# How to

# Make Money Blogging

# Introduction

You love blogging. Maybe you call it a hobby, but the truth is, it's your passion. Your blog wakes you up in the morning, pulling you out of bed with the magnetic draw of its power to share your thoughts with the world. It keeps you awake at night with a stream of ideas you can't shut down. It doesn't matter if your blog is about parenting or finance or deep sea fish; the point is, you get to write about the thing you care about the most.

And it turns out, you're pretty good at it. You have readers. People actually care what you have to say. You're discovering a community that you never knew existed—people who share your passion.

It's an amazing thing.

But you know what would make it even more amazing?

If you could make money blogging.

Sure, it's great to stay up late writing and wake up early to the lively conversation in your comments. But what if you didn't have to? What if you could quit your day job and blog during working hours?

That would be the life, right?

You're not alone. Many people start out blogging for passion and then realize they'd love to earn at least a little income from their hobby blog. And plenty of people *do* make money blogging. So why shouldn't you be one of them?

The trouble is, there's a **lot** of advice out there about how exactly to go about monetizing, or making money from, your blog.

And a lot of that advice is just plain wrong.

Some of this bad information comes from people who just don't know what they're talking about. Too much of it comes from people making a profit off of new, inexperienced bloggers without providing anything of value in return. In fact, some of the bad advice can cost you far more than what you paid for the advice itself!

The Internet being what it is, you may have to wade through a lot of information, both good and bad, to find a strategy that will work for you in the long term.

At Mirasee, we've developed a system that works, and we've helped hundreds of people create blogs that make an income and fulfill their goals in terms of their passion and desires for their blogs and their lives.

Our goal with this guide is to help you cut through the noise, avoid bad advice, understand best practices and find the method of monetization that works for **you**—and that will stand the test of time.

## Chapter 1

# There's a Right Way (and Several Wrong Ways) to Make Money from Your Blog

There's a fine line between creating a business around an audience, and creating an audience for a business. And in both situations, often actually making money from a blog is an afterthought.

While having an engaged audience is one of the best strategies around for sustainable monetization, you have to build it with your end goals in mind. You also have to avoid certain activities that prevent your blog from becoming what you want it to be.

We're going to show you how to avoid the obstacles, jump the hurdles and create your blog the right way, so that both your blog and the money it makes meet your ultimate goals.

First, let's start with the basics of blogging and monetizing your blog.

## Why People Blog

In many ways, blogging has become the modern equivalent of the mix tape. If you're not old enough to remember, the mix tape was a collection of songs recorded off of the radio or other cassette tapes. People created mix tapes for boyfriends or girlfriends, for best friends, for parties, for studying, for driving.

Blogs are a lot like mix tapes in that people have a lot of different purposes and intentions when they create them.

Some bloggers start out blogging on a topic they're passionate about, like birding or mixed martial arts or classic Camaros.

Other blogs start out as a place to express thoughts and opinions. More than a few pairs of friends have even started blogs as a way to have a conversation with each other in public, and often from a distance.

Darren Rowse of ProBlogger.net writes:

> *Back in 2002 I stumbled upon an article about 'Blogging'. I didn't know it at the time but that moment changed my life. I know that statements like that belong on those cheesy 'buy my $1000 training program' sites (don't worry I'm not selling anything more than a book) but it is actually true.*
>
> *Within 24 hours of reading the article I had started my own Blog— a personal blog where I've explored issues of Pop Culture, Spirituality and Blogging ever since. I've learned so much from the experience of that blog that I've since started many other blogs.*
>
> *As my blogs have grown in popularity and have begun to generate income, blogging has grown from a hobby (some would say an obsession), to a part time job through to a fully fledged business in recent times. I have slowly built my blogging into an income source that has enabled me to dedicate more and more time to the medium to the point where I am currently a full time blogger— a ProBlogger."*

Some creative people start blogging to create a portfolio of written work to show to clients or to showcase their visual, musical or voiceover work for potential clients.

## Should You Even Be Thinking About Monetizing Your Blog Yet?

Many people start blogging specifically with the goal of making money, but many others do not.

Most bloggers reach a point, whether they've started to monetize their blog or not, where they say, "I need to make some money at this."

But if you already have a blog, it can be hard to retrofit it into a profitable business. Different types of blogs work better with different types of money-making strategies, which is why this guide will cover a variety of methods. Before you even think about how you're going to make money, you need to make sure your blog is really ready for the big time.

Every profitable blog has a few things in common. Think of these as the foundation for your blog-based business—without a good foundation, no business strategy you build on your blog can succeed.

*Every profitable blog has 3 things: a unifying theme, good design and user experience, and an audience.*

First, your blog needs a **unifying theme**. It can be a broad, popular topic, like personal development or technology, or it can be something really specific, like DIY steampunk jewelry. What matters is that when readers come to your blog, they know what to expect. You're not writing about the latest car technology one day and elephant mating habits the next. And, to be brutally honest, unless you're Gwyneth Paltrow, you should never, ever write about what you had for breakfast.

Second, your blog needs **good design and user experience**. This doesn't mean you have to hire a designer and a programmer, but it does mean you need to follow basic best practices. If you're not a designer, don't try to make your blog look good yourself—use a theme that was created by a professional. Get your own domain and hosting so your blog looks professional. Make sure your blog loads fast, because most visitors will click the back button within seconds if your site is slow. And make sure that the general theme and purpose of your blog is immediately obvious to a visitor. If you're not sure, try signing up for a free user test with Peek—they'll send you a video of a random user visiting your site, which will show you if your site has features that annoy or confuse the average person.

And finally, your blog needs an **audience**. It's okay—in fact, it's often a good idea—to plan your monetization strategy before you have many readers. But in most cases, you won't be actually making money till you have a sizable audience (which means a lot more than just traffic). We'll talk more about that later in the guide, but in the meantime, be aware that you won't be making much money till you have readers.

If your blog already meets this basic criteria, congratulations! You *should* be making money with your blog. Let's talk about how.

## Advertising on Your Blog Is an Easy Way to Make a Little Money

The most common technique for monetizing a blog is to run ads on your site. The most popular type of advertising is called pay-per-click, because advertisers pay each time a visitor to your site clicks on an ad. You've probably seen this type of ad in the sidebar and along the top of Google search results.

Google Adsense is the most popular ad network for bloggers using pay-per-click. You can find out more about how Adsense works at BloggingYourPassion.com.

Some other ad networks you might run across are Kontera and Chitika. The big difference is that Google places text-based ads, and Kontera and Chitika place a double underline under words in your blog post. When a user rolls their mouse one of these words on your blog, a pop up box appears. Search Engine Journal has a great article about this type of contextual advertising.

Another way of using advertising on your blog is called CPM, which is a strange acronym for cost per thousand. It's actually "Cost per Mil," with mil meaning thousand. If CPM weren't confusing enough, you'll also hear this kind of ad called impression-based or performance-based advertising.

Basically, with this type of advertising you get paid each time an ad is seen by a different visitor on your site, known as a "unique visitor." Unfortunately, if Sally and Joe each visit your site 20 times a day because they really like you, and Sally sees one ad 14 times while Joe sees it 17 times, that's still just one impression per day for Joe and one for Sally, for that particular page.

The third type of advertising you could put on your blog is also a variation of an affiliate marketing method in which you get paid for sending business to another person or business. This is called CPA, for cost per action. (Hurray! We're back to the acronyms making sense.) With this kind of ad or marketing, you place a link, image, or call to action on your site and you get paid when a user takes an action.

*Here's an example.* Miranda is a parenting blogger. She writes a blog post about a great diaper rash cream that she received as a sample from the company. She loved it because it cleared up Bobby's diaper rash in an hour, rather than the days that Desitin takes.

At the bottom of her blog post, Miranda includes an offer to get a free tube of Diaper Rash Miracle, just by filling out a form. When a reader fills out the form and gets their free tube of Diaper Rash Miracle, Miranda gets paid a fee for capturing that lead for the Diaper Rash Miracle people. Miranda's reader gets a free tube of Diaper Rash Miracle, and the company gets a potential new customer and the ability to follow up with that lead.

We'll call all three of these methods of monetizing your blog "advertising," because that's what they are.

If you're interested in advertising, you should know that there are text ads, which are exactly what they sound like—ads made of text. You can also publish display ads, which are image ads. If you're interested in display ads, you might like this article on CPM vs CPC vs CPA in display advertising for publishers.

Now, all three of these methods are legitimate ways to monetize your blog. Unfortunately, advertising is not going to make you much money, because the math simply does not work for new blogs. You'd have to have hundreds of thousands of visitors per day to make real money running advertising on your blog.

One of our community members at Mirasee ran Google Adsense on her blog for a full year—and made $110 and change. Even if she only put in ten hours a week on her blog (which is a low estimate), she made less than a $0.25 an hour, when the federal minimum wage in the United States was $7.25 an hour. Ouch.

That's the bad news: advertising is not likely to pay your bills when you start your blog. However, there are a few ways to use advertisers to make sustainable income from your blog, such as sponsored posts and direct ad sales, which we'll talk about more in chapter 3.

## Selling Your Blog Is a Hard Way to Make a Little Money

Another common dream for monetizing a blog involves building something you can sell. There are two forms of this dream. The first is planning to build up your blog into a big blog, and sell it for millions. The other version of this dream is to start a blog, build it up a little bit, and sell it. This process is called "flipping," a term that the blogosphere has borrowed from the world of real estate.

Let's look at the dream of building up your blog and selling it first. You're going to blog like crazy, build up an audience, create a blog someone would want to take over, and sell it for a tidy sum. You're okay if it

doesn't sell for hundreds of millions, or even tens of millions. If you can just get paid for the time you put in, you'll sell.

The fact is that this just doesn't happen on a regular basis. It *has* happened. It *might happen* again. But it doesn't happen a lot. You probably have a better chance of winning the lottery than selling your blog for millions.

You hear the occasional success story, like Fotolog, which sold for $90 million, and Sumo, which sold to CNet for $29 million. The reason you hear those stories is that they're unusual. They make the news.

Building a blog to sell it for millions just isn't a good monetization plan with an additional money-making strategy. No one is going to pay a lot of money for a blog unless it's already generating income through a sustainable business model.

But what about blog-flipping? Can't you build a blog and sell it for a few thousand dollars, and make a living?

Blog-flipping typically involves creating a blog on a popular topic, one in which you may not (and probably don't) have any interest. You build the blog and drive traffic to it. Sometimes you drive traffic by buying traffic, which increases your investment in the blog. You start generating revenue.

Then you sell the blog for several thousand dollars, if things go the way you hope they will. More often, you sell the blog for a few hundred dollars or even a couple of hundred. You may not even make back your

investment in the form of your time and your expenses (things like buying a domain name, custom blog theme, and ads to drive traffic).

If you don't drive traffic and create revenue, you can still sell the blog, but not for thousands of dollars, or even hundreds of dollars. For your work creating the blog, you'll make somewhere in the neighborhood of $50, give or take $25, and you'll have to pay the flipping service's fee of $10 or so.

If you're interested in how blog flipping works, you might want to check out this ViperChill article. Keep in mind, though, that flipping blogs well involves a lot of work, time and effort, and the average person doesn't make a living at it.

If you want your blog to create a life, as well as a living, advertising is not going to get you there. Neither will selling your blog.

## Do You Want to Sell Your Audience or Sell to Them?

There's a very good reason that these two monetization methods don't work. The problem with advertising and selling your blog is that these methods attack everything from the wrong angle.

Think of it this way: the only way to make money is by selling something. As a blogger, you have two things you could sell. You can sell products to your readers—which could be your own products or someone else's—or you can sell your readers to companies who want access to them. In the first case, you could write a book and sell it. You're creating a product and selling it to your readers. In the second, you could sell a banner ad

across the top of your home page to a company that has products relevant to your readers. That's a case where your readers are actually the product, and the company is buying access to them.

Take Facebook as an example. Facebook's product is you. Facebook sells advertising, and it does so very, very well. It does well because it has over 1.5 billion users it can sell to advertisers. And it attracts new users faster than it repels them.

But as a lone blogger with an average audience, you can't afford to treat your audience as your product. If you do, you won't create the life, the income or the blog you want. Fortunately, there's a much easier way to make money with your blog, and that's the approach we teach at Mirasee.

## Sustainable Monetization Through Audience Building

The right way to monetize a blog is to consider long and hard the following questions: What are you writing about? Who you are writing for? What are your readers' needs? How you can meet those needs? The key is to focus not on making money, but on offering value.

> *"Value is a measure of usefulness you provide to your readers or customers, so value can exist completely independently of money.*
>
> *One way to remember the difference between the two is this:*

*You can purchase value with money, but you can't use money to create value. But on the other hand, money is often created as the byproduct of first providing value."*

*– Gary Korisko of Reboot Authentic*

[Putting your audience first](#), rather than the money, creates far more interesting and effective ideas for making money. As an added bonus, focusing on your audience will also create far more income than focusing on money.

You may have heard the saying, "People buy from people." That may sound obvious, but the point is that people want to buy from another person. They don't buy from your blog; they buy from *you*. By developing relationships with your audience, you create the atmosphere for them to buy what you have to offer.

Going further with this, networking expert Bob Burg, author of *Endless Referrals,* says that people buy from people they "know, like and trust." Simon Sinek, author of *Start with Why,* says "People don't buy *what* you do; they buy *why* you do it. And what you do simply proves what they believe."

These quotes go to the point: People want to interact with, and do business with, other people. Further, they want to be treated like people, not like a product.

When you care about your audience, find out what they need and then do everything you can to meet that need. If you do, your audience will reward you with their dollars. And we're not talking about the $0.40 you could earn for a click on an ad, or even the $1 you could earn per 1,000 visitors to your site.

Instead, we're talking about the fact that your visitors will reward you with far more money relative to the size of your audience than you could ever make with advertising or by building a blog to sell.

If you build an email list through your blog and sell valuable products to the people on that list, you can conservatively expect that for each person on your email list, you will make at least $20 per year. That doesn't mean that every single person on your email list will pay you $20 per year, but rather that if you have 1,800 people on your email list, and you monetize correctly, you can easily make a living of $36,000 each year.

By the way, that's probably a conservative estimate. Jon Morrow at Boost Blog Traffic says, in Lesson #15 of this article, that his blog earns about three dollars per subscriber per month, which adds up to $36 per subscriber per year. So there's definitely the potential for more earnings. It's all in how you target your audience, how you engage with them, what you offer them and how your audience values your offer.

