



Alicia Reynoso - How To Build An Audience That Buys From You **Transcript**

Ryan Moran [00:00:04]

Hi everybody. I'm Ryan Daniel Moran. Welcome back to Capitalism.com. I'm best known for helping entrepreneurs build million-dollar businesses. And today, I want to share with you a case study and success story that is very near and dear to my heart. It was an entrepreneur who started following my work right when I started teaching all of what I share about building million dollar businesses by following the 3rd grade math formula.

Ryan Moran [00:00:35]

4 products at 25 sales a day at a \$30 price point. Those numbers create a million dollar business. And this young woman was at a conference that I was sharing that math formula and she slipped me a note to say thank you, and then we lost touch. And we caught up several years later and she caught me up to speed on the fact that she had built a multimillion-dollar business that had recently passed 8 figures, and she had sold it for a multi-million dollar paycheck.

Ryan Moran [00:01:06]

Now, that's a cool story, but the most interesting part of this is how she did it because she did it in a very strategic, tactical way that I think anybody can do. In fact, her business sold water bottles, about the most basic product that you could sell. How do you make that sexy? How do you make that stand out? And she did it by building community and building a following, which is what I say in my book, 12 Months to \$1 Million, is the fastest way to build a million dollar business.

Ryan Moran [00:01:38]

If you build a following and you get them engaged and you get them excited about what you have for them, that's the fastest way that you can release product number 1 and get it to 25 sales a day. Then product number 2, you can get it to 25 sales a day. So, I asked Alicia not to just come on the podcast, but I asked her to do a full training inside of our mentoring community called The One Percent.

Ryan Moran [00:02:04]

And she did a full training about how she builds Facebook groups that buy from you, how she builds Facebook groups that get people to follow your work, how you use them to build audiences, how you use them to get them engaged. Even if you're selling something boring, like water bottles or iPhone cases or supplements, how do you get people engaged in your



brand so much that they not only buy from you because you're cheap on Amazon, but they prefer to buy from you at a premium price point and then sign up to buy product 2 and 3 and 4?

Ryan Moran [00:02:39]

If you do this well, then you only need a few thousand or even a few hundred people to have a really successful launch and to have multiple products that get you close to that million dollar run rate. And I wanted to share the first part of this training that we did with Alicia for free with all of you who follow my content.

Ryan Moran [00:03:02]

So, I had Alicia come do a live coaching call to kick off this sprint that we're doing inside of The One Percent where we are walking our members through the process of building these responsive groups and these responsive audiences so they have the foundation to have a 6-figure per month business. Because if you do this process, you will have an audience that is big enough and engaged enough for you to have a million dollar business.

Ryan Moran [00:03:28]

So, I wanted to share the first kickoff call with you for free. This is a case study that I'm very proud of. This is a student that I am very proud of. And I hope that you benefit from this kickoff call that we did with Alicia on building responsive audiences that buy. If you enjoy this, then I would encourage you to apply for our mentoring community, which is called The One Percent.

Ryan Moran [00:03:52]

It's called that because only 1% of people ever become million dollar business owners. And her full training, as well as all of our coaching and our community, is inside of there and it is where we mentor people to build million dollar businesses. When you're ready to jump in, you can apply for a spot over at Capitalism.com/1. Hi, Alicia, how are you?

Alicia Reynoso [00:04:14]

Good. How are you doing, Ryan?

Ryan Moran [00:04:15]

I've been so looking forward to chatting with you.

Alicia Reynoso [00:04:18]

I know, I know, it's been way too long.



Ryan Moran [00:04:20]

It has. It's literally been years. So, for anyone who's not familiar with the story, Alicia and I met at a conference. She was ... Were you in the first time I ever taught any ecommerce at all? Were you in that group? Or group ... You were really early.

Alicia Reynoso [00:04:35]

Yeah, it was 2014. It was ASM3 and that was when you were selling the Tribe. You were like, buy through the ... I had the course with you, you got the Tribe. And I had been following you since I was 16 or 17 or something like that. And then I got your email one day about ASM and the opportunity to sell on Amazon and I was like, all right, this is it. And then I met you in Vegas because we were part of the Tribe, and I was just a nervous, dumb kid at that time.

Ryan Moran [00:05:07]

It's so funny because I've told this story many times about how I got off stage and how this young woman slipped me a handwritten note that I went back to my hotel and read later and it meant the world to me and I still have the note. And then you and I lost touch for several years and didn't speak at all. I never even knew what your business was.

Ryan Moran [00:05:30]

And then you came back out of nowhere and said, hey, did I ever tell you what happened? Well, we had this monstrous business, we had a big exit. Now I teach a bunch of ecommerce. And I was like, wait, what did I miss? It was fantastic. So, would you catch those who are not me up to speed on all that has happened in your business and how you got there?

Alicia Reynoso [00:05:49]

Yeah. So, since that trip in Vegas ... So, I don't know if you knew this, but this is just a funny part of that story that I was talking about with my friends and stuff is I was only ... I was 20 when we met and I was so excited because you invited me out to the bars and restaurants with everyone, you and a bunch of people from ASM and I was so excited.

Alicia Reynoso [00:06:15]

And I remember they ended up IDing us and I was pretending I had my ID. I'm like, yeah. I was so embarrassed of being 20 years old. And I'm like, I just must've forgotten it. And they're like, well you've got to leave. And I was like, oh shit. I was like, I just want to sit here and have dinner. I didn't even want drinks or anything, but I just thought that was a funny tidbit.

Ryan Moran [00:06:37]

I never knew that story.



Alicia Reynoso [00:06:39]

Being 20 at that time. But anyways, yeah. So, since Vegas, that time, I hadn't even launched my product at that point. I was just kind of brainstorming what I wanted to do. I knew I wanted to build a brand. From the get go, I wanted to build something that served a greater purpose. And my mission was remind people to live their life with infinite possibilities. I was like, what can I do with that? What can I create a brand around that, that reminds people to chase after their dreams and go after their goals?

Alicia Reynoso [00:07:09]

Because that was just something ... There's actually a part of the ... What I wrote in that note was that for the longest time, for my whole life, I always believed I could do anything. It was just like, I had this insane amount of confidence. And I was going through a really weird time that I was doubting myself until I got your email.

