting reviews? The numbers don't mean so much to me but I know that when you're at the helm, they mean everything to you. So, tell me what the numbers ended up being and how you're feeling about them.

Nick [00:03:34]:

Yeah. So, over the last 4 weeks, I think we're right about \$20,000 in sales in 4 weeks which is pretty good. I know last year I was doing, at my best, around \$40 or \$50K per month but that was with a pretty high ranking on Amazon and of course consistent sales for a few years. So, no doubt I think we'll be able to get back to that spot and we just started with PPC advertising so we're really not putting a heavy budget towards that either. So, that's mostly just driven through my email list, previous customer base, and whatever ranking we have right now on Amazon.

Nick [00:04:05]:

But we've definitely shot up in the rankings over the last few weeks. I know we're ... We went from high hundreds of thousands in grocery and gourmet to, I think, we're at 14K right now. So definitely a huge bump over the last few weeks with some of the email campaigns and discounts we ran. And yeah, the customer feedback has been awesome. I've been getting 20, 30 replies on most of my emails just from customers saying that they're excited that they're back. And it turns out that the new flavor, peanut butter chocolate chip, is actually the bestseller and easily the fan favorite of the 3 right now. So, that's kind of interesting to see and exciting at the same time.

Ryan [00:04:40]:



Yeah. It's an awesome flavor. I'm still the blondie favorite. I'm still a blondie fanboy, but peanut butter is really good. Now, was there any pushback? I know you reformulated the product and improved it and made the glycemic index a little bit lower. I think I remember you showing me a screenshot of somebody actually tested it and it showed no increase on their insulin, which is amazing. Has there been any feedback about the product itself at this point?

Nick [00:05:12]:

As far as negative feedback, surprisingly no. I haven't got anything. Everybody's just really happy and saying that this is the best formulation yet, and I mean I agree too. I think this is like my 4th actual in production formulation, not counting the dozens through R&D and stuff but this is like the 4th actual live formula of this product. And yeah, I think it's the best yet. I made a few changes such as switching from weight protein to collagen and P protein, switching most of my sweetener over to Allulose, which tastes basically just like table sugar without the glycemic index, but the actual sugar.

Nick [00:05:49]:

And those changes alone had a huge impact on the taste and texture and obviously the blood sugar response. The graph you're talking about is one of the influencers we're working with, Jason Wittrock, who's using a continuous glucose monitor to track how certain foods are impacting his blood sugar. And he's tested it a few times now, and not only is it not spiking his blood sugar, it's actually lowering his blood sugar which is pretty amazing to see.

Ryan [00:06:14]:

Jason Wittrock, I don't think you told me that that was the person who sent that. Tell me a little bit about your relationship with him because in my mind, my goal, Nick, is there's no reason this product alone can't and shouldn't be doing \$100K a month, and we'll get there. And I'm trying to find the fast lane. I'm trying to find the fast way to get there. I love that we came out doing \$20K a month with just our list and our not that great Amazon listings. Hopefully that's \$30 or \$40 next month, and then \$60 and \$80 and \$100. But having influencer support is a nice chance to bump that up. So, tell me about your relationship with him.

Nick [00:07:07]:

Yeah. So, Jason's actually one of the very first keto influencers that I reached out to back in 2017 when I had my very, very first product and the really crappy shield logo packaging. If you go to my Instagram ...

Ryan [00:07:19]:

I remember.



Nick [00:07:20]:

Yeah, exactly. I sent you a few of those too. Yeah if you go to Instagram, go to some of the first pictures, you can see the really old branding and logo. But I actually sent him a DM on Instagram and it said, "Hey, I love your content, and I obviously see you're big into keto. I made this snack. Would you be interested in just trying some for free and letting me know your thoughts?" And I sent him some and he really loved the taste but he gave me super direct feedback and said, "Your packaging sucks, man." That was some of the best feedback I ever got because after that, I changed the logo to what it is now and then I've done a few packaging revisions over the last few years.

Nick [00:07:59]:

But he definitely emphasized that the packaging needed a lot of work, which it did, so I'm glad he gave me that kind of direct feedback. So, I've put a lot of focus on just making the branding and packaging look as clean and eye-catching as I can over the last few years.

Ryan [00:08:13]:

So, but, are the 2 of you close? How good of a relationship are you with him?

Nick [00:08:18]:

No, a really good relationship. I actually just talked to him yesterday for like 45 minutes on the phone just to catch up. I've gone out to a few of his keto meetups. One was in Denver, Colorado and I'm actually planning on heading down to Florida to see him some time in the next few months once ... Yeah, so pretty close.

Ryan [00:08:34]:

Okay. And has he expressed interest in being a part of this? Have you guys ever flirted with that idea, running these sponsored posts? Has there ever been any business discussion or should we start to have that conversation?

Nick [00:08:48]:

Yeah, there's been loose business discussion and we've done a few basic Instagram swipe-ups and he put me in a couple of his YouTube videos which is like his main marketing channel which is his YouTube channel. And right now he's actually working on a video for us to show the actual blood sugar graph that I sent you in video format.

Ryan [00:09:09]:

Awesome. That's so good.



Nick [00:09:10]:

Yeah. He's going to be trying the product and showing how it's directly impacting his blood sugar levels.

Ryan [00:09:16]:

Is that a dedicated video about Keto Brownie and blood sugar levels?

Nick [00:09:20]:

Yeah.

Ryan [00:09:21]:

Oh, dude. Oh.

Nick [00:09:25]:

Yeah, it's going to be a good one.