> *"I don't think there is a general number for the average email marketer, since it really depends on so many factors—list size, product price, their positioning with their list, the quality of their emails, the relationship they have with their list." – Ben Settle*

In the process of getting to know your audience, and what they need from you, you will work with your audience to create the blog you most want to have, one which shares your passion or promotes your cause. You'll soon realize that your audience are your people and that you're not just making a living—you're making a life.

## Selling to Someone vs. Forcing the Sale

Before we wrap up this chapter, it's important to point out the difference between selling a product or service to someone, and selling someone on your product or service.

People don't like to feel like they're being asked to buy something that isn't right for them. Ask anyone and they'll agree: they don't like feeling like they're "being sold." Especially in the world of online marketing, the experience of being sold is often compared to buying a car from a sleazy used-car salesman.

On the other hand, if you've done a good job of identifying what your audience wants from you, then you know that they need what you are offering and that they have the money for it. In fact, it does not just about need—they want to buy it. They want you to serve them by providing what they need in exchange for their money.

People love a fair exchange of value, and they understand the difference between offering something for sale and treating the customer as the source of your next paycheck.

Now that you understand that difference as well, you're well on your way to monetizing your blog the right way.

The next step is to make a plan, so that you know where you're going and how to get there. We'll cover that in the next chapter, so for now, let's recap what we've covered so far.

## Key Points

We covered a lot of information in this first section. Here are the key points to keep in mind:

- People blog for a lot of different reasons, from sharing a passion to communicating beliefs to teaching something online.

- Many people who blog want to make money from their blog, whether that's a full-time living or just a little extra cash on the side.

- There are several ways to make money from, or monetize, your blog. Some monetization models work better for beginning blogs than others.

- Advertising is a popular business model that doesn't work particularly well for beginning blogs. First, your audience is your product. Second, you need hundreds of thousands of daily visitors to make any real money from advertising.

- Building a blog to sell it also does not usually bring in a lot of money, simply because most blogs don't sell for a whole lot of money *and* they take a lot of time and effort to create.

- To build a sustainable income, build an audience of subscribers who want to hear from you.

- With an audience needs the product or service you're offering, you can expect to make at least $20 per subscriber per year. And, you don't need thousands of subscribers to reach this income level.

- There's an important difference between giving people what they want and need in exchange for their money, and viewing your audience as the source of your next paycheck.

# Exercises

## *Self-Assessment: Where Are You Now?*

Based on everything you've read in the first section, where are you in your blogging career? It's important to analyze everything that's currently going on, so that you can set some concrete goals in the following sections.

To do an analysis of everything that is currently going on in your business, answer the following questions:

- Does your blog look and work the way you want it to? Is it user-friendly and well designed? If not, make a list of the changes you'd like to make.

- Can you make the needed changes yourself? If not, do you have the resources (time and money) to hire someone to make the changes you need?

- Do you have an email list? If so, how many people are on it? Are you using your blog to manage the email list, or do you have an account with an email management system like MailChimp or AWeber?

- Is your list engaged? Do they respond to your emails and take the action you want them to take?

- Do you have a good way to get more subscribers?

- Are you currently making an income from your blog? If so, how much? Divide your income by the number of subscribers—are you close to the $20 per subscriber per year income that we talked about in this chapter?

- What is your ideal yearly or monthly income from your blog?

- What resources do you currently have available? Which tools, technologies, and software packages are you already using, or have access to?

- What knowledge do you have? Consider skills, abilities, talents and trainings.

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Chapter 2
# Always Start With Your Goals

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Figuring out what you want to build, and how you want to build it, is the fun part of creating your blog.

In *The Seven Habits of Highly Effective People,* Stephen Covey stated that you should "begin with the end in mind."

We're going to do exactly that with your blog. Before you pick a strategy and start implementing it, you have to pick your end point. Then, work backwards to find the strategy that will work the best for you and your business.

This is a great strategy for three reasons.

**First**, as Yogi Berra said, "If you don't know where you're going, you might not get there."
When you know your destination, it will be easier to reach, and you'll know when you get there.

**Second**, you will save untold hours and dollars by creating a destination and planning backward to choose the right strategies. If you keep trying different strategies looking for something that works, or pick something at random because it seems easy or because someone else is doing it, you might never reach your income goals. Choosing the right tactics for your plan will reap much better results, and much sooner than taking a try-and-see approach to monetization.

**Third**, you will make far more money with a strategic plan and focused tactics than you ever could by trying a few things to see what works. Planning and testing will create more income, and more free time for your life, than any other method of monetizing your blog.

*Before you pick a strategy and start implementing it, you have to pick your end point. Then, work backwards to find the strategy that will work the best for you and your business.*

## When a Blog Isn't Just a Blog

### A Blog vs. a Business

If you're like a lot of bloggers, you think of your blog as something you just do. You would like to "make some money from it," but you don't think of it as a business, and you don't treat it like a business.

In fact, you may make a point of telling people that you're "not interested in starting a business" or in running a business.

That mindset—and that approach—severely limits how much money you can make from your blog. You may not make any money at all until you overcome this limiting factor in your monetization plans.

Where does this mindset come from? Most likely, it's being caused by one of these three obstacles:

### Negative Ideas about Business

The first reason you're not interested in running a business may be this: You may have some negative ideas about the idea of a "business." That's pretty common, so let's take a look at negative, limiting beliefs you might have about being in business or running your own business.

The five most common negative beliefs about running a business are:

1. Business is boring.
2. I can't run a business because I don't know how.
3. I can't run a business because I don't want to have employees.
4. I can't start a business because I don't have any money.
5. Business involves selling and I don't want to sell.

Let's just briefly look at these and see how you can let go of your limiting beliefs.

**Business is boring.** Business can be boring, but it doesn't have to be. When you start your business, you can create whatever you want, and boring doesn't have to be part of that.

**I can't run a business because I don't know how.** When you started school, you may not have known your alphabet or how to write your name, and you certainly didn't know calculus and how to write a research paper. You learned as you went. Starting a business is the best way to learn to run a business. When you don't know how to do something, you'll learn, and then you'll know how. That's how many people learn to run a business.

**I can't run a business because I don't want to have employees.** This is one of the most common things people think about running a business, and one of the easiest to deal with. If you don't want to have employees, you don't have to. You can stay small and do it all yourself. You can also grow by hiring contractors to do some things you don't have time to do. You might start with a virtual assistant and then hire more contractors as you need them.

**I can't start a business because I don't have any money.** This is a big limiting belief, and one you can let go of right now. [Starting a blog business doesn't require a whole lot of money](). Blogging is probably the cheapest business you can get into, and when you set your business up the right way, you're going to make way more money than you ever put into it, and turn a large profit on your time and investment.

**Business involves selling and I don't want to sell.** We've already talked about this in Chapter 1. People don't like to be sold, but they do like to purchase things that make their lives easier, solve a problem or provide a delight. You don't have to sell anyone. When you build an audience-based blog business, you're going to surround yourself with people who want what you have to offer and will gladly pay you for your knowledge, time and expertise.

### You May Want to Think of Your Blog as a Hobby You Get Paid For

Negative and limiting beliefs are the first thing that may be holding you back from creating a blog as a business. You may let go of those beliefs and still not think you want to start a business.

You may, like a lot of people, think of your blog as a hobby you want to get paid for.

Unfortunately, you're going to have to make a decision, because you can't both treat your blog as a hobby and make a living from it. We can't say that it **never** happens or that **no one** ever has, but it's about as likely as selling your blog for millions of dollars.

Hobbies are fun, which is one reason we like hobbies. We also do our hobbies when we want to and do what we want to with them. If I don't want to work on my knitting for a month, I just don't work on my knitting for a month.

A business can be fun, but you can't treat it like a hobby. You have to work on your business, and in your business, on a regular basis.

*NOTE*: You also need to be aware of the tax implications of having a hobby or a business.

Most people who start making a little money from their hobby discover something pretty quickly. They either have to turn it into a real business or make less money than they would with a real business. You just can't build a full-time, regular business if you only work when you want to and ignore everything when you don't want to work on it.

That's not to say you have to work full-time on your business, especially at first. There's nothing wrong with running a part-time business. You just have to be regular with your work and maintain it like a business rather than a hobby.

There's also nothing wrong with occasionally making money from your hobby.

We're assuming that you want to make a life and a real living, either part-time or full-time. You may not know how to run a business now, but we're going to show you how to make money from the blog you've been building, or are planning to build!

Before we do that, though, let's look at the last reason you may not want to turn your business into a blog.

For this limiting belief, we're going to throw just a bit of cold water on the passion/business connection with this very important article from Jonathan Mead of Paid To Exist. What Jonathan has to say is very important advice if you're planning to monetize your passion.

### You May Not Actually Want What You Think You Want from Your Blog

What do we mean, you may not want what you think you want?

Let's say you love birds. Not that fried chicken is your favorite food, but that you love watching birds. You're a birder. You start a blog about birding in your area. You're having a good time blogging about your birding adventure and your friends' adventures. You write an ebook about birding at a lake in your region and sell it for five bucks on your site.

You sell a few copies of your ebook, and then the state birding society mentions it in their monthly newsletter and you sell 500 copies in one weekend. That's enough to make your car payment for the rest of the year.

A friend asks if you're going to do another ebook. Another friend, who runs an online business, asks if you're planning to "further monetize" your blog.

You decide you should.

Now, one of two things might happen.

The first thing that might happen is that you might get an idea for another ebook, one that would appeal to birders across the country. It has a wider audience than the one you wrote for birders in your area. It has more material, and it takes longer to write.

You enjoy writing it, get some great cover graphics made, price it at $15 and start looking for a way to get the word out about your new ebook.

If this is how you handle your sudden success, you're probably ready to turn your blog into a business.

But, you might react differently.

When your friend asks about further monetizing your blog, you might feel weird. You might not want to do it at all. Or you might get an idea for an ebook with a wider audience, but then not feel motivated to write the

ebook. You might not be as excited about creating revenue streams, as we call them, from your blog as you thought you were.

That's fine—go with the way you feel. But if you feel resistant to turning your blog into a business, now might not be the right time to do it.

### *Goodbye Obstacles, Hello Future Blog Business*

We assume that since you're reading this guide, you want to make money from a blog, and that you're here to learn how.

The problem is that any one of these three obstacles can wreak havoc with your monetization plans. Any two—and especially all three together—can be fatal to your monetization plans, and even to your blog itself. But they don't have to be.

Here's why these obstacles can ruin your chances of starting a successful business, and how you can stop them from doing that.

These three ideas can be barriers to starting a business. If you allow yourself to believe that you don't want to start a business, or that you can make money from your blog while treating it like a hobby, or that monetizing your blog doesn't feel right in terms of what you want from your blog, then you won't successfully turn your blog into a money-making business.

If, however, you acknowledge that there are limiting beliefs and that you have subscribed to some or all of them, you can let go of them. You may not immediately jump up from your chair celebrating your release from all limiting beliefs. You can, however, do the work as if you believed differently, and the beliefs will change.

If you want to create a successful blog that provides you with the life you want and creates a living for you, as well as giving your audience members something they want and need, you can do that. You just need to make a start and keep doing the work.

## What Do You Need from Your Business?

So now that you've identified your limiting beliefs, and started work to overcome them, it's time to create your blog business.

The next thing you need to think about is: what do you need from your business to make it worth your time?

We're obviously talking about money here, but we're also talking about time and other non-tangible factors, such as relationships or personal freedom. We're also talking about what we'll call perks, or miscellaneous cool things that happen or that you acquire as a result of running your business.

> *"If you don't have a clear picture of exactly what you want your lifestyle to look like, how on earth can you build a business to support it? And that's exactly what a business should do by the way— allow you freedom of choice and time to do what you desire, while supporting you financially. Of course when you love the work you do it never feels like work and that also comes back to getting really clear about how you want to be spending your time, with who and on what. I call this your painted picture— your visual and written plan of what you want your business and life to look like 3 years from now but written in the present tense.*
>
> *This is where you define what you've achieved, who's on your team, how you make an impact, what your relationships are like and how you live your life. Then it becomes imminently clear what type of business and revenue streams will allow you to make that a reality. From there you can work backwards on your business plan for the next 12 months, right down into monthly and weekly activities that make it all seem totally doable and move you towards your dream lifestyle that much more quickly."* – Natalie Sisson, The Suitcase Entrepreneur, creator of *The Freedom Plan*

We'll start with money, because that is the easiest thing to measure and because it's usually the biggest goal.

How much money do you need from your business, on a monthly or annual basis? This number should be the amount of money you need in order to leave your job and run your business full-time, if that's what you want. If you're happy working part-time, this is the amount of money you need to make to compensate you for the time you spend on your business outside of your regular job.

Think of this as your minimum required income from your blog business. We'll talk about what you would like to get from your business in a moment, but for now, come up with a dollar figure that would allow you to keep running your business for the long term.

Time is the next important thing to look at in terms of what you need from your blog. There are two aspects to time and your business. The first thing to ask is: how much time do you need to work on your business versus how much time you're not working on it?

If you're planning to replace a full-time job, you may eventually work full-time on your business. Until then, how much time do you have to work on your business? If you're planning to run your business part-time, how much time do you have for your business?

Do you have good time management practices in place? If not, you might want to check out "10 Time Management Tips that Work" from Forbes.

We'll talk later about what you need to do when working in and on your business, but the question now is how much time you have. What container of hours does your business need to fit into?

The next question about time is: In terms of time, what does you need your business to give you? Do you need to create a full-time business where you work 30 hours a week, with those six hours a day occurring Monday through Thursday? Do you need your evenings free for other activities? Do you need to be free in the morning to take kids to school or in the afternoon to pick them up at the bus stop? You'll need to build your business around these other commitments, so take note of what you need, in terms of time, and when.

Relationships, freedom and perks are harder to quantify, but you probably have some ideas about what you need from your business. You may need to build relationships with other bloggers in your field, or want the freedom to take off on a weekday morning and to breakfast with a retired friend. You may want to reach a position where binocular manufacturers offer you a free pair of binocs in exchange for an honest review.

**Make a list of what you need from your business**, in terms of money, time, relationships, freedom and perks. Again, don't worry about quantifying relationships, freedom or perks. Just write down what you feel you need.

## *What Do You Want From Your Business?*

Okay, now to the really fun part.

What you want from your business is different than what you need. Needing things means the bare minimum required to keep your business running. What you want covers everything over and above what you need to make it worth your time and effort.