Alicia Reynoso [00:07:26]

And then I was like, you know what? I'm done. I'm done doubting myself. And so, that's why I started to make my brand around believing in yourself again and going after your dreams and stuff like that. So, huge thanks to that. It sparked that fire and just believing in myself again.

Ryan Moran [00:07:41]

I'm so glad. I'm very glad. Did you have a core person in mind that you were wanting to serve? You didn't have a product yet. So, did you know the ... Obviously the impact that you wanted to make was you wanted to inspire people to believe in themselves again, but did you have a core person that that was going to be for?

Alicia Reynoso [00:07:58]

To be honest, I didn't understand any of that at that time. I was just like, I think it's me. I was very ... My passions were being healthy and getting outside, those were the things that made me feel confident and made me feel happy and energized. And so, I was like, okay, I'm going to go create some sort of fitness, outdoor brand.

Alicia Reynoso [00:08:18]

So, actually, it was in Vegas and I was researching bestseller ranks and I'm like, all right, this product ... And cooling towels were hot because it was July. And I was like, this is going to be the best product ever. But I didn't realize seasonality at all or anything like that. So, I launched that product in November that following year, that same year, and it kind of flopped because it was November then and nobody wanted cooling towers or anything like that.



Alicia Reynoso [00:08:47]

And so, that's when my boyfriend and I partnered. The next year, him and I had partnered and together we launched water bottles. And that was what kind of set us off, got us on the map of our brand and everything. And started on Amazon. Within the first few years, we did really well, just kept growing 100% at least year over year. It was just like ... It was crazy.

Alicia Reynoso [00:09:13]

Everything you ever talked about, I'm like, this works, Amazon works. This is so freaking cool. And we mainly rode that wave with our water bottles and we were trying to come up with other things. I was thinking of myself, okay, let's launch hammocks or outdoor stuff. And I was so all over the place in the sense of understanding branding.

Alicia Reynoso [00:09:32]

I was like, all I wanted was to remind people of that mission and to get outside and to be healthy, but really I was so all over the place. And then it was around 2018 or whatever that I spoke with Ezra Firestone and he was like, one day you can sell this business. And I didn't know that was a thing. Really, I didn't know ... I didn't realize that was a thing until I saw that you exited, and Ezra said that, and I was like, that's freaking cool.

Alicia Reynoso [00:09:56]

I'm like, okay, what do we have to do to get to that point? And that's when I realized, okay, we've got to focus in. Who is our avatar? And that's like ... That changed everything for us in the sense of, okay, let's prepare to sell. What do we have to do to sell? And we were all over the place with products and we just narrowed in. This is our person, and how can we best serve them? And that changed everything for us. So, I didn't get that at first.

Ryan Moran [00:10:22]

So, Alicia, this is what I love about this story is you were selling water bottles. Forgive me, I'm not knocking your brand, but it's not like the world was sitting there going, if we only had another water bottle. All the money is in water bottles, Alicia. [INAUDIBLE 00:10:36] up at a conference or an email that I wrote somewhere.

Ryan Moran [00:10:40]

So, differentiating water bottles, not an easy task. And I know that your strategy was on the community-building side, even though it took you a few years to really discover who your target audience was. So, this is, from what I can tell from the outside in the little that you've told me and from the training that you've done for us, it seems like that was really the pivot



point for you. That was what gave you the exposure and the loyalty from your customer list and the ability to charge premium prices was the community that you built. Is that a correct assumption?

Alicia Reynoso [00:11:16]

Oh, 100%. Yeah. Yeah, before that, we were just like, what's a good bestseller rank? Okay, we'll launch that. It was never methodical. It was never ...

Ryan Moran [00:11:25]

It was algorithm ... You were pandering to Amazon.

Alicia Reynoso [00:11:28]

Exactly. 100%. And so, we're like ... And that wasn't going to be sustainable. It's not attractive. When we were trying to sell, we had met with brokers and they're like, yeah, you're kind of a commodity business. And I was like, no, but we have a mission. I was like, this is what I'm trying to tell people. But it wasn't really being portrayed at all. We were just a commodity that was easily ... You could easily compete with for sure because we didn't have strong community or anything before.

Ryan Moran [00:11:56]

You had no one who was choosing you. They were finding you on Amazon, or they were buying because of price point or reviews or ranking, but they weren't choosing you until you had the community. Is that what you're saying?

Alicia Reynoso [00:12:08]

Yes. Yeah, I agree.

Ryan Moran [00:12:10]

So, how did you go about ... Well, I'm assuming that water bottles are not the only product at this point, but how did you go about building a community around something as every day as water bottles?

Alicia Reynoso [00:12:23]

Yeah. So, another funny story for you. I was actually ... I don't know if it was One Percent because it was a part of The One Percent for a really, really long time. I don't know if it was in there or your podcast, but I listened to you talk to George Bryant a lot on relationships and stuff. And I knew that's what I was trying to do. I felt like I was just hitting my head on a wall though. There's my mission. Don't you understand?



Alicia Reynoso [00:12:47]

I was trying to convey that in everything we did, but I just listened to that piece that you did with him talking a lot more about that relationship that you built with him, and that just ... Something around that time just completely clicked. Like, oh my gosh, I'm saying, go out there and live your life with infinite possibilities, chase after your dreams, but how am I actually helping them?

Alicia Reynoso [00:13:12]

I'm not facilitating a journey whatsoever. I was just selling them the product and saying, you've got this. And so, it was just like, around that time was the end of 2019 and it all clicked. So then I bought a big whiteboard and I started writing down, okay, here is our ... Here's our main customer. At that point, we still had some outdoor stuff and we phased all of that out and just focused in on middle-aged to older women.

Alicia Reynoso [00:13:39]

The avatar essentially of just this woman that wants to be seen, heard. She wants to be healthy, active, loved, and all those things. I just spent forever on my whiteboard, like, okay, here's where she's at and where she wants to go. Here's her objections. And then I started ...

Ryan Moran [00:13:55]

You mapped out her journey. You mapped out her journey and the pain points that she experiences along the way and you got rid of everything that didn't match that.

Alicia Reynoso [00:14:03]

Yes. Yeah.