Ryan [00:09:26]:

I did not know that was coming. That's a big freaking deal. So, here's what I want to do with this. So, if that is a hit, and forgive me, I don't ... I'm looking at his Instagram right now. I don't know a whole lot about his YouTube channel. I'll find it while we're talking, but if that hits and it gives a good lift, then it would make sense for us to hold a 1 hour vision call about what we're doing with Keto Brownie and invite Jason, Brandon Carter, and maybe Thomas DeLauer and some of the other influencers that we've talked about that I know and just us put together the real vision for Keto Brownie with where we want to go and that we're looking to partner with a few people.

Ryan [00:10:15]:

Because, we've kind of talked about it a few times of we have a few influencers that we'd like to work with but we haven't locked any of them down and, influencers, I'm sorry, you're a little bit hard to get ahold of sometimes because you're being hit up all the time. So, I think it would be a good thing for us to just put together a 1 hour presentation of, hey, we're trying to do this and we're looking for 2 to 3 people to partner with. How does that feel for you?

Nick [00:10:43]:

Yeah, no, I love that idea. I think that's something we should definitely do especially because most of the interactions over the last few years with influencers and basically that, just, oh, hey,



loose business chats and maybe a couple quick one off promotions. But I tend to feel like we need something that's more long term and consistent and locked in.

Ryan [00:11:04]:

Have you ever sat down and wrote out a 2 page vision for what you want Keto Brownie to be?

Nick [00:11:10]:

I actually haven't because I know a lot of my time is just spent doing everything that I didn't want to do and just kind of being like a hamster wheel of trying to do everything and not really ever being able to cast long term vision and what products I want to launch and things of that nature. So, no, I haven't.

Ryan [00:11:29]:

Do you feel like you're in a place now that there's some capital in the business and you have some resources that in the next few weeks, you could get to a place of inspiration to put that pen to paper?

Nick [00:11:41]:

Yeah, I think so for sure.

Ryan [00:11:44]:

So, that would be a really good step to do next. So, if I give you one assignment, it's going to be don't do this when you're feeling stressed. Do not do this at the end of the day when it's on your to-do list. That's the worst time to do this. But if you go travel and see family or if you go on vacation or if you have a great day downtown, when you're feeling really good, start to outline what you want Keto Brownie or whatever we call it over the next couple of years, just what you want it to look like and feel like and don't worry about the numbers, don't worry about how we're going to get there. Just what do you want it to look and feel like?

Ryan [00:12:26]:

And that would be a really good starting point for us to start to build that line of what our next products are going to be and start to communicate that to these potential influencers. It's a really good next step for us.

Nick [00:12:42]:

Okay. Yeah, no, that sounds good. I'll definitely put that on the list and see if I can map it out.

Ryan [00:12:47]:



Have you ever thought about how much you want to sell this company for if you ever have an exit?

Nick [00:12:52]:

Yeah. I think kind of the goal has always been 8 figure exit.

Ryan [00:12:57]:

Yeah. So, is an 8 figure exit for you \$10 million dollars or is that \$70 million dollars?

Nick [00:13:03]:

I mean, \$70 would be nice but \$10 million has actually always been the base line especially because I went to a few of your 8 figure workshops and I've just seen what's possible especially with food brands and over the last few years what some of these brands are being acquired for, it's crazy on the multiples.

Ryan [00:13:17]:

Yeah. Well, I mean, the good news for this is, with a food brand, if we get this to a \$2 million dollar run rate, so like \$175,000 a month in sales, you could either refinance the business at like an \$8 million dollar valuation, or that's enough where you could at least be thinking about having a high 7 figure exit. And we could get there with one product. When we start layering in products 2, 3, and 4, and this is more like a \$4 to \$6, maybe \$8 million dollar run rate, we're right in striking distance of an 8 figure exit.

Ryan [00:14:01]:

So, it doesn't have to take us very long as long as we have enough resources and the right vision. And one of the things, and I know I'm repeating myself, but you're such a great product guy and you've been so bottlenecked for the last 4 years of before we started working together, you haven't had this space to actually cast vision and be an owner. And so, it's why I try to be really protective of your attention because it needs to go into that visionary mode if we're going to have an 8 figure exit which I think we can.

Nick [00:14:37]:

Yeah, no, I agree and I know a lot of your content and just things you've been telling me is just kind of the owner versus entrepreneur model. It's just really eye-opening to see that I've been just so stuck in the weeds over the last few years that 95% of my attention has not been on things I want to do, things I'm good at, and things that will drive the business forward. It's been on trying to figure out paid advertising, trying to optimize my Amazon listings, trying to work



with influencers, trying to send emails, so, no, I definitely agree that that being the main focus and just getting new products out is going to be one of the keys.

Ryan [00:15:11]:

And I have to remind you, Nick, you're an amazing product creator, you're good at brand, and you build relationships really easily. Like, that's enough. That's enough. That's what you're good at, it's what's easy for you, it's what's fun for you. We build the business around that. So, the fact that you're telling me that Jason Wittrock is going to do this video because he loves your product, that's the foundation of something special or at least can be. I mean, geez, your products have been mentioned on Joe Rogan and you didn't even pay for it.

Ryan [00:15:55]:

So, all of this to say, I want to remind you that your core skill set is enough. That's all that we need. My only job is to make sure that there's enough resources around you to liberate that genius. It's so easy for an entrepreneur to have a skill set and then try to go into sales mode or run Facebook ads because they think they have to, but I will tell you until you believe me, what your skill set is is enough to build a really amazing company that sells for a whack ton of money. Do you believe me?