This is where you consider how much money you'd like to make, how much time you'd like to spend on and in your business, when you want to work, and what you would love to have in terms of things like relationships and freedom and perks.

If you have a place where you're writing all of this down, start a page for what you want from your business. If you haven't yet written down what you need, go ahead and do that first. Then, you can start listing what you want.

If the question "What do you want from your business?" has you shaking your head in bewilderment, here's an article addressing just that topic. You might feel a little clearer after you finish reading it.

Come up with a dollar figure for what you want your business to make per month or per year. Write out the schedule you'd like to keep and the number of hours you'd like to work per day and per week. Note the times you don't want to work and the things you want the freedom to do. Name a few people you'd like to get to know through your business and some perks you'd like to get from your blog.

Now go a little deeper and describe the life your business gives you.

## *It's Not About Income—It's About Lifestyle*

You might want to start describing the life your business will give you by describing your income, but here's why you shouldn't. You've already written down the income you'd like to make. Now you get to look at what that income is going to provide for you.

Start with enjoyment. What do you have in your life that you enjoy and that makes your life more fulfilling and happier? This could be anything that you will have in your life when your business is creating the life and living you want. It could be a hot tub or a fancy memory foam pillow. It could be a sailboat or time to play Pooh Sticks in the creek by your house with your kids.

Step back and take a broader look at your lifestyle. How do you live once your business reaches the income you desire? Think about this in the present tense and imagine living your perfect lifestyle. Where do you live? Why do you live there? What do you do with your free time? Who are your friends and what do you do with them? What do you do when you spend time with your family? Where do you work, and why do you work there? What are your days filled with?

Imagine your whole life when your business reaches your desired level.

Now imagine the social impact that you and your business have. This may be mostly through your business, or it may be mostly outside of your business. What do you care about, and how do you make a difference? In what ways does your business make your social impact possible? What will you do for the world in the next five, ten, 20 or 25 years?

Be sure to write this all down, in a place where you'll be able to re-read it as you build your business. This will serve as inspiration and motivation when you encounter obstacles and roadblocks along the way.

### Who Are You With Your Ideal Blog?

We've looked at what you need and want from your business in terms of income, lifestyle, social impact and other tangibles and nontangibles.

Now, take a few minutes to think about who you are when you have your ideal blogging business.

What does having your business do for your confidence and your sense of self? Who does it make you, whom would you like to be? How does it make you more of yourself?

Who are you to the members of your audience, and how do you serve them? Who are you to people in your life and your physical community, and how do you serve them?

In short, who is the person you will be when your blogging business reaches your immediate goals and becomes the business you want it to be?

Here are three articles that will help you with knowing who you want to be and getting to that point:

- "Changing Direction" from Tiny Buddha
- "Be Who You Want to Be By Realizing You're Not Who You Think" from Tiny Buddha
- "Be Who You Want To Be" from Pick the Brain

## Now You've Got a Bunch of Dreams...

We hope you'll forgive another quote, which seems to fit very well here.

"If you have built castles in the air, your work need not be lost; that is where they should be. Now put the foundations under them," says Henry David Thoreau. Now that you have a bunch of dreams for what you want your blog and your business to be, it's time to create those dreams.

To do this, we use backward planning. Some consultants use fancy terms like Understanding by Design and Backward Design for various situations, but we'll stick with the term backward planning. It's short, it's easy to say and it describes what we're doing.

This SlideShare deck by Ed Vainker demonstrates backward planning really well. It's designed for teachers, but it works just as well for our purposes.

Let's start with what you need from your business to make it worth your time and effort, and how much you want to work to reach that level of income.

Go back to the exercises we did in the last section, where you wrote down both what you want and what you need from your business. Take a second to review what you wrote down for your required monthly or annual income, and how much time per week you think it will take to make that income.

What would it take to reach that level of income, working that amount of time on and in your business?

You might decide that you need a certain number of clients paying you a set fee for coaching, consulting or other services such as copywriting or design. You might need to sell a certain number of products in a particular price range. You might want to have a membership site with a specific price per month and a minimum number of members.

As you think about what it would take to get your business to where you need it to be, also think about other elements of your life and your business. Remember to start with the minimum that you need from your business. You already have a figure for how much money will make it worth your time, and an idea of how much you want to work for that amount of money.

*Think about what it would take to make your business worth the time and effort needed to build it. Start with the minimum that you need from your business.*

You should also start to think about your schedule, whether you want or will need to hire help, and what you want to spend your time doing.

In addition, start thinking about who you'll be and the life and social impact you'll have when your business is meeting your needs. What will you need to do to have that impact and that lifestyle from your business? What will your business need to provide for you to be who you want to be and do what you need to do?

Then move on and think about your goals for what you want from your business, and what it will take to reach that income, that schedule, that lifestyle and that social impact.

## Turning Your Dreams Into Goals

Creating dreams is a lot of fun, and we hope you enjoyed that section of the report. Most of our students have a great time creating dreams.

Now it's time to start putting foundations under your air castles by creating goals for reaching your dreams.

### *Goals vs Dreams*

Before we start talking about setting goals and how to accomplish them, we should probably explain the difference between a goal and a dream.

Novelist Hugh Howey has a nice essay on goals and dreams on his website.

You might also enjoy this article on the "10 Big Differences Between Dreams and Goals That You Must Know."

Here's our definition of dreams versus goals.

A dream is something you would like to have. It's a wish, a fantasy. A dream is something you haven't gotten specific about or planned for, but you would someday love to have it.

A goal is something you are working toward. You have set a deadline and objectives for reaching your goal.

*A dream is something you would like to have. A goal is something you are working toward. It takes planning and dedication to reach your goals.*

You have a plan and you are actively working toward your goal.

A goal is not a wish, because you are creating the circumstances to reach your goal.

A wish or a dream is not a goal, because you're thinking about it but not taking action toward it.

You may not quite get the difference between goals and objectives. If you haven't studied goal setting, or done a lot of reading about it, all the terminology can be a little confusing, so we'll explain that quickly.

A **goal** is your broad outcome. You will create a **strategy** to achieve that goal. An **objective** is a single, measurable step toward the goal you have set, using your strategy. A **tactic** is a tool you use or an action you take in pursuing your objectives by following your strategy.

We've heard this called the GOST, for goals, objectives, strategy, and tactics.

You can find a very good explanation of the GOST concept in this article David LaPlante, titled simply, "Understanding GOST."

Let's quickly walk through an example.

Let's say your goal is, "I am making $100,000 a year, working half-time, dealing with people some of the time but not all of the time, by June 9, 2015."

Your strategy might be to create a coaching program that brings in at least $50,000 per year with no more than ten hours of direct people contact per year. You might also create a home study program that brings in at least $40,000 per year, as well as create two to four entry-level and intermediate programs that bring in $10,000 per year while moving prospects through the sales funnel toward the coaching program and/or home study program.

One objective might be to create a coaching program which can be sold for $5,000 per year to ten coaching clients.

A tactic for that objective could be to research your audience's needs and the coaching programs currently available to determine what a coaching program should contain so that your audience would be willing to pay $5,000 per year to work with you in that program.

## *How to Set Goals*

You may have heard of the SMART goal-setting system. It's the most common and popular goal-setting program, and it's a good place to start.

## S.M.A.R.T. Goals Are

- **Specific**—they focus on something in particular, such as your income, the amount of time you'll work and how you'll spend your time.

- **Measurable**—you can determine when you've reached the goal. For instance, it's clear whether you are making $100,000 a year or not.

- **Ambitious**—different authors have differing definitions for what "A" and "R" stand for in "SMART." We like ambitious because your goals should be something you really want to achieve and should not be so easy that you're not motivated to strive for them.

- **Realistic**—At the same time that your goals should be ambitious and stretch you, they should be something you believe you can achieve if you work for them. You won't work for a goal you know you can't achieve, and it won't matter that you set the goal.

- **Time-Sensitive**—your goals should have a deadline, and you should strive to meet that deadline, knowing that if you miss it, you've still made progress toward your goal and you can set a new deadline and keep going.

Brian Tracy is one of the best, if not the very best, trainers when it comes to goals. You can watch one of his goal-setting seminars here, and get his best-selling book Goals as a free ebook at BrianTracy.com.

## Some Goal Examples

We've already mentioned one goal, of attaining an income of $100,000 per year while working half-time and dealing with people part but not all of the time.

Another version of that goal might be to work four days a week from 7:30 am to 3:00 pm, drive your kids to school and pick them up at the bus stop, and work directly with people very little or not at all.

A third version with the same income goal might be to work every day from 7 am until noon and spend at least 15 hours a week working with coaching clients.

You can choose any goal you want that fits the business and the life you want. You can even set outrageous, audacious goals—as long as you realize that they will take longer to reach. You're not going to make one million dollars in your first year running a blog business, but that doesn't mean you can't ever make one million dollars a year.

*Time to Start Planning*

Once you have an idea of what your business needs to look like to meet your goals, start planning how you will get there. This is the strategy we talked about earlier. If the term "strategy" sounds a little stuffy and dry, think of it as developing your action plan.

## The Building Blocks of a Plan

Your strategy starts with your analysis of what you want to do and what it will take to get there. For instance, do you need a big audience to buy affiliate products that you promote through your blog?

Maybe you need lots of marketplace authority to command high consulting or coaching rates.

Maybe you plan to sell your own products and need a large audience of people looking for the solutions you offer.

Maybe you would like to combine affiliate sales, coaching or consulting and your own products—in which case, you need a large audience and marketplace authority.

Whatever you find you need, start looking at your blogging as a way to get there. What do you need your blog and/or blog audience to be able to provide?

You don't know all of the answers to that question yet, but we're going to look at how to get the answers you need.

## Key Points

- To build a blog that creates the income and lifestyle you want, you have to start with the end point in mind, and plan backward.

- Planning backward is effective for three reasons. First, you have to know where you're going to know if you've gotten there. Second, you'll save huge amounts of money, time and effort by creating your goal first and aiming straight toward it. Third, creating a plan and working that plan will make you more money than throwing something against the wall to see if it sticks.

- There's a difference between a blog and a business, most often people run into three common limiting beliefs about what it takes to turn a blog into a business.

- If you want to make serious money from your blog, you have to run it like a business, not like a hobby.

- You may think that business is boring, that you don't know how to run a business, that you don't want to have employees, that you don't have the money to start a business or that you don't want to sell.

- Running your blog as a business can be a lot of fun. You don't have to have employees or even contractors working for you if you don't want to. You can start with a very small amount of money, and you never have to sell anyone anything; you just need to offer your audience something they want.

- Hobbies are great in part because you can do as much or as little as you want, whenever you want. You can't do that with a business, and you can't do it with your blog if you want to make real money.

- It's fine to decide that you'd rather have a hobby than a business, as long as you understand what that means.

- You have to think about what you need from your business, in terms of money, time and intangibles such as quality of life and time to spend on your relationships.

- You also have to think about what you want from your business, in those same terms.

- Once you've created goals for what you need and want from your blog, it's time to think about what it will take to get there.

- Goals are different from dreams because they're concrete—you can reach them. Dreams are just nice to think about.

## Exercises

Write a one page description of what your life will look like with your ideal money-making blog. Then, list the SMART goals that will help you get there.

## Chapter 3
# Monetization Models for Blogs

This chapter will go over the various possible methods of monetization. All of these options are available to you, but depending on who you are, what your industry is like and what your personal goals are for your business, some will be far better than others.

What we're doing in this chapter is providing a quick overview of each monetization model available to you. We'll explain what it is, how it works and cover the basic do's and don'ts for the model, as well as best practices. Then we'll look at who it's best for and why you might choose to use a particular monetization model.

## Services

*"If you are not offering done-for-you services for your audience, you are leaving tens to hundreds of thousands of dollars on the table. You've established yourself as the expert, so selling your services is the reasonable next step."* – *Mandi Ellefson*

### Defining Services

The first type of monetization model is using your blog to sell services. Selling services is basically what it sounds like: You do something for a client in return for payment. When traditional business people talk about service-based businesses, they often mean things like cleaning services, yard mowing services or other in-person services.

Since we're looking to build a business online, we're looking at things a little differently. We consider online services to fall into one (or more) of three categories: You can offer freelance services, like writing or design. You can be a consultant and offer your knowledge and opinion in person or online. Or you can be a coach and use your experience and empathy to help people improve something about their lives.

Just about any type of service you can think of to offer online falls into one of these three categories. And pretty much any service can be sold through a blog built as an audience-based business. In fact, creating a blog business is the **best** way to market your services, because you have a built-in customer base.

## *Why Does This Model Work?*

Selling your own services to your audience is great for three reasons.

**First, your audience members already see you as an expert in your field**. They already know you and like you. When you have a large audience who thinks you're the very definition of awesomeness, you have to do very little marketing outside of your list. You can sell your services on your blog and through your email list and quite possibly stay booked up without any other marketing efforts.

**Second, your start-up costs are very low, compared to other businesses.** Assuming you have everything you need to perform your service, you will only need to make a small investment in setting up your blog. You'll have to invest time in building your audience, but your financial investment will be minimal.

**Third, as you build relationships with other bloggers and professionals, you can set up an affiliate program and offer commissions for referrals.** Once you've established a relationship and people trust you, they'll be happy to send business your way in exchange for a commission.

If you're planning to become a consultant, you might want to check out this article, "Build a Killer Consulting Business 5 Tips," from Inc.com.

If coaching is your thing, take a look at this fun and informative article from Mental Floss, "How Does One Become a Life Coach?" You might also want to visit the International Coach Federation and CoachU.com for information on training to become a coach.

Planning to freelance as a designer, a writer or a coder? Check out this great Mashable article, "85+ Tools & Resources for Freelancers and Web Workers."

## *Do's and Don'ts of Using This Model*

Okay, so now you know what selling your services is all about. You have a sense of how you can market your services through your blog and how you can expand beyond your blog to make more money without purchasing advertising or spending money on marketing campaigns.

Now let's look at a few "do's" and "don'ts" of selling your services online.

## *Do's*

Create at least one pilot program to test and validate your service ideas. Plan out what you think you want to offer and who you want to offer it to. Be very specific about what you're going to do, and test it out. You may be tempted to offer this pilot program for free. Don't. You're providing services and you deserve to be paid. Also, your pilot customers will value your work more and invest themselves in your services if they're paying you. A discount rate is fine, but don't offer freebies.

Start with a small group of clients to see how much work you can handle at one time. Of course your pilot program is going to involve a small number of people. You should also limit your first "live" service offerings to fewer people than you think you can handle. Everything takes more work and more time than you expect. Prepare yourself for this by taking on far less work than you think you can manage. It's much easier to grow your group of clients than downsize it.