Ryan Moran [00:14:04]

Beautiful. Can we pause here for a second, because I want to marinate in the depth of that statement. Does anybody just get it? Did anybody just see, oh, this isn't just something Ryan pontificates about? Alicia had products all over the place, wondering what product do I sell? Throw this at the wall and this at the wall, and then said, all right, let's take this core person that we're targeting and then let's map out their journey and the pain points that they have, create products around that, and remove everything else. And that was a big turning point for her. Please continue, Alicia.

Alicia Reynoso [00:14:42]



Yes. And then I was embarrassed.

Ryan Moran [00:14:49]

This moment?

Alicia Reynoso [00:14:49]

Yeah. I'm like, this whole time I've been doing this so wrong. I had the best intentions, obviously. I just, I went into it from the beginning wanting a brand. I never wanted to just sell products that didn't make sense, but I just felt ... I felt so silly. So, then I realized her journey and I was like, okay, what can I do to support her from getting to here to here?

Alicia Reynoso [00:15:11]

I realized I wasn't really our customer like I thought I was. There was this core ... There's this core need that I just wasn't fulfilling for them at that time. And I was like ... That's when I realized, okay, take a step back, let's look at her journey. And I got really excited because I was like, I can help her with ... I can make these ebooks or videos or I can change ... I was in charge of all of our email marketing and everything.

Alicia Reynoso [00:15:37]

I'm like, I can build out this journey to best serve her when she enters our world. And I was really excited, but then I got super overwhelmed because we were a super small team. It was just me and my boyfriend and our best friend. That was it that ran our business. And I was in charge of our Facebook ads, email marketing, photography design, way too many things.

Alicia Reynoso [00:15:58]

We never knew how to hire. That was not our strong suit. And so, I was like, I can't build all of these assets by myself. And that's when I thought of the idea of putting it into a challenge. I was like, okay, this is the journey she wants. Maybe we could ... And it was just a shot in the dark. It was January 5th, 2020 that I launched the challenge and our community and Facebook group. I always looked at other people that had Facebook groups and was so envious, like how do you do this? And how do you get them to talk about you? And how do they follow?

Ryan Moran [00:16:29]

How do I get it to 10,000 members? I don't follow. Yeah.

Alicia Reynoso [00:16:32]

Exactly. And so, I was so nervous and I launched the group and I'm like, I hope people want to do this, and it just picked up. It was like, all of these customers that were hidden in the corner,



waiting for me to show up just were like, here we are. Finally, thank you, this is what we've been wanting. And they all raised their hand. And at that time, we had a decent list of 60,000 people or something, but we never served them, but you could just tell that they were eager, excited, and that they were just waiting.

Ryan Moran [00:17:04]

You had a customer list of 60,000 or so. And within it, you're doing promotions and launches and asking for reviews and doing that kind of stuff for them. But you're not really creating any community at all, which is so common with ecommerce businesses. And so you start this challenge, you have no idea if anybody's going to show up, and what was the result when you started kicking it off? Because you're ... You don't know if anybody's going to be there. You're envious of all these people who have communities and groups. So, what did the growth path look like and what was the adoption? What did you start seeing in the first few days?

Alicia Reynoso [00:17:42]

Yeah, so I recorded ... I went out and was too afraid to do live videos at the time. The reason you didn't see me for 8 years was because we just like went undercover basically. I don't know if that ... We just dug in and just feared from the world essentially. So, I was afraid to do live videos and I was like, I'm just going to record myself.

Alicia Reynoso [00:18:03]

I went outside and 10 takes later, hello, join our group. And then I posted that, went inside to our warehouse and started packaging orders because I was too nervous to see if people would not like it. And then I went back ... I went back inside, sent an email again inviting people to the group. I went back in and saw that dozens of people had already joined and dozens of people had already made a pledge to join me. It was a hydration challenge, and to join me on this challenge. And I was like, holy shit. I was like, this is real. This is ... People are excited ...

Ryan Moran [00:18:37]

Your challenge was hydration challenge?

Alicia Reynoso [00:18:39]

Yeah.

Ryan Moran [00:18:40]

So, it wasn't like, turn your whole life and relationship and financial situation and buy a new car in 90 days? It was drink water.



Alicia Reynoso [00:18:47]

It was just to drink water.

Ryan Moran [00:18:48]

Yeah, yeah. Okay. Pretty simple. Good.

Alicia Reynoso [00:18:51]

Yeah, pretty simple. Yeah, exactly. And so, the first week or 2, I was like, I have no idea what I was doing, but I think that vulnerability, they really respected and appreciated. There's a bunch of those first members that joined me on at first round. Since then, we have done 10 60-day challenges, and there's people from that first round that have done all of them because they were like ... They built that intimate relationship with me and they got to know me.

Alicia Reynoso [00:19:17]

They got to see me stutter and get super nervous on my videos. They got to see that human side of the brand, you know? Which I was nervous about, but I eventually now realized that was one of my greatest assets at the beginning was just being real with them. And even though I wasn't necessarily my avatar, I'm very passionate about being healthy and about setting goals and all the things that I wanted my mission to be. So, it became ... It was super easy for me to talk with them and be like, let's make vision boards or let's eat healthy, drink your water. And it was just super ...

Ryan Moran [00:19:49]

And you care about that person. Right? You're not that person, but you care about the person that you are serving, which is all that it takes. I'm curious, Alicia, how did you do 10 rounds of 60 days for drink more water? How did you create enough content and community to sustain that?

Alicia Reynoso [00:20:07]

Yeah, so that's kind of the beauty of it was I mapped out that whiteboard like I told you about, and there was so much more than just being hydrated that this woman needed, that my avatar needed. She wanted to feel confident and she wanted to have energy. And after I mapped out what she really needs, I could support her, not just the ... So, the bird's eye view of the challenge was you have the core objective, this is what you pledged to do for however long, 30, 60 days.

Alicia Reynoso [00:20:38]



But then, every single week we'd mix it up with the other things that this person needs in their journey to be successful in what they're trying to achieve. So, healthy eating and vision boards and gratitude. And so, that kept the conversation and the ... Because 60 days is a long time, but when you mix it up like that weekly with different core focuses, the conversation is always changing.

Alicia Reynoso [00:21:03]

That's why our community was just so engaged because it was like, now we're talking about gratitude, and now we're talking about fitness, and this person has the knowledge in this area that now they want to share, and these people have questions. And so, with 60 ... Or 10 60 days, not one round was the same ever.