Nick [00:16:30]:

Yeah, no, I believe you. It's taken the last few months to really ingrain it into my mindset and thinking just because of how focused I've been on sales and marketing and whatnot. But, yeah, no, I'm excited to start creating stuff. Like I mentioned, I've already been working on a new product the last few weeks now, too.

Ryan [00:16:46]:

Tell me about that, because you texted me yesterday and asked for my updated address and I was like, there's no way you already have another product coming out. You just did the new Keto Brownie flavor. So, tell me about the new stuff.

Nick [00:16:58]:

Yeah, so, the new stuff is like ... What I want to try and create is a rice crispy treat because I know that was one of my favorite snacks growing up, and I want to try to just make a keto version. So, the current bars we have right now are more doughy and protein bar-ish like, but I want to make something that's crispy and crunchy that you can bite apart and it pulls and it has that crunchy texture to it. There's not much like that in the keto, low sugar space. So, I think that would do really well.





Ryan [00:17:26]:

I love that.

Nick [00:17:26]:

That's what I'm working on now and we have some early R&D samples now, so I'm just going to send you a few to get your initial feedback. I think it still needs some tweaking, but at this rate I feel like we could probably have a solid formula done by the end of the month.

Ryan [00:17:41]:

Dude, I love working with you so much. I love that you're doing this. I just love that you're doing this. Alright, so, that's ... You've told me about that. It's a little bit different than some of the product roadmap that we've talked about, and that's fine. I love all of your product ideas. What led you to the rice crispy product versus some of the other stuff you told me about?

Nick [00:18:09]:

So, I guess the initial one is just kind of ease of manufacturing. So, my current manufacturer can [INAUDIBLE 00:18:13] product so it's kind of like a low barrier to entry or low initial process where I don't have to go search for new manufacturers. I already have the established relationship, I know how they work, all the pricing stuff and that definitely plays a big role so that's why I'm able to get something out so quick right now but I would have to spend probably a few months looking at new manufacturers, maybe flying out to certain places to see their processes and just meet with them.

Nick [00:18:41]:

So, that's definitely one of the big things. And I just really like the snack, too. It was either that or something like a puppy chow or cookie dough. Those are next on my list. I do want to ask you, though, is it going to be too ... This is the only kind of thing I'm thinking of. Is it going to be too similar to the current product in terms of usage where it would kind of cannibalize the market share I have right now, or is it ...

Ryan [00:19:03]:

If you do a rice crispy, or if you do a cookie dough?

Nick [00:19:07]:

If I do a rice crispy.

Ryan [00:19:09]:

I don't think so at all. I don't think so at all.



Nick [00:19:13]:

Yeah, I didn't know if it ...

Ryan [00:19:14]:

I have zero concerns about that.

Nick [00:19:16]:

Okay. I didn't know if it was going to be too similar as far as like it's kind of like a bar but it's more nut-based and crunchy versus ... If people are already buying bars right now, are they actually going to end up buying this product and will it be enough to bring in new customers? Because I knew if I went with a puppy chow or a cookie dough, it's a completely different audience of people that I'd be able to bring in.

Ryan [00:19:37]:

Well, A, I don't think you have anything to worry about. There's 2 reasons why. The first is, I mean no offense, but we're doing less than \$100,000 dollars a month in shares. There's no market share to cannibalize. That is the last thing we need to worry about right now. Number 2, when I go to the store and Quest has a new flavor, I buy it and I'm now reengaged as a customer. If I buy from Quest, even if it's their new flavor, I'm actually more likely to go back and buy their other flavors in the future, too. It doesn't distract from the customer purchasing. It increases the speed at which a customer will come back and buy.

Ryan [00:20:22]:

So, I think this is all great. It would be different ... If you weren't a fantastic product creator, my answer might be different. I might be like, "Maybe you should do more flavors." But I think this is ... I have no concerns at all about cannibalizing right now. Now, we are currently at ... I'm very happy with how the relaunch went. We did \$20,000 dollars in the first 4 weeks or so. Do you know what the breakdown of sales from the list versus organic ... and a good way to know is, what are organic sales on a day you don't hit the list? If you're not mailing the list, what kind of sales are we getting on a daily basis?

Nick [00:21:05]:

Yeah, so, right now we're doing anywhere from 10 to 15-ish on Amazon. But yeah, I'd say for breakout, just roughly, not calculating, probably 70, 30 over the last few weeks have been list versus just organic PPC.

Ryan [00:21:20]:



Yeah. Okay, good. That's great. That's actually right where I wanted to be when we just came back in stock. If we're doing 10 to 15 a day organically, I'm happy with that. All we need to do is double and we're doing that magical 25 sales a day which, actually, from my calculations, is enough profit for us to pay most of the expenses of the team that we've added since we started working together. So, I'm very happy with that. Is there anything that you feel like is standing in your way from getting to the next step in the process? Do you feel bottlenecked anywhere?

Nick [00:22:02]:

No, I mean, working with TurnKey, who's our Amazon management has been really good and I think the main focus is just trying to get that extra half star on Amazon listings [INAUDIBLE 00:22:13]: significantly increase conversion rate, which we're working on now. We have a review funnel that we're finalizing in the last few days that we're going to send to previous customers, we're going to send physical mailers to our customers' homes and I'm probably going to blast my list a few times just to get some reviews there, so that will hopefully start generating more sales on top of it.

Nick [00:22:33]:

And I did mention that we have barely attempted to scale PPC yet. We've just done 4 weeks or so of some keyword testing, so I assume we're going to start scaling those budgets pretty aggressively here in the next few weeks.