Create firm expectations about what you are offering, and the timelines involved. Make sure that you're clear about how much time clients will receive not only on their projects, but also in the form of meetings, phone calls and emails. Think through your offering before you set up your program. If possible, ask clients to repeat back to you what they're expecting, so that you can clear up any misunderstandings before they turn into problems.

If at all possible, get paid up front. Most clients will expect to either pay up front or pay a deposit for a service. If a client balks at even paying a deposit, you should consider whether the client raises any other red flags, and possibly turn down the work without a deposit or payment up front. For large projects, you should not only require a deposit before work begins, but also establish milestones for further payments. Do not work on the next milestone until you've received payment for the one you've completed.

Keep an eye on your cash flow. When selling your services, it's easy to get into a position where you have several projects going and no payments on the horizon for days or weeks. When accepting new clients, be sure to look at the projects you have on board and the payments you're expecting. Make sure that you have

adequate cash flow to pay your bills. You don't want to be working full-time (or more!), but still not have the money to pay the rent.

Build all of your non-billable working hours into your pricing, including marketing, technology, blogging, etc. There are various ways to calculate your hourly wage. One of the best ways is to figure out how much you need to make each month to provide the income you need and want, and then divide that by the total number of hours you'll work, including billable and non-billable hours.

Build all of your expenses into your pricing, as well. The best way to do this is to set up a spreadsheet listing your expenses. You should list fixed expenses such as rent, utilities, cell phone and blog hosting, of course. You should also estimate your variable expenses, such as any advertising fees or any other costs that fluctuate based on usage. For example, if you sometimes hire a virtual assistant, you'll want to calculate how much that could cost, even if it's less some months.

### *Don'ts*

Don't slash your prices to be competitive. Charge what you're worth, and then some. As a service provider, especially if you've never sold your own services before, you may be a little put off by the hourly salary you came up with by calculating what you need to make. Avoid the trap of saying, "No one's going to pay me that much to do this." You don't know what someone will pay until you tell them your price. Charging what you're worth serves your clients because you have the time to do their projects well without feeling tired,

stressed or overworked. It also serves you by giving you the money, time and freedom you need from your business.

Don't bite off more than you can chew if you're new. Pace yourself. We mentioned this above, when we said that you should open your program or services to fewer people than you think you can serve. It's easy, especially in the flush of excitement with a new business, to think you can do far more than you can. When it turns out that you can't, you stand to lose business and referrals, and also faith in yourself and your ability to succeed with your business.

Don't allow changes to the scope of a project without charging a fee. If the client wants changes, quote a price. By "the scope of a project," we mean that you should not do work above and beyond what was agreed to. If you've agreed to two rounds of revisions and the client wants more changes after the second round, quote a fee for additional revisions. If the client asked you to design a blog theme and asks for an extra page template, quote a fee for the template. If you get in the habit of doing extra work for free you will not create the success you want and deserve. You also do your other clients a disservice by spending time, for free, on other clients' projects and taking time away from the clients who pay you fairly.

Don't give "mates rates". You might occasionally want to offer someone a discount. You should think carefully about it and give the discount only if there's a very good reason for doing so. The best reason for a discount is that there's something material in it for you, now or soon, and you are positive you will receive that benefit. When a friend or family member asks you for a discount, try saying this instead: "I actually

don't discount my services, but because we're [brothers/best friends/ dating] I'll do this for you for free. If someone asks you, please be sure to let them know that I charge X amount for this work."

### Best Practices

When you're ready to take on clients for your new service offering, it's time to run a full campaign. Pull out all the stops and advertise your services on your blog and in your email list. If you're satisfied that your service offering is completely ready, approach bloggers and professionals you know and ask if they'd be interested in earning a commission for promoting your services.

Use your blog, emails, and guest posts to get people into a sales funnel with an offer of a free consulting hour. The number of free consulting slots you give away should be determined by how many clients you'll take on. Make sure that you offer that same one hour consultation for a fee on your website, so that people who take you up on it realize its value and appreciate it as a gift.

Follow up with everyone who consults with you for the free hour. Don't follow up once or twice. Capture their names and emails into an email list and keep in regular touch with them. Send them useful, interesting and enjoyable content and occasional offers for your services.

### Is Selling Services the Right Model For You?

Selling your services works best if you're an expert at something and your blog presents you as an expert in that topic. You can offer services with a relatively small audience and build your audience over time. As long

as you're charging enough for your time to make it worth your while, even a relatively small audience should provide enough clients to keep you busy.

Of course, it goes without saying that this model only works if you're also interested in selling services or working with people one-on-one! If you're not, that's ok—there are several other monetization models at your disposal.

## Affiliate Sales

*"If you'd like to win at affiliate marketing, use the products you're promoting. When you use the product's you're promoting, everything you say about it will be honest, you'll be able to provide support for others if they need it, and you can even shoot videos and take people inside the product before they buy, which is seriously the best thing you can do."* – *Pat Flynn*

### *Defining Affiliate Sales*

The second type of monetization model is using affiliate sales. Using affiliate sales simply means that you sell other people's products to your audience. If you've ever seen a blog with an Amazon bookstore, that's an example of affiliate sales. You may also occasionally receive an email from a blogger whose newsletter you

subscribe to. The blogger may be telling you about a great new software program or book or website. Chances are he or she is receiving a commission in exchange for promoting the program or product.

When you receive an email like that or visit a site selling something offered by someone else, chances are that the blogger or site owner has tried the product or service and likes it. Of course, no one has read every book on Amazon, but many people like and trust Amazon and feel comfortable promoting Amazon's products to their readers.

Did you catch the key points in that paragraph? *The blogger has tried and likes the product or service, and feels comfortable offering it to his or her audience.*

If you set out to promote affiliate programs based on how much they pay, without trying them and without making sure the product is a fit for your audience, you're going to fail massively. You won't sell much for your product-owning partners, and you might drive away a significant portion of your audience.

It's important to really know what your audience wants and needs when you use this model, and be discerning about which products and services you recommend.

## *Why Does This Model Work?*

Have you ever looked for a review of a product on the web, instead of just looking at reviews on Amazon? Suppose you went to Google and typed in "home espresso maker review." Probably half of the top ten results would be review sites, which monetize through affiliate programs.

You don't have to run a review site to make money with affiliate programs, though. Content bloggers can see similar financial results by finding affiliate products and creating joint venture relationships with other business owners.

When you start out you might want to join existing affiliate programs while you get a feel for the business and build up your audience. Once you have a sizable audience and a track record as an affiliate, you can and should reach out to specific product owners and request special deals and offers for your audience.

Pat Flynn of Smart Passive Income is arguably the most respected expert when it comes to making money with affiliate programs. Pat's article, "Smart Affiliate Marketing Strategies," is a must-read if you're considering becoming an affiliate marketer.

### *Do's*

Understand that you need a sizable audience to monetize well with affiliate products. If you're promoting a one-time purchase, such as an ebook or software program, you will need to keep your sales funnel filled with new people who are interested in the product and might buy it. You should probably look to have at least a few tens of thousands of subscribers, and a thriving, growing list before you can depend completely on affiliate marketing for monetization.

Respond to real audience need with relevant products. Take the time to get to know your audience members. Don't think of them as "your readers" or "your list." They're not just names in your email list software. They're people, and you should spend time required to read their emails, ask them questions and understand

what they want and need. Then spend as much time finding relevant, high-quality products to recommend as **that** takes.

Test everything you recommend personally and thoroughly. Never promote something you have not tried and liked. Better yet, never promote anything you don't love. In the beginning you'll probably have to purchase products in order to test them before promoting them as an affiliate. Once you have a larger audience and a track record as an affiliate, you can ask product owners for a product to test. Information product owners are especially likely to say yes to requests like this.

Be ready to answer detailed questions about your partner's products. If you don't know the answer, say you don't know but you'll find out. Then find out and answer the question. Make sure you know the answers to the most common questions about the products. You might want to create a FAQ document for each product you recommend. You can post the FAQ on your website, use it to create content for your blog or email list, or copy and paste answers into emails you receive. A combination of all three methods is great.

Offer real, helpful information about the products you recommend. Presell the products you recommend with blog posts, emails and reviews. Don't just throw out a few positive comments about the product. Explain what it is and what someone would want it for. Explain why they should buy this instead of something else. Mention a few warts so that you don't sound like a paid spokesperson. Be clear that you are being paid an affiliate commission, but you would recommend this product even if you weren't being paid. Make sure that is true—and if it isn't, don't recommend a product.

Offer readers a way to bypass your affiliate link. Some people have a thing about clicking on affiliate links. Other people, while they don't have a thing about it and **will** click on an affiliate link, will feel better if they're offered another option. At Mirasee, we say that if you don't want to click on the affiliate link you can just Google the product and order directly. This gives people an option, and some people will click on the affiliate link **because** they have the option not to.

### Don'ts

Don't accept just anyone or anything as an affiliate partner. We've already mentioned that you should only promote products you would promote for free. You should also be very careful about **who** you promote. Even if a product seems great, make sure that the creator or product owner is someone you want to be in business with. If you promote their products, in your audience's eyes you are in business with them. No matter how tempting the commission or how much you like a product or a person, don't promote it unless everything is exactly the way you want it to be **before** you present the product and its owner to your readers.

Do too much too soon—start with one or two affiliate products or services, and see what your audience response is like. We get that it's easy to get impatient, and that you're starting a business to make money. Your readers may get it, too—but they don't care. They don't necessarily want you to be poor and stressed out, but they also don't want to be the product you're selling to your affiliate partners. If you throw up tons of affiliate banners and reviews and articles, you are making your readers into the product. They will revolt. You won't sell any affiliate products and you may not keep all of your readers.

Don't make claims that the product or service can't back up. You need to know exactly what the product can and cannot do, and limit your description and claims to the reality of what the product owner promises. You should also be sure to stay in line with the FTC regulations about affiliate promotions, which say that you have to disclose your affiliate relationship and that you have to disclose when advertised results are not "typical".

## Best Practices

Make affiliate offers by different methods. You can make direct recommendations and write reviews for your blog or your email list, place graphical ads on your site, add text links to your blog posts and/or sidebars, promote affiliate programs in emails and hold live events like webinars to promote affiliate programs.

You can and should try out every possible method of promoting affiliate programs. Keep track of the response, not only in terms of sales but in terms of positive or negative feedback from your readers. Adjust your affiliate offerings to promote more offers in ways they like, less in ways that are not as popular, and not at all in ways that your readers strongly dislike.

## Is Affiliate Sales the Right Model For You?

Affiliate sales work best for people who aren't interested in creating their own products, but do enjoy engaging with their audience and recommending products or services based on the audience's needs. If this sounds like you, keep in mind that affiliate sales won't generate enough revenue by themselves until your list reaches at least several thousand people. This is a math thing: Not everyone will buy everything you

promote, and you don't want to keep throwing in new products all the time, simply because everyone in your audience has already bought what you're promoting. That said, if your audience is growing, you might want to experiment with affiliate sales.

## Memberships and Communities

### *Defining Memberships and Communities*

Membership sites and communities are the third type of monetization model. They are basically private areas of a website that users pay to have access to.

You can create membership sites in a wide variety of formats. You might create a members-only email list or networking group, or create a course or a content repository with frequently updated content.

### *Why Does This Model Work?*

Membership communities are a great monetization model because they operate on a subscription basis where users pay for continued access. This brings badly needed stability to online entrepreneurs. Although you will have to continue your marketing on a regular basis in order to recruit new members, you can rely on

a steady stream of income from a membership community. Creating a quality membership site with stable membership numbers can help you create a living from your blog without so much stress about finding new customers.

If this sounds like something you're interested in, check out this CopyBlogger article, "7 Tips for Creating and Running Your First Membership Site."

## *Do's*

Plan what you want your membership area to be like. Will it be a structured course or email sequence, in which you're communicating with your members but they communicate only with you (if at all)? Will it be a forum or community where people can do their own thing? Do you want your community members to connect with each other? If so, what do you want them to talk about and do together? Will you need to create new content for your membership site every month? If so, do you have a good plan for creating the content without stretching yourself too thin?

Encourage the behaviors you want, and discourage those you don't. This generally applies to forums and other types of communities, like private social networks, where people interact with each other and have the ability to post messages and upload images and files.

However, you may notice behavior you'd rather discourage in a course or email sequence. If a member of your site becomes rude or acts inappropriately toward anyone—including you—you will need to stand up and

ask that the behavior stop. If a member does something particularly helpful or kind, you should recognize that behavior and encourage future similar behavior.

If you're running a community where people will be engaging with each other, lay clear ground rules. This doesn't mean you have to create a five-page list of rules. Our rules at Mirasee are "Be Kind, Be Helpful or Be Gone." We do elaborate on those three rules, but we do try to state them clearly—and enforce them. If you set your ground rules correctly, they won't require much explanation.

### *Don'ts*

Don't let your membership site or community get too big too soon. If you set up your community the right way, your members will be active and engaged—and that can mean a lot of upkeep work for you! Batching new arrivals means that you can both scale responsibly and carefully monitor how things are going.

There's another advantage to batching new entries into your site. If you put up a page announcing that the membership site is full, and allow people to join a waiting list, you create a sense of anticipation and hopefulness. People who were simply interested in joining your membership site will now be eager to join when you let in new members.

Be careful not to let your community languish! You have to be able to continue generating new reasons for your members to keep paying you every month. This may seem easier if you have a forum or community where members generate much of the content. However, you still need to be active and involved. You should pop into your community on a regular basis to say hello, answer questions or simply give a word of

encouragement where it's needed. The more involved you are in your community, the more your members will value and appreciate your membership site.

Don't allow any member to intimidate or mistreat other members. Either moderate the forum yourself to make sure that members follow the ground rules, or appoint volunteer moderators you trust from members of the community. It's been said that most people attach a more negative meaning to any words they see online or in an email. Combine this with people who don't always express themselves well, and it's easy for misunderstandings to occur even without someone deliberately mistreating another member of your community. If an incident occurs, step in quickly to calm hurt feelings and remind everyone to be respectful of others. No community is perfectly free of hurt feelings, but your attention and care will make sure your community thrives in spite of occasional issues.

## *Best Practices*

Make sure that what you are providing is so exceptionally valuable that it would be stupid **not** to pay for it. The easiest way to do this is to listen to your audience's feedback and ask them questions about what they want. Create a membership site with exactly what they have asked for, but with more content or more features than they expect. Then price it at a level that makes it absolutely a no-brainer to sign up and pay the bill every month.