Alicia Reynoso [00:21:21]

And so, it was always interactive and engaging and not a lot of work on me because that was ... I didn't have the time, but I can just say, this week, let's focus on this. And then the conversation changed. People were excited, engaged. It's what they need to move them along in their journey. And they'll come back for the next rounds because it's always different. So, that was the cool part that I accidentally did.

Ryan Moran [00:21:46]

You were always jealous of people who had Facebook groups and communities of 10,000 people. How big did your group end up getting after a few rounds of this?

Alicia Reynoso [00:21:55]

16,000 was ...

Ryan Moran [00:21:57]

16,000.

Alicia Reynoso [00:21:58]

Yeah. Yeah. But I always think quantity over ... Or quality over quantity. I made it very intentional. They had to answer questions in order to be in the group because I didn't want people just inviting their friends and being like, yes, everyone join, to get that number artificially inflated. It was like, your friend invited you, but answer these questions just so I know that you want to be here. You don't have to buy our products, but just so I know you want to be in the group. So, we kept it very intentional of who's in there wanted to be in there, they answered the questions and not just free for all of people coming in because then that loses focus of your group.



Ryan Moran [00:22:41]

So, the first thing that I'm really hearing is this turned a faceless brand into a community, which is a win all on its own. You're selling a commodity, just a water bottle, which you're telling me makes it more sellable in your case because the brokers that you're talking to are now saying that this has a real soul to it, people are now choosing you over other brands.

Ryan Moran [00:23:03]

So, that is a win all on its own, but there's more to it than that, too, because it's one thing for people to hear Ryan pontificate about how building a real brand and real audience will increase conversions and price points and repeat buyers and give you more product ideas to sell. But how did it impact your business going from selling faceless water bottles to having a challenge with 16,000 people? What did that do for the top and bottom line of the business?

Alicia Reynoso [00:23:33]

Yeah. So, the number one biggest thing that ... It took me a while to realize this, because when you're in it, I wasn't very good at looking at the numbers, unfortunately. But after taking a step back and looked at everything, I realized one of the biggest numbers that it affected was it increased their life ... Customer lifetime value by 45%.

Ryan Moran [00:23:55]

45%. My goodness.

Alicia Reynoso [00:23:57]

That blew my mind.

Ryan Moran [00:23:56]

That's massive.

Alicia Reynoso [00:23:59]

That's so massive. Yeah. And fortunately, we were getting better at being ... Because our ... We had really low profit margins. We started on Amazon and we weren't very [INAUDIBLE 00:24:09] So, our profit margins were ... That's also why we didn't hire a lot, because we didn't just ... We couldn't do it.

Alicia Reynoso [00:24:18]

But then over the years, we got better at up-sells and adding in different products to increase that average order value. But on top of that, just having our lifetime customer lifetime value



increase that dramatically, that helped us so much in being able to acquire people and know that we're going to keep them in our ecosystem for a long time.

Alicia Reynoso [00:24:36]

So, that was a huge thing for us. Also, it helped us build out a roadmap. Before, like I said, I didn't know what to do. I was just like, oh, the best seller rank. Sure. We'll launch that product. And then it was a flop. And then, so, we never knew exactly what to do, but now we ... Our customers want this, they like this color, they want this product next, because I'm actually talking to them. And then yeah, 2020 was our first year that we hit 8 figures. So, that was so cool.

Ryan Moran [00:25:05]

And then, was that after simplifying the product line? So, you crossed \$10 million with fewer products.

Alicia Reynoso [00:25:15]

Yes.

Ryan Moran [00:25:16]

It's a big deal. Please listen to that. Please catch that, everybody. You hear me talk about this all the time, about how when you choose your person, you'll sell more, you'll sell at higher price points, you'll have easier times choosing what products, they will choose you over competitors. And now you have Alicia telling you that that's what happened when they simplified their product line and went all-in on a core person. Alicia, did you launch any new products in service to the person that you chose that was going through this challenge? Or did you just button up the product line that you had?

Alicia Reynoso [00:25:52]

No, we buttoned up first and that was a huge part of our preparation to sell. But then, we realized different products ... Like t-shirts or whatever. We never ... We had apparel before, but nobody cared because they have to be your fan to buy t-shirts. So, t-shirts and stickers and just super quick high profit products that we could just watch like this and be done.

Alicia Reynoso [00:26:18]

We started doing more stuff like that, that were more that community-based. We had shirts for the community. Now you can identify that you're in the community with the t-shirt and stuff like that. And then, some other products as well, but mainly just the supporting community products were able to launch, but it was first buttoning up because that was our biggest



problem. It was just all over the place. It made marketing so hard because I felt like I was writing to a 44 year old man that wants to be outside, and then a 30 year old woman that wants to drink water. And it was just like, I was so confused.

Ryan Moran [00:26:55]

How do you get more of those people? You can't.

Alicia Reynoso [00:26:58]

Yeah. I don't know. Exactly.

Ryan Moran [00:27:02]

Unless that person is changing their age and gender on a regular basis [INAUDIBLE 00:27:05] different things. That's pretty hard to target. So, what did the core base of products end up being by the time that you were pacing 8 figures?

Alicia Reynoso [00:27:15]

Well, water bottles was number 1. That was the hero, that was what led the charge. We tried to get them in the door with supplements and stuff like that to help support them on the journey. And then accessories for our water bottles. And those are the decor products that we ended up with.

Ryan Moran [00:27:36]

And that ends up being a very simple business. And the beauty of that is when you don't have community, when you don't have brand, we tend to complicate it, which is exactly what was going on with you. And so, Bill going back to the who and serving that person allowed you to simplify, which allowed you to grow. Do you still own the business or did you have an exit?

Alicia Reynoso [00:28:01]

No, I had an exit.

Ryan Moran [00:28:01]

You had an exit. Are you able to share ... Can you share what you can share about it?

Alicia Reynoso [00:28:05]

Yeah. Well, it was last year. It's almost been a year now. That's why you see me immerse from my cave. I was just in there working forever, and now I've been like, hey, I'm alive, and excited to talk to old friends and stuff. But yeah, it's been about a year now and it was a 7-figure exit, but it was ... We couldn't have timed it more perfectly. We're just, we're very excited.