Ryan [00:22:45]:

And has TurnKey given you any expectations for that review campaign? I agree, I know you're at 4 stars right now, and all the bad reviews are from like 2 years ago, which just sucks. So, we just need to bury them with good news from happy customers, and we've got a lot of them. So, I don't feel like this is going to be that hard, especially when we start tapping into the list. But has TurnKey given you any insight into what we should expect from that?

Nick [00:23:16]:

As far as hard numbers, no. I think they said, usually, it's around 20%, 25% is kind of the review rate from your customers, so anywhere in that ballpark, you should be able to pick the extra half star up pretty quickly.

Ryan [00:23:30]:

You said 20% to 25%?

Nick [00:23:32]:



Yeah.

Ryan [00:23:32]:

If they can get you 20% review rate, they are ... Like, they deserve a raise.

Nick [00:23:38]:

Yeah. Well, we're attacking it from a few angles. We're doing the physical mailer, we're doing the email blasts, we have the email automation so when somebody actually buys on Amazon, they get the emails through the back end. So, we're definitely trying to take advantage of all of the different angles that we can get to get those extra stars.

Ryan [00:23:55]:

Now, I know we've talked about this, but I want to see where your head is on it. I don't think that review campaigns are that compelling unless there's a really good reason why. And my favorite is to have some sort of cause that you're backing that resonates with your customers. So, what's the strategy that you're planning on using in order to accelerate the amount of reviews you're getting?

Nick [00:24:25]:

Yeah, so, I really loved the idea that you came up with to pick a few charities to work with. It's like you just have a customer confirm their purchase so that way every time we confirm a purchase we can donate, whether it's a percentage or a dollar amount, to a specific charity. So, yeah, I really loved that idea and I'm excited to get that going. In the short term here, we do have a few hundred units left of some of my older products which are the [INAUDIBLE 00:24:49] and the chocolate nut butter.

Nick [00:24:51]:

We're thinking best way instead of putting sales focus and PPC budget to selling those out is to just essentially do a review for a free product giveaway. So, in the short term we're going to run, leave us a review ... Or, it's actually not required. We're just confirming that you've purchased with us and we'll send you a free one of the 3 products depending on what we have from inventory. So, that's going to be the short term focus for review generation and the easiest way to sell out of the few we're probably not going to have going forward, and then once that's complete we're going to do a complete shift over to the tribal donation for the reviews.

Ryan [00:25:26]:

Okay. Now, is TurnKey managing that whole process for you?



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Nick [00:25:30]:

Yeah. They're setting up the entire promo, they're making our pages.

Ryan [00:25:34]:

Okay, good.

Nick [00:25:35]:

Yeah. That's actually ...

Ryan [00:25:36]:

That's not on your plate monopolizing your time.

Nick [00:25:38]:

No, no. Thank god.

Ryan [00:25:38]:

Good, good, good.

Nick [00:25:39]:

Thank god, no.

Ryan [00:25:40]:

Yeah. That sounds hard to me. So, I don't want to do that work either. Now, this is a little bit of a left turn but I just have to ask, do you have any concern that as you're giving away the fat bomb product that I don't think you planned on bringing back, some people love it and are like, "Hey, what happened to the fat bomb?"

Nick [00:26:04]:

Yeah. Yeah, so that's kind of one of the big concerns is there are some products, and I think there's even 30 or 40 people on subscribe and save every month on some of those SKUs as well on Amazon. So, I think what I'm going to do is I'm going to maybe just poll or survey my email list a few times and just seeing if that would be a big hit if they couldn't buy that anymore, or if maybe they want to see some variation of it, or if there was another product that replaced that that they would enjoy more. So, I definitely have to do some more surveying and customer ... get some more customer feedback on those products.

Ryan [00:26:37]:



I think that's a good decision. I think it's a good decision because if people do want them, we have enough cash to where we could at least keep that inventory going. I just know it's not where you want to go long term.

Nick [00:26:49]:

Yeah. I think the kind of ideal ... And I did survey them a few times because when I launched those 3 products last May and I was trying tirelessly to sell them and it was so difficult. I was doing discounts, I tried bundling all 3, I was trying free plus shipping offers, I was trying sample packs, and then up some onto full counts. I just couldn't move them at all. So, it was really, really tough to move any of those products. So, I kind of got the idea that at least my customer base, and even I had the Amazon listings up for a whole year and the sales weren't great on those.

Nick [00:27:25]:

So, I kind of got the idea that people wanted a more convenient option and I did pull my list a few times and they said that they don't really want to bake or mix stuff. They like the convenience of just grab and go and open. And even for me, I never even touched those products. I just strictly eat the bars. So, all that kind of points to it's probably the best move to phase those out and put the capital and focus towards new products that will actually hopefully fly off the shelves kind of like the bars are rather than ...

Ryan [00:27:54]:

Yeah, that makes sense. I mean, I loved the fat bomb mix but also it was ... not a lot of use for it. I like to use it in recipes but it didn't ... So, I'm with you. I'm a little bit concerned of well, what if these customers who are getting them for free end up loving them and now we have to have a different conversation, but I guess that's a good problem for us to have. Well, I mean, if we get this half star back, there's really 2 things that stand out to me.

Ryan [00:28:24]:

If we get this half star back on Amazon, I think our sales, they may even double on the organic side. And if we bring in these influencers as kind of our next step, especially when we have a prototype of product number 2, that 1-2-punch might push us close to that \$100K a month mark. Or at least back to the top of where you were before we started working together. And now we've got a really good foundation to build upon.