Consider running a free or $1 trial to give users a taste of what they will miss if they fail to sign up. Make sure that the content available is completely ready for prime time and is so amazing that they'll miss it when

their trial is over. Make the trial long enough for new members to get a real feel for what's available, but short enough that they won't put off checking it out. Seven-day or two-week trials are popular with membership site owners around the web.

Consider different membership levels to "price set" effectively. For instance, you might have a basic level for your forum, which includes access to most of the topics, but does not include any downloads or the ability to upload files or images. You could then have a premium level which includes downloadable files and file/image uploads, at an increased price. For power users of your forum you might include additional downloads and files, and access to more topics in the forum. Many people might start out at the basic level and stay there, while others might start at the basic level and move through the premium level to the power user level.

## *Are Membership Sites or Communities the Best Model For You?*

Membership sites generally don't require a huge audience, but they do require someone with a genuine interest in connecting, engaging, and fostering a community. If that sounds like you, you may be considering offering a membership area with content, like a course or a toolbox of resources.  If so, you can probably start your membership site once you have a critical mass of 1,000 people in your audience. If you're setting up a community, you'll want a larger audience to be sure that your community is alive and active, rather than dormant and boring.

## Digital Training

### *Defining Digital Training*

Online membership sites are sometimes confused with digital trainings and online courses. They are related, but they aren't the same, and the monetization models are different for a membership site than they are for a digital training program. We define a digital training as a permanent training course, coaching program or other training resource that your students go through on their own. You may have heard this kind of course referred to as a home study course.

### *Why Does This Model Work?*

Home study programs are very popular products for bloggers, and with good reason. You can sell an unlimited number of them, because you don't have the student support responsibilities that you have with a live training or coaching program. This makes home study programs a very sustainable way to build a more hands-off business. It does take a lot of time and work to get your home study program off the ground, but once you launch, it's a long-term revenue source that you don't have to work as hard to maintain. Another nice thing about digital trainings is that they are often very scalable, so you can grow your income by selling more copies of your digital training each month, week or day.

Jeanette Cates has [a great infographic on designing and delivering your online course from scratch](#).

### *Do's*

The first step to setting up your digital training is to pilot it! Do live trials with small groups to get feedback on your training. We talked about piloting with services, and it's no less important with a digital training product. In fact, running pilot groups and working through any issues to get the kinks out of your training product may be more important for a digital training. With a service, you're working directly with the client and you will know if there's an issue. With a digital training, you may not know about issues until they affect your sales, return rate or reputation. So pilot and gradually iterate towards the permanent product.

Partner with other bloggers as affiliates to sell your digital training program to a much broader audience. As you grow your blog business you'll create relationships with other bloggers in your field. Once you have some strong relationships with people you feel would be a good fit for promoting your digital training program, you can approach them to join your affiliate program. Ideally you'll create special offers for their members to encourage more sales and build your customer base more quickly.

Plan how your digital training will scale. Keep in mind that you may have student support questions and issues to handle. This can be as simple as someone who has lost their invoice and needs to recover their access info with their email address. It can be more complex, like a student who can't open a PDF file for no apparent reason. Or, more complex still, it may be something like a refund request from someone who doesn't understand how to use the material.

Keep all of this in mind when you consider scaling. Based on your pilot, estimate how many student support issues you can expect per, say, 100 students, and what kinds of issues you can expect. Base your scaling plans on your ability to handle those issues.

Determine whether you need help and how to get the help you need. One area where you might want to get some help is student support. Hiring a part-time virtual assistant on a freelance basis could free you to deal with only the major student support issues, and free up your time to work on your blog and on new digital training products.

You might also need help in creating your product. You should make sure both the graphic design and the writing are top-notch. If you aren't a designer or a writer, consider hiring a designer to create the cover graphics and lay out the documents, and an editor to smooth and polish your prose so that it sounds more reliable and professional. You can find freelance assistance by doing a search on Google for what you need or by browsing freelance job boards like Elance.com or Guru.com.

### *Don'ts*

Don't start with a permanent product, for goodness sake! You have to validate that the solution you're creating is one that your audience wants, needs and will use. Start with the minimum viable product. A minimum viable product means the least amount of time and effort that will create something close to what you hope to eventually bring to market. You can pilot with this product and iterate (a process—and word— we love at Mirasee) to create your final product.

Don't half-ass your final product. Spend the time and money making it comprehensive. You can always offer updates to add more value, but you should never have to offer updates because people feel they didn't get the quality they expect when they pay for content.

For that matter, don't half-ass your pilot product. You'll intentionally keep it bare bones, but do a fantastic job with what you create. You should plan to iterate into the final product, not fix your pilot product because you didn't do a good job with the pilot product.

Don't take on too many students at once. Your pilot program will give you some idea of what kind of support students will need, and how much time that will take. But sometimes students are far needier than you expect. If you sell the absolute maximum number of training courses you feel you can support, you can quickly become swamped beyond your ability to fulfill your promises. You'll end up with angry students, a high refund rate, less money than you expected and possibly a damaged reputation.

To avoid this, close sales periodically and manage the entry of new students into your digital training program. Just as we talked about in the section on membership sites, putting a "Closed" sign on your signup page won't hurt your sales when you reopen. If anything, most people will be more eager to get into something that they've had to wait for.

## Best Practices

Pilot your content at least twice with different groups and iterate your offering based on your pilots. Two is the minimum number of pilot programs and iterations. If you don't feel confident and completely positive after your second iteration, run another pilot program to get everything exactly right before you launch.

When you have a product, launch with a big campaign. To reach your own readers, launch to your list and on your blog. Offer a pre-launch discount to your readers before you launch to the public at your regular price. You can also arrange special offers for affiliate partners as part of your pre-launch campaign.

Although you're launching with a big campaign, set a number of students you'll accept in the first round, and stick with it. Place everyone else on a waiting list and let them in only when you're sure you can handle supporting more students.

## Are Digital Training Products the Right Model For You?

Monetizing through offering digital trainings works well with any size audience. The larger your audience grows, the more you can sell of your product. You can also sell through affiliates once you've established yourself and your product. The only real requirement for digital training is that you have something that you're excited to teach and an audience who wants to learn.

## eCommerce

### Defining eCommerce

The fifth of our blog monetization models is eCommerce. You might hear eCommerce defined as "selling online." We're going to narrow that definition to exclude the digital training and information products you might create and sell, as well as your services.

For our purposes, an eCommerce business is any business where you're selling a physical product over the internet. Your product could be toys, clothes, food, books, books about food—anything that you have to physically ship. This is a popular option for people who are trying to take offline businesses online, but it's also relevant to anyone who can engage a community who is interested in your products on a blog.

### Do's

Make yourself a resource for **more** than just the product. What does the product do in terms of solving a problem or creating a delight? Become an expert on that subject, and make your blog a place where your potential customers can come to learn.

For instance, suppose you sell beautiful, sturdy wooden canes which are appropriate for people who need a cane for medical purposes or for support. You could offer resources on choosing a cane, as well as how to care for a wooden cane and how to measure for a cane. You could create content on living with a disability, temporary or permanent. You could write case studies about your customers and document how they use your canes to enjoy a full life and how much they enjoy using an attractive cane rather than an ugly metal cane from the drug store.

Price things carefully. Remember that all of the work you do, from blogging to shopping has to be compensated by the income you make from selling. Margins in eCommerce can be low, and knowing your margins to the penny will help you make a profit rather than a loss.

If eCommerce sounds like your thing, check out Mashable's "[7 Tips for Improving Your eCommerce Strategy](#)" and Search Engine Land's "[8 eCommerce SEO Tips Gathered From A Decade Of Consulting](#)."

### *Don'ts*

Don't use services like Groupon or Teambuy. On the surface these sites seem like a good way to get new customers, but it's almost never worth it. For starters, you make very little money. The discount site requires you to offer at least a 50% discount on your product or service. Groupon or any similar company then takes half of what's left. At best, you make 25% of your regular price. You might make a bit of money offering a service, but when you offer a product margins are already slim. You could well end up taking a loss just to bring in a lot of traffic. You can't make up a loss in volume, no matter how much volume you get. You also

probably won't get many repeat customers. Deal of the day buyers are usually chasing the deal and not looking for a new place to shop.

Don't trim your margins to the point where making a profit is a question mark. If the main reason someone should choose you is that you're the cheapest, think again. It's not a sustainable selling point unless you're Walmart or Amazon. If you differentiate on price, someone can always undercut you. You must be the best provider of whatever you sell, not the cheapest.

Don't forget that it's easier and cheaper to sell another product to an existing customer than to attract a new customer. Go out of your way to provide outrageous customer service. You'll see more repeat customers and referrals, and spend less time and money on marketing to bring in new customers.

## Best Practices

Make sure there's more on your website to interest your visitors than simply the products catalog. Provide quality content that interests, intrigues, informs or inspires your readers. Make your blog a regular destination, not just a catalog.

Remember that they are not as invested in what you sell as you are, and may value it very differently. Run tests on pricing, descriptions and selection to determine what your audience wants to buy and what they want to pay for it.

Try to create packages or groupings of your products that you can offer at different rates—add more value by saving on shipping for your customers! This is often known as bundling. When you bundle, be sure to calculate your margins and make sure you're not pricing a package for less than you're willing to selling it for.

Create opportunities for your customers to engage with you and your content. You don't want to be a broadcaster. You want your audience to converse with you, and you want to converse with them. Create a community rather than just another shopping site.

### *Is eCommerce the Right Model For You?*

For eCommerce to be right for you, you must have a physical product to sell in order to consider this model in the first place. Like affiliate sales, eCommerce works best with a large audience. You may make some money when your audience consists of a couple of thousand people, but as your audience grows, so will your eCommerce business.

## Advertisements/Sponsored Posts

We already discussed the various types of ad networks and why they only work for extremely high-profile blogs. To make money with ad networks, you need a huge volume of traffic—visitors that you could more profitably leverage for income other ways. But there are a few ways that selling your audience can generate realistic income.

### *Defining Advertisements*

We already discussed ad networks and why they rarely generate significant income. A better way of making money from advertisements is through direct sales, which is when you directly  pitch companies to buy ad space on your blog. This approach can allow you to create your own pricing model—you can charge by the impression or the sale, but you can also charge a flat rate based on the traffic your blog currently has. In addition, you can charge more for features like exclusivity for a particular ad for a certain period of time.

If you're interested in an ad-based monetization model, you might like Jason Leake's posts on selling ads directly and using ad networks.

One problem you should be aware of if you're selling ads is that many readers have become "ad blind." They're so used to seeing ads on websites that they just skip over them without reading them. And no matter how much traffic you have, what your advertisers really care about is sales. If the company that's buying ads from you doesn't see a return on their investment, they'll stop buying ads.

For that reason, many sites that depend on advertising for revenue are moving toward a different type of model: sponsored content.

## *Defining Sponsored Content*

> *"Remember that every time you promote someone else's brand you dilute your own brand. So set some kind of rule where only one out of every three or five blog posts will be sponsored and make sure that every brand you promote is perfectly aligned with your blog readers and your own personal values. Above all never underestimate the value of your time and influence. Treat your blog like a business from the beginning if that's what you goal is and establish clear guidelines so that it will thrive." – Annabel Candy of* Local Marketing HQ

Sponsored content is similar to advertising, but instead of placing an ad on your site, you're actually accepting or writing a blog post or an email. The advertiser pays you to run this content, rather than an ad. Sponsored content is usually priced either by the impression, as in CPM advertising, or by the read, as determined by analytical or statistics logging software on the server. As with direct sales ads, you can also set a flat rate for sponsored posts based on your traffic and what you want to make. Because this approach

integrates information about a product or company into the post that your audience (theoretically) wants to read, it bypasses ad blindness and is a very attractive model for sponsors.

You can find a great overview of the different types of sponsored content (also called "native ads"), as well as more information about advertising models, in Copyblogger's article, "12 Examples of Native Ads (And Why They Work." You can get a range for what to charge from this post by Annabel Candy (although Google no longer updates page rank, so you shouldn't factor that into your pricing).

Both advertising and sponsored content require a large, preferably engaged audience, which is hard to maintain when you're selling their attention. You'll have to create engaging content on your blog that keeps your readers engaged and eager to keep up with your blog.

### *Do's*

No matter what type of ad model you're running, be respectful of your readers. Many readers will not mind advertising or sponsored content, at least not too much, as long as you provide excellent content, keep the sponsored content and advertising as unobtrusive and as minimal as possible, and treat your readers well both in your actions on your blog and in your personal interactions with readers.

Screen ads carefully for the type of content your audience needs. Mesothelioma may be one of the highest-paying keywords for Google AdSense, but if your blog is about raising toddlers, you should only accept ads that appeal to parents of toddlers. Off-topic ads will annoy your readers, who are your business. Ads that

don't mesh will with your audience's needs will also not make you the amount of income you hope for, because those ads are not about something your audience wants or will click on ads for.

Demand high-quality sponsored content. If the person or company providing the content is also writing the content, stipulate that you must approve the content before it runs. You may need to edit content or ask for edits to meet your quality guidelines, or reject certain content that just doesn't meet your standards. Insist on providing content of the same quality that you write for your blog. If it goes out under your name, it has to meet your standards. Many sites that succeed with sponsored content don't accept posts written by the advertiser -- they write the content themselves. You can charge more for this, since you're both writing the article and running it, and it also guarantees that the post will match your tone and meet your standards.

Only publish posts that provide real value to your readers. Sponsored posts can provide great value, but not if they're written like an advertisement. Some of the best sponsored content doesn't even talk about the sponsor—it simply provides useful tips on a topic related to the sponsor, with a short line (similar to a guest post bio) that credits the sponsor. Other sponsored content simply mentions the advertiser to increase brand awareness, just like product placement in a TV ad.

Make sure advertisers understand that you expect them to provide value to your audience, and that you don't accept every advertisement just because there's money involved. You can communicate this on your advertising, sales or information page without alienating potential advertisers. Lay out what you're looking for and what you do not accept. Make it easy for advertisers to give you what you need to keep your people happy and make money for both you and the advertiser.

Disclose that certain posts or emails are paid. This is both an FTC requirement and the way to retain your integrity with your audience. This doesn't have to take the form of a complex legal statement. Simply state that you receive compensation and that you never accept advertisements or content that you do not completely endorse and that you would not run for free.