Alicia Reynoso [00:28:39]

But with the transition, I was being the face of the community and stuff. I had helped run the community for a few months after as we transitioned me out. And that went super smooth and the community is still going super strong, as we phased that out and transitioned. And all of my customers are super excited and happy for me because I told them, our brand is about living your life with infinite possibilities. Now, I'm going into ... We're about to start traveling full-time and I was like, now I'm moving into the next phase of my journey. And they're like ... They're just so excited because that's what I always preached was going after.

Ryan Moran [00:29:14]

Wonderful. Now, Alicia, you've done ... You teach this stuff now. You've done a training for The One Percent. And we ... Did you ... Let me try again. You've updated an old training that I taught, which was called 6 figures per month in 6 months, because I believe that the fastest way to have a 6-figure per month business is to build an audience. And the way that you're doing it is pretty much universal. Any brand can do it, any entrepreneur can do it.

Ryan Moran [00:29:42]

But there are people who are watching her saying, all right, how do I come up with the idea for the challenge or the community that is a fit for my brand? You did it around hydration, which is super simple. How do you coach people through that decision for themselves?

Alicia Reynoso [00:29:59]

Yeah, for sure. So, yeah, that's the biggest question I've gotten is how ... Okay, that makes sense, a fitness or healthy journey or whatever, and be like, how could we do that for apparel or even just drop shipping or stuff like that? And the first thing is I just went back to that moment that it clicked for me of trying to understand our customer. And I believe it was Russell Brunson that said there's ... Every product or service serves the 3 core needs, health, wealth, and relationships.

Alicia Reynoso [00:30:27]

I think he quoted a quote, so I don't know who actually said that, but that clicked for me. So, that's the first step is identifying which of those core needs that your product or service helps. Is it in their health or their wealth, their relationship? That's step 1, and then step 2 is going through that process, the avatar worksheet that was very much inspired by that podcast I showed or listened with you and George Bryant. I was just like, okay, this is where the person is in, before state. This is where they want to go.



Alicia Reynoso [00:31:01]

And then taking it one step further of those internal struggles that they're actually going through. So, just like an apparel brand, that's one of my quickest examples, is ... You would think, oh, do we do a challenge to have them wear my leggings every single day or whatever? And it's like, that's not really what that customer is trying to achieve when they come to you as a brand.

Alicia Reynoso [00:31:19]

That person's trying to ... Maybe she's like me, a 20 something year old girl that wants to be healthy and active, loved, and so you help support her on the journey of loving herself and making time for herself and feeling like a girl boss or whatever. So, those are the things that you can help support them on. And identifying those internal struggles, not just the surface level, oh, she wants new leggings or whatever.

Alicia Reynoso [00:31:48]

It's like, no, she's on this journey of discovering who she is and discovering her path in the world. So, how can you help her figure out where she belongs and how she can move forward and set her goals and stuff like that? So, there's always a customer journey, no matter what the product is. It might not be so obvious. It's super obvious for me now, with hydration, but it really wasn't.

Alicia Reynoso [00:32:11]

I know that sounds silly, but it wasn't at first. I was like, what journey are they trying to go on? I had no idea. And it's really just taking that time for ... I took a week on this, a whole week of just going back to my board and just being like, okay, maybe she's feeling left out and ... Or maybe ... And spending that time really digging deep of the journey they're on. So, there's always a journey, no matter the product. It's just a matter of identifying one of those core ... 3 core needs and then digging deep into those internal struggles.

Ryan Moran [00:32:43]

And how did you marry this idea of what journey she's on or what she needs with the first domino being hydration? That's a bit of a jump, right? I get where you're going with this, but I think it's interesting to see how those 2 things connect. Besides it being the first domino on a healthy journey, there's also the piece of how she's feeling, how that person is feeling and hydration is that first step. Would you comment about what you were thinking about with that piece of the journey?

Alicia Reynoso [00:33:16]



Yeah. So, with that, this was unintentional, on accidental that it ended up being, but ... Because my first round, I had no idea what ... Exactly what I was doing. It just ended up being ... Working like this. But I always say that your first ... The core objective of your challenge, it's very helpful if it's customizable and for them.

Alicia Reynoso [00:33:39]

Like with drinking water, they could pledge however many ounces of water they can drink. So, you want to make that core thing that they're pledging to do customizable and kind of achievable, because you want them to feel successful in doing this simple task. So, it's like a very simple thing in my customer's journey that they could pledge to do.

Alicia Reynoso [00:33:56]

They could customize it to where they're at, and then they feel successful and follow along. And then with the other, the weekly challenges, that's where I push them further. And emphasize that you don't have to participate in the weekly ones if you don't want to. But that's where I'll push them further in how they're feeling and gratitude and self-love and stuff like that.

Alicia Reynoso [00:34:18]

But I think having that core thing that you're going to ask your customers pledge to do be something that's easily adoptable into their lives, customizable, and somewhat achievable so that they feel like, yes, I can do this, this is where I'm at, I can pledge to do this much. Or I can ... Going outside. I'm super busy, but I could at least pledge to get outside for 5 minutes a day, or just something like that where they ... I could do that for 60 days.

Alicia Reynoso [00:34:44]

And then if they lose track or don't check in, they don't feel like they failed. They can still follow along, but then jump back in on those weekly challenges when their life permits it. So, it's very welcoming and sets them up for success, I guess.

Ryan Moran [00:34:58]

And how did you tie the product line into the challenge itself? Because there's obviously a bump in sales that happened once you started going in this direction. How did the product work its way into the narrative of the community?

Alicia Reynoso [00:35:13]

Yeah. So, there's been a lot of people that are ... With ours, it's a lot more straightforward of just, hydration, you want a water bottle. We always emphasize you don't need to use ours, and



that's the biggest key component of your challenge is it needs to be a free experience that you can ... They don't need to buy your products because then you serve them, help them fall in love with you, help them learn about you.

Alicia Reynoso [00:35:36]

But with some of my other clients, it's not so direct of just, hydration, water bottle. It's more ... We have a pet company, and it's not like you're going to ask them to use the pet products every single day. They might not need to. But you're helping them with the journey that the customer's on of being the best pet parent they can be, loving their animals, learning more about their animals.