Ryan [00:28:59]:

Tell me about your emails to the list. As of right now, when I feel inspired I send you a voice memo. I'm like, "Hey this would be a good email to write," and I don't know if you like that



process or if you're liking emailing your list. Tell me about that process about you hitting the list and seeing sales. Are you feeling good about it? Are you feeling stressed about it? Tell me.

Nick [00:29:25]:

No, yeah, I'm not feeling stressed at all about that. I love doing emails. I've pretty much ... I think like 25%, 30% of my sales, like, lifetime, have just been from email marketing. That's kind of how I launched the brand. I just did ... Back in early 2017, I started doing just giveaways on Instagram to capture emails and then I just started emailing my list. I took more of a story approach and kind of ... A lot of what you preach is just share the story and share the progress. I'd make it really personal.

Nick [00:29:52]:

I wasn't sending a picture with, "Hey, buy this for 20% off. Use this code." I'd tell the story. I wanted to make it so like I was emailing a friend. If you got an email from me, it's like you knew me, you connected with me, and it was like an email was going to you from a friend. I've been using email marketing since basically since I started in 2017 and it's been a significant portion of my revenue and it's ... I've definitely seen how much better I've gotten at writing emails over the last few years, too, which is cool because I generally don't like writing. I hated writing papers in English class and all that stuff. But I really like writing emails.

Ryan [00:30:31]:

So, do you have a way right now ... 25% to 30% of our business, that's significant. So, do you have a way that you're actively growing the list right now?

Nick [00:30:42]:

Yeah. That was like the one main pain point that we talked about last week where I think we're going to maybe move into getting a lead generation ad set up through either Facebook or Instagram ads to try and grow the list because it's performing really well, I just wish I could 5x to 10x the email list.

Ryan [00:31:01]:

Right. Right. So, do you know what your next step is going to be there or is that something we need to talk out?

Nick [00:31:06]:

We did interview a few digital agencies. I know our main focus has been Amazon the last month or 2, but if we can maybe get a digital agency on board, even if it's just starting doing basic lead gen, maybe we're not doing actual sales campaigns on Facebook or Instagram to



start and maybe doing a lead gen campaign where I can start growing my list a little more [INAUDIBLE 00:31:30]:

Ryan [00:31:30]:

Who have you interviewed? What agencies have you interviewed?

Nick [00:31:33]:

So, we went with ... Let me pull it up.

Ryan [00:31:36]:

Specifically, did you speak to OMG?

Nick [00:31:38]:

Yeah. So, OMG was the first agency [INAUDIBLE 00:31:40] showed me to, or Sam had showed me to, and they said they mostly focus on YouTube ads. So, they said unless you're doing like \$20, \$30K through Facebook and Instagram ads, running YouTube ads isn't worth it right now but ...

Ryan [00:31:55]:

Tell me why. That surprises me because I feel like YouTube ads would be really good for this brand.

Nick [00:32:03]:

Yeah. I mean, I was just taking his word for it. Yeah, that's what he told me. I was talking to, I believe it was, Chris. Yeah, and he said that he said ... He said get a Facebook, Instagram person and scale that up to \$20, \$30K a month in ad spend and then focus on YouTube ads.

Ryan [00:32:22]:

I'm really surprised to hear him say that.

Nick [00:32:24]:

Same. But he did introduce me to a few Facebook digital agencies that we also want to interview, too, so. But not ... We're kind of still talking to them and I think we're just going to see what the best strategy is and what our focus wants to be in the next few weeks.

Ryan [00:32:40]:

I'm going to email Brett over at OMG and ask for some clarification there because I feel like YouTube ads would do really well for this brand and they're really good for it. So, let me put in





a bug over there at OMG. But tell me about the Facebook agencies that you interviewed, and do they give you price points and expectations and stuff like that?

Nick [00:33:08]:

Yeah. So, one was actually a former employee of Facebook and one is just another agency that OMG Commerce referred me to. One said that we might not be the best fit because they really specialize in taking brands who are already spending a decent amount and scaling them much higher and ... We're kind of coming off like a cold traffic because we haven't really ran any Facebook, Instagram ads in a few months now. So, they said they do not specialize in that.

Nick [00:33:38]:

But I am talking to the other agency and just kind of reviewing their initial proposal, and we might have them do an account audit where they look at our previous campaigns over the last few years and kind of give us a roadmap instead of just saying, hey, yeah, let's do this. Sam and I were talking offline and saying that might be the best approach so we can have an actual strategy planned out, see where we're going to put some of the budget, and what we can expect back for results.

Ryan [00:34:04]:

Yeah. Your ad campaigns are so obvious to me. Like, Alex, my creative director and I put together, I sent you a clip of it, this goofy video of me eating Keto Brownies and it's like, that's a retargeting ad. And a mashup of you being mentioned on Joe Rogan and all these other influencers, that's a retargeting ad. And a clip from Jason Wittrock's video on YouTube about his experience with the snack, that's a retargeting ad. Like, we have so much that we can use as retargeting ads that it's just so obvious to me what the campaign is going to look like. To me, it's a slam dunk. It's a slam dunk on Facebook.

Nick [00:34:58]:

We definitely got a few solid digital assets the last few weeks here with the relaunch videos and whatnot, so, yeah, I definitely think we've got enough to at least start running some basic campaigns.

Ryan [00:35:09]:

Tell me about the conversation with the guy who lost 100 lbs eating Keto Brownies.