## Don'ts

Don't run sponsored content 100% of the time or clutter up your design with too many ads. When you started your blog, you started it to share your thoughts, ideas and voice. Your readers came to your blog because they enjoyed your voice, and they continue to read it because they want to hear from you.

If you begin running nothing but sponsored posts, you don't have a blog. You have an advertising business. If you continue doing it, you also won't have an audience—they didn't come to read what your sponsors have to say. Find a good balance involving a minimum number of sponsored posts scattered among your original blog posts.

Don't run advertisements or sponsored posts that don't match the tone and style of your blog. This is one of the fastest ways to go broke. Your audience won't click on the ads or read the posts. Eventually they'll drift away to a blog whose owner understands them better and tries harder to meet their needs. Remember that people want to accept offers that provide them with something they want or need. If you handle advertising properly, your audience will accept it as a standard online business practice. If you run ads that don't fit, you'll risk losing your audience and you won't make any money from your ads.

Don't run anything that would offend many or most of your readers. This may seem difficult, but it's rather simple. There will almost always be someone offended by something. If you have a large enough audience, you could say that air is the best thing to breathe and chances are someone would have an argument about that. Your job is to know your audience and be considerate of them. Seek to avoid offending all or most of your readers. Strive to provide the information and the types of advertisements and sponsored content that they want, and to do so without being offensive. Even if offensive is your style, make sure you're the right kind of offensive for your audience.

## *Best Practices*

If you decide to go with advertising or sponsored content as a monetization model, use content that is as bespoke as possible. Bespoke content is written especially for you, or heavily customized for your audience and their needs. There are a couple of reasons for ensuring that you'll get the most unique content possible from your advertisers.

First, if your readers are active in your field, they probably read other blogs. If they see the same content on several blogs, they may start to wonder why they're reading so many blogs just to get the same (sponsored) content on all of them.

Second, Google only indexes one copy of a particular piece of content. You may have heard about the "duplicate content penalty." It's not actually a penalty, in that Google doesn't punish the duplicate content. It just doesn't get indexed, ranked or displayed in the search results. Of course you'd like to have everything

you publish on your blog indexed, ranked and displayed in Google search results, so you want to avoid duplicate content if possible. As mentioned above, the best way to do this is to write the sponsored content yourself.

Keep ads from interfering with your content. Many people get annoyed when they're reading an article and a video ad with sound starts running. Another annoyance comes in the form of ads that slide out across the content your visitor is reading without being clicked on. Anything that intrudes on the reading experience will annoy readers. It might annoy them enough that they leave. Be extremely considerate of your audience when accepting and placing advertisements.

Remember that your audience is not there for the ads. Although you are selling the audience to other businesses, they shouldn't be aware of that. Always place your audience's needs above your own. In the past, we would have advised you to you treat your audience the same way when you accept advertising as you did before you started running ads. We've updated that advice: treat your audience even **better** when you're accepting advertising than you did before you started running ads.

## *Is Advertising or Sponsored Content the Right Model For Me?*

Advertising works best if you have hundreds of thousands of visitors to your blog. To make even a fair amount of money, you need several tens of thousands of visitors each month. You also need to know your audience extremely well and be confident that the advertising you're running is not scaring your visitors away.

Advertising is a model that can work well once your blog is bigger, and it can be the most exciting of the monetization models. We'll talk more about how to decide which of these models is the best fit for you and your blog in the next section. But for now, let's quickly go over what we've covered in this chapter.

*\*\*\**

## Key Points

- There are a variety of models you can use to make money blogging. You may choose only one, or use two or more models together once you have one up and running profitably.

- Services are anything that you do for a client, including consulting, coaching and freelancing. Your audience sees you as an expert because of your blog, so they're likely to hire you to help them personally.

- Affiliate sales involve promoting products from other bloggers and product owners to your audience. This works well if you have an engaged audience and if you are careful to only present offers you know your audience will want, and that are great products you have used yourself.

- Membership sites and communities involve creating an area on your site open only to paying members. You could offer a vault of content, new content or course modules each month, or a paid forum where your members can interact with each other.

- Digital training is a digital training course, sometimes called a home study course, that you have created and packaged to deliver as a product without your interaction. Once completed, a digital training is very hands-off and scales easily.

- eCommerce involves selling physical products online. You may sell your own products or source from another vendor. You also may ship your own products or use a fulfillment company.

- Advertising is showing ads on your site for other companies. You need to be careful that the ads you accept are appropriate and that your audience doesn't realize that they're the product you're selling.

- Sponsored content is running a blog post or email on behalf of an advertiser. It's important to ask that the ad or email be as customized to your audience as possible, to ensure a good experience for your readers—and a good income for yourself.

# Exercises

Think about the work you did in the last exercise, where you painted a picture of what your business is going to look like and how much money you'll be making.

Consider these six monetization models—which appeal to you? Which do you already have the tools and know-how to use? Are there any models that may not be a good fit for you and your blog?

# Chapter 4
# **Matching Models to Goals**

Okay, we've covered the different ways you can monetize your site. Now it's time to figure out which model will move you toward your goals most effectively. It's surprising how often new bloggers overlook this step in their business, but it's the single best way to make sure that—eventually—your income matches your dreams.

## The Blocks You Need to Build Your Blog Business

### *Mental Experiments*

A couple of chapters ago we talked about how to work backwards to see what your business needs to look like. Now it's time for you to take that information, along with what you've learned about monetization models, and do some mental experiments to find out which model will work best for you.

The process is fairly simple. With your end goal in mind, go through each of the business models we discussed in the last chapter and eliminate any that will not help you reach your goal.

Once you've narrowed your list of possible business models down to one or two, it's time to look forward from where you are now to where you want to be. Where are you now, and what do you need to move towards where you want to be?

## What You Need

Assuming you're starting from scratch, the first thing you need is an audience of 1,000 subscribers on your email list. That may sound like a lot, especially if your current email list consists of you and your other email address. Luckily, it's not that hard to create a list of 1,000 people.

## Audience Building Basics

To create an audience of at least a thousand subscribers, you need four things. You need: 1) an email autoresponder to deliver your emails, 2) a way for people to subscribe to your email list, 3) a reason for them to subscribe, and 4) a way to reach people and let them know why they should subscribe to your email list.

The first element in creating your list is to set up an autoresponder account, which is basically an email service that allows you to set up a subscribe form (also called an opt-in form) where your new subscribers can enter their name and email. Then, the email service will automatically send an email—or a series of emails—to people who fill out your form and sign up for your list.

We recommend AWeber for new businesses. AWeber has a great "Getting Started" PDF you can download and use to make your setup process easier.

Next, you need a web page where you can put the form so that people can sign up for your list. At first all you need is one page, with a domain name like yourname.com. This page should be hosted on a web hosting account, which is a place to store your website so it's visible to the world. You can register your domain name

when you set up your hosting, and we recommend Hostgator for hosting and domain name registration, and LeadPages to set up your opt-in page.

Once you have a list that people can sign up for, they can receive your newsletter or blog updates or regular emails with great content. 15 years ago, a lot of people would sign up to a newsletter just to receive the newsletter.

These days, though, you're going to have to give them something in exchange for their email address. Some people call this an ethical bribe, but we don't like that terminology. We call it a first impression incentive. This can be a short report, a video, a checklist or anything small and easily consumable that people would like to have and will gladly sign up for access to in exchange for their email address.

Now you just need to find a thousand or so people who want your first impression incentive and will give you their email address and become part of your audience!

The fastest and easiest way to do this is by guest posting on other blogs in your field. Start by identifying blogs which have a similar audience to the one you want to build. Get to know the bloggers, and become known to them, by commenting on their posts for a while. Then reach out to each one with an idea for a guest post for their blog. Write an epic post that their readers will love, and include a link back to your first impression incentive at the end of the article.

Rinse, repeat and rinse and repeat again until you've reached your first thousand visitors.

If you have questions about guest blogging, how to get started and how to do it successfully, check out "The Ultimate Guide to Guest Posting" from KISSMetrics.

Now that we've got your audience sorted out, it's time to start building your business.

## The Foundation

### *The Starting Point*

Whether your blog is already up and running or not, the first step in monetization is coming up with an idea for how to monetize it.

You now have a good understanding of the different blog monetization models, and a clear picture of what your goals are.

Based on this information, you need to turn to your audience to figure out where to go next.

If you already have a mailing list who responds to your emails and engages with you on your blog post—that's awesome! You're in a great position to start asking them about their problems and coming up with ideas that will meet their needs.

If you don't have a mailing list yet—you need to do some research.

Consider your ideal customer and find other blogs they spend time on. Look at the comments—what questions get asked? How do they identify their issues?

Whether you're asking your audience, or doing some research, the goal is to create a list of solutions for the problems that you can solve with a product, service, affiliate link or otherwise.

Come up with as many ideas as possible, and then slowly narrow them down based on the following criteria:

- Do I know how to do this?
- Is this the highest value solution to the problem?
- Does it address my audience's problem in a way THEY understand?

Narrow your ideas down to one single solution you're going to start with. But keep your list handy—your first attempt isn't always the perfect one!

## *Validating Your Idea*

Whatever your proposed first monetization solution is, once you have your starting point you need to do some research to validate that it has a decent chance of being successful.

For example, suppose that you are trained as a coach and you're a health and fitness fanatic. You'd like to offer your services as a health coach. Before you get too far with your plan, you should do a little research to find out if other people are offering the service you're offering, and whether or not people are buying it.

Some people worry about competition, but that's not something you really need to be concerned with. In fact, you should probably be more concerned if *no one* is doing anything remotely like what you want to do. That probably means no one wants to buy that product or service. Competition means interest, and you can almost always find a way to position yourself in a unique way.

If you're considering being a health coach, you can easily see that others are offering health coaching services. At this point we're not going to worry about how successful those coaches are; we only want to know that someone is doing it.

What if your service or product is a little less common? Suppose you love reptiles and have been breeding your geckos occasionally and giving away or selling the babies. Now you're thinking of starting a blog called Herp Heaven, for lovers of geckos and all things reptile. You're thinking of an eCommerce model selling baby and adult geckos online. You know it can be done because you bought your last gecko, Gordon Jr., online.

You also know that lots of people search online for gecko information and suppliers because you've spent a lot of time on online blogs and forums about them. All this research points to the fact that your idea isn't totally crazy. The research doesn't guarantee success, of course, but it does go a long way towards validating that you're on the right track.

Want some help validating your idea? Check out "5 Steps to Validate Your Business Idea in the Real World" from Fizzle.

## Making Sure Your Idea is a Good One

Now that you've started thinking about who else is offering what you want to offer—what exactly are your competitors doing? Does your monetization model have analogs and antilogs in the market?

You've probably heard the word analog, but maybe not antilog. The idea was developed by Randy Komisar and John Mullins in their excellent book Getting to Plan B. (Seriously, if you really want to learn about how to develop a business idea successfully, read this book!) Let's look for a moment at those two words, and how they'll help you evaluate your competitors.

### *Analogs*

Continuing with the example of breeding and selling geckos online, the first thing you want to look for are analogs, or comparable businesses online. Your analogs will be any type of blog or business that has done something similar to what you intend to try. Remember what we said before about competition: You can find a way to stand out if you find competition. But if you find a niche with no competition, there may not be a market there for you.

In our example, you've already done a little research and found sites that sell geckos, as well as other reptiles and amphibians, online. You know they ship overnight using FedEx and that they pass on the exact cost of shipping, which is $50, in addition to the cost of the animal. All of this is good information because it tells

you that people do sell geckos online. And, it gives you good information on how they handle the shipping, which is probably the most technically difficult part of the transaction.

These sites are your analogs. Their main function is to support you in your assumption that this is a good idea.

### *Antilogs*

Analogs are important because they show you that other people are doing what you want to do, and that they're succeeding with it.

However, you should also look for antilogs. Antilogs are any situation in which someone has tried something related to what you want to do—and it *didn't* work.

Remember the original Napster? Napster stands as an antilog to iTunes. The idea was great: Napster allowed people to find and listen to music online. The problem was that Napster used peer-to-peer sharing, which was a violation of copyright law. Napster was shut down for legal reasons, so it's not an analog. Instead, it's an antilog—an example for iTunes of something that didn't work.

Apple would have looked at Napster and learned that the desire of the audience was there—but the framework they used to meet that need wasn't right. So they created iTunes, which answered a similar need—but legally!

iTunes, on the other hand, is an analog for Spotify. The folks who started Spotify wanted to offer streaming, on-demand music. Their model is not quite the same as iTunes' purchasing model, but it's close enough that iTunes is a good analog. Spotify does quite well with what they're offering.

### *What's Working? What's Not?*

When you're looking at your competitors, the key thing you're looking for is: what's working in this industry, and what isn't?

One way to know if herp (herptile refers to both reptiles and amphibians—we'll use herp going forward!) dealers are actually selling herps is to watch their ads and see if they mark animals "sold" or take their pictures down and put up new ones. That's a good indication that they're selling animals.

Another tactic to find out whether geckos and other reptiles are moving online is to contact a few dealers and simply ask. Write them a nice note, tell them you've been thinking about the business, and ask them if they'd recommend getting into it now, knowing what they know. Some will see you as competition and won't answer. Others will remember that they were new once and someone helped them, and they'll gladly give you a bit of advice.

### *Marketing Online Is Different from Selling Online*

Just knowing that people are marketing geckos online does not tell you whether people are **selling** geckos online. You'll need more information to determine that. Sean D'Souza's Copybloger post on "How to Know if You're Entering a Viable Niche" will help you figure it all out.

Once you determine that some people are doing what you want to do online, and making money at it, you'll need to think about what new element you're bringing to the table. What makes you different, and does anyone actually want this?

Sticking with our eCommerce gecko business, perhaps you're planning to sell each gecko with a handmade habitat designed especially for the new owner based on the space they have available, the type of gecko they buy and the design and décor of their home.

We'll talk in the next chapter about how to find out if your audience wants what you intend to sell. For now, just know that you will need to determine what your audience wants—and isn't getting from the current businesses in your field—in order to build a successful business.

## Knowing When It's Not Working

An important thing to keep in mind as you start to execute your plans is that you have to have criteria for when to quit, acknowledge that an idea didn't work, and try something else. It happens to the best of us.

Set those criteria based on how much time, money and effort you can afford to put into your plan before you need to cut that idea loose and try something different. Expend that much time, money and effort. Don't give up five minutes before the miracle. But when you reach your limits for when to move on, do move on.