Alicia Reynoso [00:35:58]

That's really what that customer wants, is to be the best pet parent ever. I've been a dog mom before and that's the goal is showing your animal that you love them so much. So, taking them on that journey, and then your products just fit in that journey. You don't have to force it. If they're on this journey, your products fit. That's ... Your products do solve a problem. They're a tool, one of the tools in solving their problem. It's not the only tool, but it's going to fit into that journey. It doesn't need to be forced.

Ryan Moran [00:36:28]

And sometimes, in my experience, it's also helpful to think about what other brands might fit pieces of the journey that my products don't, and that can sort of unplug the mental block that you can create of how do I force every product into this journey? Because sometimes you're not the best fit for a challenge that they're facing, or you don't have the best product on that specific problem. And that's where brand partnerships come in.

Ryan Moran [00:36:57]

That's where collaboration's come in. That's where content connections come from. That's where promoting other people's stuff as an affiliate or just because come into play on that. If you focus on the overall service of the customer on that journey, you're golden. And that opens up a lot more creativity and flow for you to be able to plug in where your products fit and where other products fit.

Ryan Moran [00:37:23]

And that creates a more real transformation for the customer to go down, and that is your job as the business owner. So, Alicia, looking back on it, is there anything that you would do differently about the challenge now that you done it 10 times? And when you decide to go into the next business or the next brand that you build, would you do it any differently?



Alicia Reynoso [00:37:49]

Yes, I would. One of the biggest things I just kick myself in the butt for all the time is I didn't run it as a lead gen hard enough.

Ryan Moran [00:37:59]

Okay. Talk about that.

Alicia Reynoso [00:38:01]

Yeah. Because like I said, when you're in it, unfortunately I wasn't very good at taking a step back and looking at the results all the time as we were going along. And the first few rounds, I just built it for our current customer base because we had a decent customer base at that time that I knew we weren't serving.

Alicia Reynoso [00:38:20]

So, I wanted to give back to them first. And then after that, I started opening it up. I would run Facebook campaigns and just be like, come join our challenge. It's free. Here's the process or whatever. And I didn't realize how profitable that was. So, if I go back and do that, I feel like I would just go ... I'd have gone so much harder on that because it takes a little bit for it to return. It's not that immediate purchase. We were ...

Ryan Moran [00:38:46]

It's not direct response marketing.

Alicia Reynoso [00:38:46]

Exactly. Yeah. Originally, our most ... Our top funnel campaigns, we would send them to just our product listing and people would just buy, and we would get a 2x return on ad spend and that was pretty profitable for us. But then when we started using the challenge as a lead acquisition strategy, we're getting a 4x return on ad spend. It wasn't seen right away. It was noticed over a month or 2, but that's what I would've done a lot differently is it was such a powerful way to get people into our world, but I didn't really realize that.

Alicia Reynoso [00:39:22]

But I also ... I think there's a balance, though, that you have to be very careful of, of flooding your community with people that don't know you. Too many versus the people that are your fans. So, I always was trying to be methodical of keeping that ratio of these other people that love us and are going to tell the new people how wonderful we are versus these new people



that are trying to learn the ropes. But I would have definitely done that a lot differently now that I know that it was so effective and just being able to acquire people.

Ryan Moran [00:39:55]

And specifically, you mean running Facebook ads to people to join the challenge. Is that right?

Alicia Reynoso [00:40:00]

Yeah.

Ryan Moran [00:40:02]

Did you try any other platforms or were you ... It sounds like you were 100% a Facebook group, plus your email list and some Facebook ads. Was that the entire ecosystem?

Alicia Reynoso [00:40:14]

Yeah. That was pretty much it.

Ryan Moran [00:40:15]

So, if any of you have seen the content that I did as an opening to Alicia's training for The One Percent, I talk about the traffic triangle, where you have a traffic source, a hopper, and you have a conversion source. Your conversion source is your email list. That's where you do the selling. You have your hopper, which is the Facebook group, and then a traffic source. In Alicia's case, that was Facebook ads.

Ryan Moran [00:40:42]

But you could also, as another way to grow the group, is you can take screenshots of what's going on in the group, post them to your social media, give your commentary about them and link over to the group. You can take clips of the videos that you do for your challenge and put them as TikTok content or Instagram reels and send them back to the challenge. You can take a question that came up in the challenge and respond to it on social media and send people back into the challenge.

Ryan Moran [00:41:09]

So, that hopper where you are engaging, the community also becomes user generated and Q and A style content. You can do wrap-ups of the best content that ... Or the best questions that came in throughout the week and do a Q and A show on YouTube. That becomes the source of all the places of content that you were posting to all of these channels.

Ryan Moran [00:41:32]



So, those of you who are wondering, what do I ... I don't like to be on social media. I don't want to put my face out there. I don't even know what I would talk about. Your challenge or your hopper, the place where you're building community becomes the source for all of that. Right? In fact, here's an example.

Ryan Moran [00:41:49]

I'm doing it right now. Did anybody catch that? We're talking with Alicia who did content for all of you, we're recording it live for all of you, and this will become clips to encourage people to get plugged into our community, so I'm doing it right now, folks. So, Alicia, did you do any of that? Were you sending out any of the stuff going on in the challenge to your email list, or were you just all dedicated to the community?

Alicia Reynoso [00:42:19]

No. Oh my gosh. That was the other huge thing was it just made everything in my life easier. Like I said, I was in charge ... I ran our own Facebook ads. I did our own emails. I did everything in marketing and I always was like, I don't know what blog post to write. I don't know what emails to send. And I would try my best. And I felt like I was pretty good.

Alicia Reynoso [00:42:42]

But then the group just took over my content for me. And that just ... I didn't have to think about what I was going to send to my email list anymore because it was like, wow, Becky just had the coolest transformational story. I'm going to share her story. And then I'd take her experience or pictures, videos and I put it in an email. If the email performed really well, then that's an ad now.

Alicia Reynoso [00:43:03]

It just made everything ... Our organic social media before was just ... It was dead. It was crickets. I was posting to crickets all the time. It's not like that skyrocketed, but that just took on a whole new level. People were engaging in our organic social media like never before. So, yeah, everything, email marketing, Facebook ads, social media posts, it all just got easier because now I had this insane amount of user generated content that, by the time we sold, I didn't even tap into a 10th of it. It was just so much content all the time and so many cool stories of people that ... Their lives are changed. And it was just fun.