Nick [00:35:14]:

Oh, yeah. So, that's one of my customers, Joshua, and I sent out, over the last few weeks, some of the relaunch emails saying, "Hey, we're back in stock. We have these new formulas,



new flavors." And he actually messaged me on the direct messaging app on the website where you can just DM somebody, and I was talking to him and he said he lost 100 lbs on keto over the last few years and I was like, "Wow. That's amazing, man. Congratulations." And he said, he was like, "Yeah, I love Keto Brownies. It's the only snack I use."

Nick [00:35:47]:

And when he told me this, I thought he was just eating 1 or 2 a day, similar to what I do and a lot of other customers do. And then he told me that he was solely eating keto brownies, so he was ...

Ryan [00:35:57]:

Only Keto Brownies?

Nick [00:35:57]:

Only Keto Brownies. 6 to 8 Keto Brownies a day and a multivitamin and I guess he was getting all of his micronutrients through the multivitamin. But yeah, he was essentially solely eating Keto Brownies which kind of blew me away. I didn't believe it for a second. What ended up happening is when the bars went down last year due to spoilage and then COVID and I didn't bring them back for most of 2020, he actually said he gained back like 30, 40 lbs during COVID and the day I sent the launch email, he put in a wholesale order for 20 full boxes.

Ryan [00:36:34]:

Awesome.

Nick [00:36:34]:

And that's how I knew because he was like, "Thank God these are back." I think he said he's already down like 10 lbs over the last 3 to 4 weeks now, too.

Ryan [00:36:42]:

That's great. I love this story. So, have you got him ... That's the best video for an ad in the world. Have you done a video interview with him yet?

Nick [00:36:55]:

Almost. I was messaging him the other day so we're just trying to nail down a time, but yeah, I [INAUDIBLE 00:36:59]

Ryan [00:36:59]:



You've got to schedule that. Just get him on a Zoom call and just chat with him. Just ask him everything about the story. Ask him what ... And work in questions like, "And what was it like before you lost the weight?" Find ... Just ask him all kinds of questions because what we can do with that is we can give that over to any video editor who pulls the best clips, has some emotional music, puts some text on screen that tells the story, and puts together a 5 minute documentary about this guy. Oh my goodness, Nick. That will crush.

Nick [00:37:48]:

Yeah. That would kill it. Yeah, no, I'm definitely, I'm trying to schedule that as soon as I can, so hopefully we'll do some of that in the next few weeks.

Ryan [00:37:55]:

Yeah, and so, what we can do is we can prepare all of these assets and then go to the Facebook agency that we choose and be like, here you go, have a great day. They're done at that point.

Nick [00:38:08]:

Most of the work is done.

Ryan [00:38:09]:

Yeah. That's like ... I think so many people overlook that the heavy lifting is often done in the ad. If you do your targeting right and your ad works, the copy can be a C+ and your funnel can be a B- and you're fine. The heavy lifting comes in the screening of the right person. So, this is an absolute layout. So, it sounds like the next steps are we'll get that half star back and that will give us a nice bump in sales. It looks like we're still not sure who our ad agency is going to be, so that's kind of the next step. And then we'll lock down some of these influencers we're talking about.

Ryan [00:38:57]:

Since it's such a big piece of our strategy, do you need more Facebook agency recommendations? Like, what do you need right now in order to feel good about that part of the process?

Nick [00:39:08]:

Yeah, I think maybe another 1 or 2 recommendations for Facebook would be good because I mentioned I interviewed a few but some of them dropped off, whether they didn't want to work together or it wasn't the best fit. So, yeah, I think that's probably the next step, so I'll do a few more interviews on that and then once we get some of those videos and digital assets



finalized, it should be, like you said, just have one of them upload those to Facebook, Instagram and then we can kind of be off to the races there.

Ryan [00:39:34]:

Okay. I want you to interview ROI Machines.

Nick [00:39:40]:

Oh, okay. Rudy.

Ryan [00:39:41]:

Yeah. It's run by my buddy Shawn who's really good and they're particularly ... I think they would be particularly good at this. They're very top end of the market. Here's the reason why I like them for this project, is because they also handle the funnel side of things. But you pay for it. They're pricey. Go ahead.

Nick [00:40:11]:

That's been one of the challenges because I've run through 4, 5, 6 digital agencies over the last few years and that's been the big stigma point is they either strictly run ads or they don't do funnels or they don't do conversion optimization or they don't do creative or they don't take pictures or they don't do graphics. So, I've always had to have 3 separate people and managing 3 separate people. Like, I'll get graphics from this person, then I'll have my friend take some pictures, then I'll have this person make a video, then I'll send it all to this person to put it into Facebook, Instagram, but then I need an upsell page here so I need to go make that. So, that's always been the struggle with digital advertising for me is having an all-in-one kind of agency that handles everything.

Ryan [00:40:57]:

Yeah. So, ROI will handle everything. Again, they're going to be one of, if not the most, expensive. But at the very least, they'll give you another option to consider when you're evaluating other businesses. So, you put in an inquiry and take the call and just ask them what they can do. There's another agency that I just started working with that I'm really bullish on but I haven't tested them yet, and so I'll get back to you on them. And they're also super small, so they can't handle ... They couldn't handle if I sent them 10 clients.

Ryan [00:41:43]:

ROI, that would stress them out but they could handle that. They've got the team and the infrastructure in place where they could on board a handful of people quickly. This agency,



they're going to be one at a time. They're a little bit more boutique but they can handle multiple pieces of the process. So, I will get back to you on how they perform.

Nick [00:42:05]:  
Okay. Sounds good.