## Key Points

- The monetization models we've presented are the building blocks you need to create a powerful plan to reach your goals.

- If you're starting from scratch, the first thing you need is an audience of 1,000 subscribers.

- Build your initial 1,000 member audience through guest posting and offering an incentive for people to sign up for your list.

- Once they sign up, you stay in contact with them and engage with them to create a relationship, not just a list.

- Guest posting is the fastest way to grow your list to 1,000 members.

- Doing research into what other people are doing will help you decide whether what you're considering will work.

- Don't just assume that your idea is brilliant. It may be brilliant—but if no one else is doing something similar to what you're doing, that's probably a sign that no one wants to pay for your brilliant idea.

- Decide ahead of time how much time, money, and effort you're going to use to test out your plan before you need to try something different.

- Be willing to admit when something isn't working and move on with your next idea.

## Exercises

Take your initial starting point for and look for analogs and antilogs in the market. Look carefully at what has worked in your space and what hasn't. Based on your research, decide whether or not your starting point is a good bet. If so—awesome! If not—go back to your list of ideas and try again.

# Chapter 5
# Talking to Your Audience

By now, you've researched your idea and validated that your starting point is a good bet. But non of this matters if you're trying to fit a round peg in a square hole. Whichever model you determine will work for **your** goals also needs to work for your audience. In other words, you need to make sure your audience is on board and will support you (buy from you!) before you go forward with your idea.

## Use Your Most Precious Resources

In the last section we made the point that verifying people will actually **want** what you're going to be offering is critical. This is where your audience comes in—and hopefully you've already begun to build one.

However, there's a big difference between having an audience—we recommend at least 1,000 subscribers before you choose a business model—and getting **useful** information out of your audience members.

Let's talk about a few ways to get the right information about whether people will pay for your business idea out of your audience.

### *Surveys*

Running a survey is a great way to get specific, detailed information from people—**and** to whet their appetites for your eventual offer! You can easily run a survey using a service like SurveyMonkey.

Make sure to include a mix of yes/no, multiple choice and open ended questions so you get a broad spectrum of information. To create the best possible survey, follow these 5 tips for successful surveys.

Again, the key is to ask the best questions so you can get the best information to use in selecting your business model.

Here are some examples of the type of questions you might ask:

"If you could spend 15 minutes with me, what would you want to ask me about [your field]?"

"What is your biggest problem or question about [your field]?"

"What do I focus on in my emails or on my blog that you find most helpful?"

"What do I focus on in my emails or on my blog that you find least helpful?"

"On a scale of 1 to 5, how much do my emails and blogs address the questions and issues you have regarding [topic]?"

"What could I do to better address what you need or want to know?"

### *Email Engagement*

You should be asking engagement questions at the end of every email you send— make sure to respond to those who take the time to reply!

There are a few types of questions you should include at the end of your emails:

"Did you find this email helpful? If not, what could I have done differently to help you?"

"Do you ever have this challenge? What could I offer that would help you solve this challenge?"

"Are you getting what you expected out of my emails? If so, what are you getting that you appreciate? If not, what are you not getting that you need, and how could I provide that?"

"What would you like me to talk more about in my emails?"

"What would you like to hear less about in my emails?"

"If you could sit down with me for 15 minutes and talk about [your field], what questions would you answer or what problems would you want me to solve?" (This is a good one to include not only in your survey, but also in emails for people who don't take the survey.)

The PDF "[The Ultimate Email Marketing Guidebook: Increasing Subscriber Engagement](#)" offers some interesting ideas for engaging your subscribers by email.

## Blog Posts

Like your emails, there should always be an engagement question at the end of your blog post. But, you can go one further by researching your own blog posts.

First, ask meaningful, engaging questions, as with your survey and your emails. Then, look at your most popular posts on a regular basis. Which posts get the most comments and shares? Now, look at the comments for those posts. What are your readers saying? What are they asking? These comments can be a gold mine of information.

You can also use this technique on your competitors' blogs by looking at the comments on their most popular posts to see what audiences similar to your audience are saying about other blogs in your field.

Marketing Profs' "13 'Secrets' to Engaging Your Blog Site Visitors" offers some good tips on blog engagement.

## Mountains of Data

Whether you collect data through a survey, your emails, analyzing your blog comments or all of these techniques, you're not done after you look at the data and formulate a plan for your product or service. Now you need to get audience buy-in.

To do this, run a brief campaign letting people know what you're planning. Ask them what they think, and what it should cost. If the feedback is largely positive, then you can feel safe setting things in motion.

To run your campaign, set up a survey, and then invite your audience to take the survey and sign up for an email alert list to find out more. This way you won't be bombarding people with information about your new project if they're not interested. You'll also know that the people answering your survey and responding to

your email are truly interested. This will give you more useful information and provide an idea of how many people are interested.

## Swipe Copy for Your Project Campaign

Now, it can be scary to run your first project campaign to get people on board. So we've included some swipe copy here to get you started.

"Swipe copy" is copy that you can borrow, build on, rewrite to fit your needs and use for your campaign.

### First Email in the Campaign

The first piece of copy you need is an email to your entire list letting them know about your project. The email should invite them to take your survey and sign up for an email notification list dedicated to your new project.

That email might look like this:

*Hi <<name>>,*

*I've been thinking a lot about [topic]. It's an important issue and very big these days. [Examples of how it's important and/or a big topic].*

*And for good reason, too.*

*[How knowing about it and using it/addressing it/working with it can help them]*

*[Example of how you've used it or what it's meant to you/done for you]*

*That's why, today, I'd like to ask for your opinion on what could be my next big project. That project, as it happens, is also related to [topic].*

*In this case, it's [project idea].*

*For a long time now, I've been thinking about offering [more explanation of the project].*

*[Why you're thinking about this project in particular].*

*I've wanted to do this for a while but haven't really stopped to consider how it would work. That's where you come in.*

*I want to know if you'd be interested in hearing more about [project].*

*If you are indeed interested, all you have to do is click on the link below.*

*Click Here If You'd Be Interested in [Project]*

*I know that this won't be for everyone, but I think it will be really [powerful | important | helpful | other words] for those who are interested.*

*But I'm only going to pursue the idea if enough people say they're interested, and I'll only be sending updates to the people who give me their feedback (there's no point bugging everyone else with the details).*

*So if you're even remotely curious about having something like this happen, please click the link now, and tell me what you think— it will only take a minute, and could end up changing your life.*

*I'll tally the results over the next couple of days and let you know what I think the next steps should be shortly.*

*Click Here If You'd Be Interested in [Project]*

*Thanks for your help!*

*<END EMAIL>*

When you send this email, the people interested in your idea will fill out your survey and you can get a good idea as to whether it's something you want to move forward with.

If there simply are not enough people interested, then you will have let go of that monetization idea, at least for now. Go back to your list of possibilities that you created in the previous chapter, validate your research, and then run another email asking for audience feedback on this business idea.

So what exactly is in this survey?

Let's take a look at that next.

### The Survey

Here are some questions you can include in your survey to get useful information about your business idea.

"How interested are you in [service or product]? □1 □2 □3 □4 □5"

"Would you be interested in buying [product or service]? □YES □NO"

"If yes, what would you expect to be included in this [product or service]?"_____

"If yes, what would you expect to pay for this [product or service]?"_____

"What other products or services would you like to see me offer around [your field]?" _____

"What price points would you expect to pay for these products or services?" _____

"Do you have anything you'd like to add that wasn't included in this survey?" _____

### The Second Email

If your survey indicates that people are interested in your product or service idea, it's time to make sure that everyone who is interested gets onto your notification list to find out more about it—and that those people who aren't interested don't get any more emails about it.

Here's some swipe copy for that email:

*Hi <<name>>,*

*Earlier this week, I asked you, and the rest of my community, for a simple yes or no answer to the question:*

**Would you be interested in [product or service]?**

*(BTW, if you didn't see that email, and your response is "YES" then click on the link below).*

*Click Here If You'd Be Interested in [Project]*

*The reason I asked is pretty straight-forward...*

*[Why you want to do this product/service, what you think your people will get out of it, why you're excited about it.]*

*My email on [day]generated tons of enthusiasm, excitement, and interest...*

*...and a lot of questions, too! ;-)*

*I'll try to answer some of those questions, but I should start by saying that none of this is set in stone yet.*

*Here's what I'm envisioning at the moment...*

*[Description of your product/service as it stands now]*

*I know this isn't for everyone, so I'm only going to be providing information about this program to the people who really want to hear more about it.*

*Click Here If You'd Be Interested in [Project]*

*And if this isn't something you're particularly excited about, feel free to delete this email....if you're not on the waiting list, this will be the last you hear of it. :-)*

*Thanks!*

*<End of Email>*

From this point, you have a mailing list of people who are interested in your project. You can update them about your progress, ask questions about what they'd like to see included, and let them know when you have something ready to go.

## MVP in for Your Business

Having something ready to go means you're **ready to create** an MVP, or a minimum viable product, that you can offer to test your idea.

This MVP concept applies to all of the different models except advertising/sponsored posts where, again, your audience is the product. You don't want to call attention to that fact, so you won't be asking them what kind of advertising they'd like you to run and how much of it they'd like to see so that they can make you the most money.

### *MVPs for Different Business Models*

Let's take a quick look at what your MVP should be for each of the business models we've discussed.

If you're going to sell products or services as an affiliate, your MVP should be a single webinar in which you review one product and recommend it to your audience. Be sure to choose a product that you feel is representative of the products you'd like to offer in the future. Make sure there's a good fit with your audience. Approach this pilot webinar as a live webinar, not a test, and produce it to get results.

If you're planning to offer your services, create a small package of services, such as one or two hours of consulting or coaching or one design or writing project. Price the packages at the price point you intend to use, and offer the same services you're planning to sell long-term, but in small, short packages for pilot testing.

For digital training, enroll a small pilot group for live training in the program you're proposing. Remember that you want people to have the same experience you plan to offer everyone else, so that you can see how it works.

If eCommerce is your thing, promote a small batch of a special product that you believe your audience will want to purchase.

If you're planning to offer a subscription service or membership site, create an interest list that people must pay a token amount to be on in order to receive the materials you're planning to offer.

## Key Points

- There are several ways to find out what your audience wants: surveys, email engagement, and blog posts. All of these methods involve listening to what they say about the product or service you're hoping to create.

- You will end up with a lot of data about what your customers want.

- You should always create an MVP or minimum viable product, and iterate into the full version of what you intend to offer as you get input from your audience. This means one webinar for product sales, one small service package or one small pilot group in a live version of digital training, and one small token fee interest list for a membership site or community.

## Exercises

Construct a survey for your audience, and send it to your audience. If you don't have a list yet, send it to your friends and family—anyone who fits your customer profile or who you think might have good insight.

Do some research, either on your blog or your competitors' blogs: what are people saying about the topic you want to help them with? What problems come up, and are you ready to solve them?

Use your survey results and blog research to define your Minimum Viable Product.

## Chapter 6
# The Technology of Monetization

Okay—you now have a validated idea and a minimum viable product. Awesome! Now, you need to get paid. This is its own gargantuan challenge, and it's frankly a challenge that stops many potential bloggers from building a truly sustainable business.

This chapter will go through some of the most common technologies that you can use to get paid on a regular basis, and how to use them.

## The Basics

You need two things—and only two things—to take payment online for your products and services.

You need a way to collect money from your customers, and you need a way to provide transaction information, like receipts and possibly download links.

You will **also** probably want to have your customers on a specific list, or give them access to certain parts of your site. You could do this manually, but it will be better to automate this part of the process. You might be fine doing it manually with a few customers, but once your business grows this could become a major task and a major potential problem.

There are several "moving parts" to processing payments, so let's define some terms before we go further.

**Shopping Cart:** This is the customer-facing interface—what your user sees and how they order. This can be as simple as a "buy now" button on a sales page, or it can be an actual shopping cart where users click "add to cart" and can then click "view cart" to check out with one or more items in their cart.

**Payment Processor:** This is a company that actually takes money from your customer's account, and puts it in yours. You probably know of a few payment processors, but maybe you didn't realize they're called that. If you've ever bought something using PayPal or ClickBank, for instance, you've used a payment processor to make a payment.

**Merchant Account:** This is when you have the ability to do your own payment processing—many payment processing companies include this. If you've ever bought something and entered your credit card into a form without using PayPal or ClickBank, you've used the seller's merchant account to make your payment.

Let's return to our earlier example of selling geckos online at Herp Heaven to understand how the payment process might work.

A customer comes to the Herp Heaven website, sees a gecko they want, and clicks "add gecko to cart." They also head over to your Herp Habitat shop and find a cage they like for their new gecko. Again they click "add to cart." They finish up their visit to Herp Heaven by finding some food, a couple of plants and a basking shelf, all of which they add to their cart.

When they're done shopping they click on a button that appears at the top of each page and says "View Cart." They check that everything they wanted is in the cart, including their gecko. They fill out an order form including their name and address. They select the shipping options for those items and agree to the $50 FedEx shipping for their new gecko, and then click "Pay with PayPal," which is the payment processor Herp Heaven uses.

They receive a purchase confirmation and the system informs them that they will also receive an emailed receipt.

You receive an email from PayPal stating that you've received an order, and the money appears in your PayPal account. You can leave the money in your PayPal account, load it onto a PayPal debit card or transfer it to your bank account.

You ship the gecko and the gecko goodies, and the transaction is complete.

There are lots of ways to set up taking payments, but the example above is fairly simple. Keep in mind as you're setting up your payment system that not all shopping carts have payment processors, and not all payment processors work nicely with all shopping carts. Sometimes instead of a shopping cart, you will have a sales page, which connects to a payment processor just the same as the shopping cart does

It can be complicated, but it doesn't have to be so complicated that you can't make it work for you. Remember to keep it simple in the beginning—you're still testing out your idea, and you'll learn a lot about processing payments as you set up your business.

You might want to check out the article "Five Guidelines for Choosing a Shopping Cart Partner For Optimal Revenue and Customer Retention" for help in choosing a shopping cart. Also take a look at "How to Choose an Online Payment-Processing Service" and "How Do I Choose a Merchant Provider?"

## Payment Processing Options

Here are some of the options you have when it comes to setting up payment processing systems.

**PayPal**

If you've been online for any length of time, you've probably used PayPal to pay for eBay purchases and possibly to buy information products or other goods and services from individual businesses.

As a business (or a merchant, to use the correct payment processing term), PayPal has both pros and cons.