Ryan Moran [00:43:43]

It is fun. That's right. And it puts you ... It makes you realize what an impact you as a brand are making, because now you're focused on the customer. Now, everyone, if you wanted to complicate this a little bit, if there's any of you who are like, this is my brand and I am all in and



I want to make a difference with this thing, one of the things that you could also consider, and you see me doing this as well, is once you have the challenge and that community in place, you can take the success stories of people who have completed that and make them podcasts or YouTube interviews.

Ryan Moran [00:44:17]

And now you have long form content with people who are having success with your product, and that becomes the long form piece of content that you're building the entire community around, recommending the challenge, sending people back into the challenge and that becomes your traffic and your audience builder.

Ryan Moran [00:44:36]

And those 2 things start to feed each other. And when you have those 2 things in place, this is what I taught you guys in that traffic triangle strategy, when you have those 2 things in place, you're getting a lot of free exposure from the traffic source, YouTube or podcasts, and you're getting a lot of free exposure from the community in the form of a Facebook group.

Ryan Moran [00:44:54]

And those 2 things really start to grow organically, which builds a massive community. That's how you can maximize getting a lot of free traffic, a lot of buyers, and build a real brand out of all of this. Alicia, there's a few people who are waiting to chat with you inside the green room. Are we good to take Q and A?

Alicia Reynoso [00:45:11]

Yeah, sounds good.

Ryan Moran [00:45:12]

All right, cool. So, I am going to start with Tucker. Tucker, are you good to come on and chat? Tucker, how are you this morning? You're muted, my friend. Try again. I cannot hear you. We'll come back to you, Tucker. Darren, are you good to come on and chat with Alicia?

Darren [00:45:34]

Can you hear me?

Ryan Moran [00:45:35]

Good morning, Darren. How are you?

Darren [00:45:36]



Good morning. I'm fine. Jumped out of the shower. Sorry.

Ryan Moran [00:45:41]

Was that part of your community challenge, was take a shower challenge? Take a shower every day for 30 days.

Darren [00:45:50]

So exciting to hear your story, and it's ... I'm the ... Probably the downside of ... Or not a downside. A question that kind of can ... You guys can answer is that obviously, Alicia, you started with a huge customer list of 16,000 people who had bought from you before. We're starting brand new. Right? We don't have a customer list. We don't have anybody yet, and we're beginning to build ... Want to begin to build an audience.

Darren [00:46:14]

And actually, I don't even have my products built yet. Right? So, that's happening, but I don't have those yet. And 2 things, I want to build a Facebook group and then I want to ... I'm going to do a podcast with successful people along their journey in my ecosystem. And so, my question is, when you don't have anybody yet ...

Ryan Moran [00:46:38]

You're starting from scratch.

Darren [00:46:39]

To start a challenge from ground zero, do you think it's going to be as ... I mean, obviously ... Do you have experience with that with anybody you've worked with, Ryan? I mean, it's like, it feels a little funny to not have a little bit of an audience to start a challenge with. So, that's my question.

Ryan Moran [00:46:58]

Before I let Alicia answer, I'm just going to butt in here and ask a really obvious question. Darren, how many people do you think you need in order to start?

Darren [00:47:10]

Well, all I have is friends and family right now.

Ryan Moran [00:47:15]

That's not the question. The question is ...



Darren [00:47:17]

Okay, so how many people do I think I need?

Ryan Moran [00:47:19]

How many would you need to have in a challenge or a community in order to feel like you had something to start with?

Darren [00:47:25]

Gosh, I guess it would be ... I mean, I guess it would be very small. I actually ... When you say that, when you ask the question, it could be 10 people, I guess.

Ryan Moran [00:47:32]

Okay. So, 10 would be a start?

Darren [00:47:35]

I guess I prefer to have closer to 100,

Ryan Moran [00:47:40]

Okay. So, if you had 100 people in a challenge to start, would that be a successful first one for you?

Darren [00:47:48]

Yeah, I guess. I guess. I mean, I'm trying ...

Ryan Moran [00:47:49]

So, let's just go with that for a second. And now I'll hand it off to Alicia and ask, do you think that 100 is a reasonable first one? And how would you go about doing that?

Alicia Reynoso [00:48:01]

Yes. Yes, absolutely. This has been something really exciting for me to see happen for some of the people I've been working with is I never ... Like I was saying earlier, I'm using this as an acquisition strategy. I never realized how powerful that was until later on. But then with people I've been working with, they were like, we have a smaller list. What should we do?

Alicia Reynoso [00:48:22]

We just finished yesterday. One of the ... A challenge for somebody and they only had a little bit more than 100 people inside their Facebook group for that first round. And it was ... He was so excited because he never had a community. He got a shit ton. Sorry. Excuse me. A shit ton



of user generated content that he was so excited about. And so now he can use all of those assets to keep growing on it.

Alicia Reynoso [00:48:47]

So, I almost feel like, and this is what I tell people, I almost feel like the smaller the group, almost the better initially. You have that moment to build an intimate relationship with those first ... That first batch of people that you will never get again when your group hits thousands and thousands of people.

Alicia Reynoso [00:49:04]

I personally would try my best to take the time to speak one-on-one with people during the live videos, but it's much harder as your group grows. So, the opportunity to lock in that loyalty and build those intimate relationships with that first batch, you really only need a small handful of people to do some damage. So, yeah. That's ...

Ryan Moran [00:49:24]

And Alicia, how would you do that first launch for somebody who is just getting things off the ground?

Darren [00:49:31]

Yeah, thanks.

Alicia Reynoso [00:49:31]

Yeah, so I would ... I mean, I would run it as a Facebook lead gen. Start ... Some of the people ... We're going about it 2 different ways right now. Some of the people have some Instagram following or whatever, and they start sharing in their community just like what Ryan says, as you're building your business, start sharing your product story.