Ryan [00:42:07]:  
So, those are the 2 that I'll suggest in there. And I would, if you're part of any ecommerce Facebook groups or in The One Percent or something, you should put an ask in there, look for other agencies that people might recommend. Okay. Good. I feel like our path to victory is really clear, Nick.

Nick [00:42:29]:  
Yeah, I mean, you definitely help in just being able to step back and look more long term and cast a vision. It's definitely been helping instead of me being stressed about doing everything and doing things [INAUDIBLE 00:42:41]:

Ryan [00:42:42]:  
Yeah, I get it. How often are you emailing the list right now?

Nick [00:42:47]:  
So, 2 to 3 times a week.

Ryan [00:42:50]:  
Oh, good. Okay. And you see a bump in sales every time?

Nick [00:42:53]:  
Yeah, I mean, especially if there's a discount or something involved. I know the one we did last week, we did 250 units in like 4 days which is really helpful to increase the Amazon inventory threshold right now.

Ryan [00:43:07]:  
Yeah. And also, it's just a great customer reactivation process. I mean, I'm going to get a little bit controversial with you right now, forgive me. So, you know the whole renaming of Potato Head? So, this is just good business because Potato Head got all kinds of free press and got scarcity of their product by changing the name, and so now you've got a vintage product and you're going to have a rush to buy Mr. Potato Heads which are going away. The beauty behind



this is, all they're doing, and the same is with Aunt Jemima, which just got renamed, that was just a giant customer reactivation process.

Ryan [00:44:01]:

All these people who haven't bought Aunt Jemima in 9 years went and bought it and now they're like, I do like this syrup. And now they're going to buy the more politically correct one. And I don't have a strong opinion over the name either way. It's not my place to comment on that. But it was a genius customer reactivation process. Customer reactivation is the name of the game. The more customers that you can get active, the better. And so, if you're doing some discounts and some promotions in order to get people to remember how freaking amazing your product is, mazel tov. Let's go. Let's get as many of those as possible. Do you have any other promotions or do you need help here, or where are you on promotions to the list?

Nick [00:44:46]:

Yeah, so, we're actually ... I just had an interview yesterday with an online wholesaler or online retailer where they are going to take a good amount of product and then break it down into sample packs and essentially blast it to their own subscription. And then we're also getting ... I know I sent you a few of the graphics of the sample packs we're making, too. So, I'm going to get about 1 to 2 thousand sample packs printed off and we're going to be able to have a 6 count, so a customer can try all 3 flavors twice.

Nick [00:45:19]:

So, and now people have sent that anybody who hasn't pretty much bought a full count or anybody who's maybe hesitant on the new formulations, and then also just cold traffic.

Ryan [00:45:27]:

That's great. Okay. I didn't realize that part of the strategy. When you texted me and said, "What do you think about sample packs?" I was like, it's fine. Now that you're describing it, that's actually pretty smart. What is this company that splits it off and then sends it to their base? Tell me more about that.

Nick [00:45:48]:

Yeah. So, they're called Healthy-Finds.com and I actually got a message on LinkedIn, which is kind of funny, and I think one of their salespeople reached out to me on LinkedIn and we set up a call yesterday, and essentially what they do is they have a ... I think it's over 60,000 members that sign up monthly to be on their website and they essentially just curate low carb, low sugar, and keto snacks to their list and they give them exclusive offers. And kind of what



they're doing with us is going to be like a sample pack. So, they'll essentially do a free plus shipping where they can say, "Hey, you're going to try all 3 of these flavors. Just pay \$3.95 to ship it."

Nick [00:46:26]:

And then they're also going to kick their customer information over to us, so that's an easy way to get emails, new customers. Yeah, I did the math, I think we'll be able to acquire a customer for like \$0.80 cents which is awesome.

Ryan [00:46:38]:

If you can get a customer for \$0.80 cents, you go create a partnership with this company.

Nick [00:46:43]:

Yeah. So, they ... I'm excited about that. Like I said, I just talked to them yesterday so we'll hopefully ship some product out next week, get some of those pages set up ...

Ryan [00:46:50]:

Yeah. Did you have to pay for that? How did ... What is their incentive to do this?

Nick [00:46:55]:

So, they essentially just take donated product so we're going to send about 1,000 bars or so. But again, with the math, it comes out to like \$1 dollar, \$0.80 cents to \$1 dollar to acquire the customer, which is way cheaper than we're going to get if we're using digital paid ads anyways. So, yeah, they get the product donated and then what they do is they bundle that with a gift card and also a free month to their membership. So, it's a really good way for them to get new members to their membership site as well.

Ryan [00:47:23]:

Okay. So, they're going to do a plus shipping and then, so, it's basically a customer for them and a customer for you but they're doing all the heavy lifting. Okay. I love this for you. I love this for you.

Nick [00:47:37]:

Yeah. And I'm also looking at working with some of the keto subscription boxes. I've done a few of them in the past. Keto Crate, Keto Delivered, Keto Box. Those are essentially just snack boxes that people sign up to get monthly and some of them are pretty big, like [INAUDIBLE 00:47:52]: 50,000 or so customers, and then some of the smaller ones are like 10, 5,000 customers each month.



Ryan [00:47:58]:

And you've worked with them in the past?

Nick [00:48:00]:

Yup.

Ryan [00:48:01]:

And how did they perform?

Nick [00:48:03]:

They performed really well. So, they do ... They put the snack in the box with a few other snacks. They also do a really nice insert so we can write some copy, put a QR code, give a discount as an easy way to track new customers going back to the website, or if customers to go on Amazon through a promo code. And it's nice, too, because most of them actually pay cost, too, so it's not like you have to donate them. So, they actually pay for the cost of product to do the actual campaign.

Ryan [00:48:32]:

Bro, I love all of this for you. I think you're doing exactly the right things. Is there any place where you're stuck, where you need some help besides getting a good Facebook ads agency in here? Is there any place I can help?

Nick [00:48:46]:

No, I think that's it. I'm feeling good. That was the 3 to 5 main things I'm working on and just creating the products in the back. So, I think definitely good for a bit here. Just the digital agency, once that's up and running. Hopefully ...

Ryan [00:49:01]:

And overall, how are you feeling? I know you're feeling a little bit relieved from not managing all this, but this has been your baby for a long time and it feels like a restart. It feels like we're starting over in some ways. Like, we have momentum, but we're going from zero to being back in business. So, are you feeling positive, discouraged? You sound really good. You sound really positive and happy.

Nick [00:49:33]:

Yeah, no, it's definitely been a complete 180 from last year. Last year was just really rough with COVID, and then I lost \$50 grand of inventory to spoilage, and then I didn't have enough





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capital to bring those back and launch the 3 products I launched. Then I launched the 3 products and they didn't go as well. So, definitely a very tough year in 2020 but, no, things are turning around pretty quickly here and it's just nice to have my main product back, my customers are excited. I'm excited. I'm eating them every day, which is nice just to have another snack around.

Ryan [00:50:02]:

Me too. My whole company eats them. I have to be careful because if I eat 1 I'll eat 3. They're just so good.

Nick [00:50:09]:

Yeah, the new ones are so good. Microwaved up, that's key.

Ryan [00:50:13]:

That's the way. If you microwave them for 20 seconds exactly, that's ...

Nick [00:50:18]:

Yeah. A game changer.

Ryan [00:50:19]:

It really is. While I have you, I'm going to put you on the spot. Do you happen to have a secret discount or trial code since I'm recording this for people? Does such a thing exist?

Nick [00:50:32]:

So, I'll actually make one. So, if you just put ... We'll do Capitalism for the website and that will give you ... We'll do 35% off.

Ryan [00:50:42]:

Nice. Capitalism. Is that on Amazon or is that at Ketobrownie.com?

Nick [00:50:47]:

Yeah, that will be Ketobrownie.com

Ryan [00:50:49]:

Okay, cool. Now, real quick, question about the name. We've gone back and forth on a couple possible rebranding renames. Where do you stand right now on what the company could or should be called long term?



Nick [00:51:04]:

So, unfortunately I still haven't nailed one down. I think ...

Ryan [00:51:07]:

That's fine. I just want to know where you're at.

Nick [00:51:09]:

Yeah. I think one the new product comes out and I start doing the vision like you talked about and I have a better idea of the actual products, I think the name will kind of come to me. But I have been just randomly thinking. I was on a walk yesterday and it popped in my head. I was like, "Alright, what am I going to name this?" But I think it's absolutely required just due to the new products and stuff. Like, we're going to have a rice crispy treat so I feel like a name change is kind of imperative now.

Ryan [00:51:36]:

Yeah. I think so, too. You said something right when you were talking about the rice crispy. You were talking about, like, it stretches and pulls and is gooey. And you said, "It was my favorite ..." I don't remember the exact words you used, but you said something like, "It was my favorite growing up snack."

Nick [00:51:58]:

Favorite snack growing up.

Ryan [00:52:00]:

Do you remember the exact words you used? Because you used some very colorful language.

Nick [00:52:06]:

I don't remember, but I mean, I guess that's the beauty of this. We could just go replay it.

Ryan [00:52:10]:

I guess we are recording, so it works. You used something like, you said nostalgia or like growing up snacks, and it was something ...

Nick [00:52:17]:

Yeah. I think it was one of my favorite snacks when I was growing up as a kid. I think that's what it was.

Ryan [00:52:20]:



Okay. So, there's ... It wasn't the perfect words but I felt what you meant and that felt very you. It felt very ... Growing up snacks, or never growing up, or ... School Yard Snacks does a really good job. Their tagline is like, for those who refuse to grow up.

Nick [00:52:42]:

Yeah, that's great.

Ryan [00:52:43]:

That feels like you. If we could find different words to say the same thing, that feels to me like what Nick is building.

Nick [00:52:55]:

Yeah, no, I've definitely been brainstorming, popping open the thesaurus every couple of days to find some words in there.

Ryan [00:53:03]:

That's funny. Well, I think the best names and ideas always come when you're just feeling most like yourself. So, whether that's being with friends or at the beach or when you're feeling really good probably right after you finish your vivid vision, that's when the best words will come into place.

Nick [00:53:22]:

Tremendous snacks.

Ryan [00:53:22]:

The best ... the most tremendous ... Nobody has snacks like me, folks.

Nick [00:53:29]:

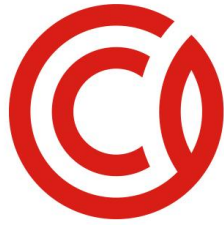
That might be up there. We might have to look at that.

Ryan [00:53:33]:

Alright, man. Well, this is fun. I'm really ... I know I tell you all the time, but I'm really excited to be part of this. I really love what you've built and it's ... I really consider it a privilege to be running this game with you.

Nick [00:53:47]:

Thank you. I'm excited to see where things go and obviously love having you on board as well.



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Ryan [00:53:52]:

Alright, man. Good to chat with you. Talk to you soon.

Nick [00:53:54]:

Alright. Sounds good. Thanks, Ryan.

Ryan [00:53:56]:

Bye.