Alicia Reynoso [00:49:50]

They start sharing that they're doing the challenge themselves. One of them is getting outside, so they'll start talking about, hey, I'm going to get outside every day. And they start sharing their experience and what's happening and the benefits that they're feeling from it with their small audience that they have to build momentum, spark curiosity with people, and get people involved before the challenge even was announced. So, you can definitely start sharing you just doing the story or you doing the challenge.

Alicia Reynoso [00:50:20]



And then, yeah, I personally, I love running it as ... And for launching new brands, as a small ... Just \$100 bucks to Facebook lead gen campaign, just to get that first 50 to 100 people. And yeah, I think that would be ... Yeah, just having a smaller group is powerful. Ours is smaller as well.

Ryan Moran [00:50:39]

And Darren, just for kicks, I want you to guess how much do you think you would need to spend in Facebook advertising to build a group of about 100 people.

Darren [00:50:50]

Actually, I don't know. I don't run any ads.

Ryan Moran [00:50:54]

That's fine. What do you think it would cost?

Darren [00:50:55]

I don't know. It's ... Again, I really ... \$500 bucks? I have no idea.

Ryan Moran [00:51:02]

You would definitely do it with \$500 bucks. It probably costs a lot less.

Darren [00:51:07]

Really?

Ryan Moran [00:51:08]

Yeah.

Alicia Reynoso [00:51:08]

Yeah. When we ran it as a lead gen, we spent \$3,000 to acquire 4,000 emails and that generated \$13,000 in sales from that. So, yeah, \$100 bucks, you could even just put \$100 dollars, \$100 to \$200 and you would definitely get that group of 100 people.

Ryan Moran [00:51:31]

Those numbers are insane, Alicia.

Alicia Reynoso [00:51:34]

Thanks.



Ryan Moran [00:51:36]

Less than a dollar a lead and it was 4X profitable. On water bottles.

Darren [00:51:46]

Oh gosh. Well, thank you so much. I really appreciate it.

Ryan Moran [00:51:49]

You're welcome, Darren. Thanks for being here.

Alicia Reynoso [00:51:51]

Of course. Thank you.

Ryan Moran [00:51:51]

Alicia, congratulations on everything you've done. Thank you for making us so proud.

Alicia Reynoso [00:51:56]

Thanks. Thank you. And thanks for that email when I was 19. That got ...

Ryan Moran [00:52:02]

You're welcome. See, this is [INAUDIBLE 00:52:02] of why you should all read all of my emails at least ...

Alicia Reynoso [00:52:06]

Every single one. Don't miss a beat.

Ryan Moran [00:52:07]

And forward them to everyone because one of them is going to hit you and inspire you to go on to have an 8-figure business that you're really excited about that has a community of people that love your stuff. Alicia, you did some content about all of this inside of The One Percent, but I know that you're also building your personal brand and doing some speaking gigs and podcast spots and stuff like that. Where can people dive into what you're putting out publicly now?

Alicia Reynoso [00:52:33]

Yeah, for sure. So, Challenge Makers, I feel like that was the most appropriate, easy name. I'm making challenges. So, it's ChallengeMakers.com and it has everything. I have group coaching, so I've been doing a lot of one-on-one with people of helping them, but I thought it would be fun to just help people together.



Alicia Reynoso [00:52:54]

So, I have one that starting on April 20th that I'm taking a group of people, going through everything and critiquing their challenges, feedback, their post register sequence and everything like that. So, all the details of that can be found on my website and some one-on-one as well. I have that available.

Ryan Moran [00:53:12]

Fantastic. Alicia, you've done really well. I hope you feel very proud. Congratulations on all you've done. Nice work. Thanks for being with us today. It's great to see you by the way.

Alicia Reynoso [00:53:22]

I know. I know. We need to catch up again.

Ryan Moran [00:53:23]

Yeah. I'd love to. All right. We'll be in touch. Thanks, everybody. Give some hashtags and some thanks and some love to Alicia for showing up today and sharing about her success. This is big, and Alicia started with nothing. No ideas, no plans.

Alicia Reynoso [00:53:38]

[INAUDIBLE 00:53:38]

Ryan Moran [00:53:39]

And you did fine. You did just fine.

Alicia Reynoso [00:53:43]

I appreciate it. This was fun. Thank you so much.

Ryan Moran [00:53:46]

Great to see you. All right, take care, everybody. See you.

Chris Van Loan [00:53:48]

And now, a quick word from Jared, one of our members in The One Percent.

Jared Springer [00:53:51]

I was bankrupt and crippled to making a million dollars in a year. I mean, then I grew that business and kept growing it. So, my whole world changed financially very quickly. It was amazing how fast it was able to transition and turn once things got rolling. Ryan and



Capitalism.com
— BE THE CHANGE —

Capitalism.com pretty much taught me everything I knew about ecommerce and specifically branding was the biggest thing that I think Capitalism really does well.

Jared Springer [00:54:23]

And they focus on teaching their students about building a brand and just teaching business to people. Everything he teaches is stuff that he's done. It's not from theory that you're going to learn. It's all stuff that he's done. So, I think the biggest thing that Capitalism.com helps you with is that you're getting to learn from somebody who's done the exact thing that you want to do, which is the most important thing in the world.

Jared Springer [00:54:46]

That's how you fast track your results. So, if you want the fast lane and to get your results really quickly, you go to Capitalism.com and you have them show you what to do so you don't make all the mistakes and you get there really quickly. And it was the best money I ever spent because I went from bankrupt and crippled and all this other stuff to a million dollar a year business in one year, which is exactly what he teaches. And I was like, holy crap, this stuff works. So, it was a very healthy exit and was able to let me focus on many other things in my life and not have to worry about that stuff anymore.

Ryan Moran [00:55:19]

If you found value in this podcast and you're ready to go deeper, here are 3 resources where we can help you. 1, you can grab my book 12 Months to \$1 Million on Audible or Amazon. It has over 1000 reviews and it's the playbook to building a 7-figure business. 2nd, you can join our community of entrepreneurs who are following a plan to build a 1% net worth by building businesses and investing the profits.

Ryan Moran [00:55:44]

You can get plugged in at [Capitalism.com/1](https://capitalism.com/1). And 3rd, if you're looking to go deeper and build a 7-figure business that you can sell, you can work closely with us inside the Capitalism Incubator, and you can get on the waiting list and find out what we do over at capitalism.com/inc. That's capitalism.com/inc.