On the pro side, with PayPal you receive your money quickly and can transfer it to your bank account, which is good. PayPal is easy for people with a PayPal account to use, and many people trust PayPal, which is also good. It's easy and fast to set up, and you don't have to qualify for a merchant account or pay a monthly fee. All of that is good.

There are a few downsides to PayPal. Some customers don't like PayPal and won't use it. Some people without a PayPal account don't want to pay with a credit card through PayPal. Also, if you suddenly start doing a lot of transactions and pull in a lot of money in a short period of time, such as during a big launch, PayPal might freeze your account. They may freeze some, half, or even all of your funds until you work with them to prove that your big influx of sales is legitimate. Those things are not so good.

PayPal is good for digital and physical products, and you can set up an ongoing payment (called a subscription) so it's good for membership sites. It's not as good at allowing you to set up a payment plan with a set number of payments for a big product or service program, so you'll definitely want to find another option for that kind of offering.

Offering PayPal is probably a good idea, especially when you're starting out, because some people love it. However, you should not plan on offering PayPal as your **only** payment method. If you do, and PayPal freezes your account for some reason beyond your control, you'll be out of business until they unfreeze it, which may take a while and may not happen at all.

1ShoppingCart

1ShoppingCart is one of the big players in eCommerce, and offers a full-service solution for businesses.

As with PayPal and all of the other options, there are pros and cons.

Let's talk about the pros first.

The shopping cart portion of 1ShoppingCart can handle virtually any type of product, whether physical or digital. It's already set up and ready for you to use without any technical knowledge and without needing to install anything on your computer. Because 1ShoppingCart is a service, rather than an application, it runs on 1ShoppingCart.com's servers, and they handle all of the security of your clients' information, just like PayPal does.

1ShoppingCart offers an autoresponder, so that when someone buys a product or service you can add them to an email list. You can also do this using your AWeber account, but it's a nice plus in 1ShoppingCart.

Another feature 1ShoppingCart offers is ad tracking, so that you can track all of your shopping cart buy links, your ads, and your affiliate links and banners. Again, you can do this with other programs if you wish, but it's a nice feature.

If you offer several shipping options or want to offer recurring billing, 1ShoppingCart will do that for you, as well.

1ShoppingCart also has an affiliate management program built in, so if you decide to offer commissions to affiliates you won't need to set up a separate program. Note that you can use another system to manage affiliate payouts, if you prefer.

1ShoppingCart doesn't actually allow you to accept credit cards online. For that, you'll need to set up a merchant account or a gateway. Don't worry, sounds technical but it's not!

We'll explore that what means in the cons section, but for now we want to point out that 1ShoppingCart makes it really easy to set up a merchant account or gateway.

Those are all pros. Let's talk about the cons.

1ShoppingCart doesn't actually offer payment processing. It provides an interface, or shopping cart, for payment processing. You'll need a merchant account or payment processor to use 1ShoppingCart. You can use PayPal with 1ShoppingCart, if you choose. 2Checkout also works with 1ShoppingCart, and many merchant accounts work with 1ShoppingCart. If you have a merchant account and aren't sure if it will work, contact your account issuer.

While some shopping cart options are free or very low cost, 1ShoppingCart starts at $34/month after a free trial. This is not a huge issue for most people, but if you're on a tight budget you might want to keep it in mind.

1ShoppingCart is not particularly useful for offering digital downloads to your customers. There is a limit of 7mb per file, and links can only be used once and expire after 24 hours. If you're thinking of using 1ShoppingCart, you probably won't want to offer your downloads through their service.

So those are the positives and negatives of 1ShoppingCart.

Should you use it? It's great if you offer physical products and need your shopping cart to handle shipping and tax calculations. It's okay for selling digital products, if you host them elsewhere. Since it handles recurring payments it's probably good for services and membership sites as well. If you have a way to accept payments, 1ShoppingCart can give you a nice shopping cart and ordering interface.

**2CO 2CHECKOUT**

Where 1ShoppingCart is primarily a shopping cart without a payment processor, 2Checkout is a payment processor without a shopping cart. It integrates with a huge number of shopping carts and lets you set up "Buy Now" buttons without using a shopping cart.

Now let's look at the pros and cons.

2Checkout lets you accept payment without signing up for a merchant account. Unlike a merchant account, you don't have to qualify for a 2Checkout account, and there's no monthly fee. 2Checkout takes a fee from each transaction, just like PayPal does. The fee, last we checked, was the same as PayPal's fee.

With 2Checkout your customers pay with a credit card, and they don't need an account with 2Checkout to pay.

There's no signup fee with 2Checkout, so you can set up and start selling with no costs upfront.

2Checkout works with dozens of shopping carts, including some that may be installed on your server and some that are hosted by their parent companies and require no setup. Some shopping carts are free to use and others, like 1ShoppingCart, require a monthly fee.

You can use 2Checkouton a sales page without a shopping cart by setting up a "buy" button on your sales page.

On the negative side, 2Checkout is not as easy to use as it should be. It's sometimes hard to find things on the site and figure out how to do things. You can get around this by searching Google for 2Checkout plus what you're looking for. Their support team is also very helpful when you ask for help.

With recurring billing and the ability to work with a variety of shopping carts, 2Checkout is good for digital and physical products as well as services and membership sites.

**WOO COMMERCE**

WooCommerce, from WooThemes, is a WordPress plugin that allows you to set up a shop on your WordPress blog.

There are a lot of positives to WooCommerce.

It can handle almost any kind of product or service, which is great no matter what you're offering and really helpful if you're offering a variety of types of products or services.

It has shipping and tax calculations built into the system, and can generate custom reports on your sales.

It also has inventory management built in so you can track your inventory from within WooCommerce without having to set up separate inventory management and tracking software.

The main negative about WooCommerce is that while the plugin is free, you will need premium plugins to do some things. For instance, if you want to offer recurring billing, you'll need WooThemes Subscription, which runs $199.

If you're offering one-off digital products or physical products and you're using WordPress for your blog, WooCommerce is a good, free option to get up and going.



Gumroad, while intended primarily for digital products, can also be used to sell physical products.

The big positives about Gumroad are that it's easy to set up and use, and that it allows you to sell on Twitter, Facebook, YouTube and SoundCloud, in addition to selling through your emails and your blog.

With physical products there's both a negative and a positive. You can sell physical products through Gumroad, but you'll have to deliver a file to your customers. So if you're selling a physical record, for example, you'd have to deliver the first song on that record via a digital file. You could also deliver one lesson of a physical course or the first chapter of a book.

The other negative with Gumroad is that they don't support recurring billing.

If you're selling digital products, Gumroad is great for you. If you're selling physical products and can deliver a small portion digitally, Gumroad will work well for you. If you're selling services or a membership site, Gumroad is probably not going to work for you.



Shopify creates beautiful online stores and built-in payment processing, so you can get up and running with your online store quickly.

Pros include great designs for stores. If you don't know how or don't want to create your store yourself, you can use Shopify's templates to create an attractive shopping experience for your audience.

Shopify's rates for accepting credit cards are competitive, and the integrated payment processor means you can set up your store and accept credit cards without fussing with the technical details.

Shopify is not free, but its monthly fee of $29 is lower than many shopping carts, and includes access to the payment processor in the deal. On the negative side, Shopify is basically for products and does not support recurring billing.

If you're selling digital or physical products that your customers buy once, you might want to try Shopify. If you're looking to sell recurring services or products, or a membership program, Shopify is probably not the right choice for you.

## Integrations!

Once you have successfully taken your client's money, you have to deliver the product. There are a few ways you can do that, depending on what you're selling.

### *WordPress*

You probably use WordPress for your blog, but it's also great for selling and delivering your products. With WordPress you can set up a sales page for your product so that your customer can buy right from within your blog.

After the sale, WordPress is great for members' areas. Whether you deliver lessons on a regular basis or provide access to a content bank, you can use WordPress to handle the delivery. Coupled with a membership plugin, WordPress is the perfect solution for offering access to information.

### GoToWebinar

GoToWebinar offers another dual-purpose solution for selling and delivering content. You can use GoToWebinar for webinars in which you sell or presell a product or service. These webinars are a great way to get in front of your affiliates' audiences, and have a high perceived value.

Once you've sold digital training you can deliver that training live through GoToWebinar webinars, so your students can see what you're teaching and ask questions during the training. (This is also a good way to build a minimum viable product and test the training materials before you turn the training into something more permanent!)

### Autoresponders

You should be using an autoresponder to keep in touch with your audience members. You can also use them after the sale to deliver email courses, ebooks and really digital products of all kinds. You should integrate your autoresponders with your shopping cart to deliver your content or products.

### Forums

Forums make great membership areas. You can use forums with WordPress, but you don't have to. You can create a forum area that works the way you want it to, either with or without WordPress integration.

### E-Junkie

E-Junkie is a simple affiliate program provider that's easy to set up and use. It does not support recurring payments, which is a drawback, but it's a nice little service you might find useful.

## Outliers & Non-Traditional Commerce Methods

Depending on your audience, you might consider using Bitcoin, skill swaps and other non-traditional commerce methods. If you're thinking of doing something unusual, even if that something unusual is PayPal's BillMeLater, you'll need to know your audience very well. Specifically, you'll need to know how they're comfortable paying for your products or services, and how they will react to anything out of the ordinary.

## Key Points

- You need two things in order to take payment online for your offerings: a way to collect money and a way to provide a receipt.

- You'll most likely want to let customers subscribe to a list or access certain parts of your site as part of their purchase.

- There are several "moving parts" involved in online payments.

- You need a shopping cart, a payment processor and a merchant account.

- Some options include PayPal, 1ShoppingCart, 2Checkout, WooCommerce, Gumroad and Shopify.

- You will probably also want to integrate services and programs into your selling process. This might include WordPress for membership sites and content vaults, GoToWebinar for webinars, autoresponders for course delivery and forums for community and membership sites.

## Exercises

Before you research a payment processing system, write down how you envision your clients going through the check-out process. Refer to our example of Herp Heaven in this chapter.

Once you know how you want the process to feel for your clients, choose a shopping cart, payment processor and merchant account. These could all be offered by one software, or they could be two or three technologies that talk to and work with each other.

Make sure your technology is ready—your blog set up, your auto-responder ready etc.

You may also need an affiliate program so others can help you sell—this is the time you get that going as well.

Chapter 7
# Planning for Sustainable Growth

Now that you've done all the research, planning, and implementing, it's time to think about one last thing: what's your plan for growing your business after this first product or service?

This is another one of those areas that gets looked over when people talk about monetization. We've established that you can never treat your audience or community like an ATM, but neither can you sacrifice growth to warm fuzzy feelings. This chapter will teach you how to manage your growth over time.

## What Does Growth Mean to You?

In terms of your business, what does growth mean?

It's helpful to ask yourself some hard questions about growth and money. For instance:

- How much money do you want?
- When will you say no?
- What will cause you to say no?
- Is there a limit to how much money you want to make?
- How big do you want your business to be?

- How many people do you want on your team?
- What will your team members do?
- How much do you want to work on your business and in your business?
- When will enough be enough for the life you want?
- When will you feel that your business is too big and taking too much time and energy?

You might look at these questions and think you have no idea what the answers are, but you probably do. You know yourself, and you know what you really want. You know how you want your life to be and what you want from your business.

Be honest with yourself about the answers to these questions, even if you think someone else would answer differently.

For instance, perhaps you have determined that you could, by selling products, reach seven figures in five years. However, you know that if your business grows to seven figures you'll have to hire several team members and you'll need to work basically full-time. You also know that you want to work 25 hours a week and have no more than one or two people working with you.

In this case, you decide that seven figures is not somewhere you want to go. You're happy making in the mid-six figures with a virtual assistant and a part-time programmer on your team to help deliver digital training.

These questions may seem daunting, but you already know the answers if you're willing to recognize them.

## Scaling the Mountain

*"It's essential to select a tool that will allow you to manage your systems as your scale your business. Don't just choose a tool that will help you now. You need one that will work in the future as your business grows."* – *Natasha Vorompiova*

Scalability refers to your ability to grow something, in this case your blog business.

For example, a digital training course is very scalable, because once it's created, you can sell it to many people. Once you have the kinks worked out of the training and have a customer support system that can handle more customers, you can increase your number of customers over time.

Your time, on the other hand, is not scalable. You can physically only work so many hours a week, and this limits the number of coaching clients or service clients you can take on at any given time.

Let's look at a few more things that are and aren't scalable.

Physical products are scalable. You can continue to sell more and more products, provided you have the customer support capacity and you or your supplier can handle more orders.

Affiliate products are scalable, if the product owner is capable of handling more sales in terms of customer support and in terms of supply of physical products.

Digital products are scalable, again depending on customer support capabilities.

Membership sites are scalable if you have the bandwidth and disk space available to handle the load, as well as the customer service needs of your community.

As we said before, coaching is not scalable. You can scale coaching to a degree by offering group coaching, but there is a limit to how much you can expand group coaching. You can't add an infinite number of people to each group.

Consulting and other personal services are not scalable. You can charge more for your time, but you do not have an unlimited amount of time you can work with clients.

You might like to read the article "4 Ways a Small Business Can Scale to Profitability," and then an important and surprising article, "Do Things that Don't Scale."

## Planning Your Growth

You're not going to reach your long term goal right away—it will take time, maybe up to several years. You need to set shorter term, measurable goals, and stop and evaluate once you reach them.

For short-term goals, it's a good idea to look three to six months beyond where you are today. Then set longer-term goals for each year. If you evaluate your progress every three to six months and every year, you should have a good handle on how your business is growing and what you want to do to slow or increase growth.

If you don't have a business growth plan, you might want to read this guide to creating one.

## Things to Consider

There are some things you need to consider when you plan your growth.

First, can you go it alone? You almost certainly can at first, but at what point will you need help? Plan in advance for this. You don't want to scramble to hire someone once you need them and have to bring them up to speed quickly because you have a crisis. You always want to hire someone before you need them and have them trained and ready to take over their duties without a deadline or crisis looming.

Do you need more power? We're not talking about personal authority, but website hosting power. Is your hosting powerful enough to withstand thousands of website visitors a day? Do you need to switch now? Do you know where you're going to go and how much it will cost when you are ready to switch?

What will growth look like? How do you expect your growth to happen? Will you ramp up slowly, selling more products gradually? Will you spend more time, effort and money on marketing and grow fast?

What will you need to do to handle your growth? Will you need to work with suppliers to make sure they can handle demand? Will you need to get more customer support help?

Can you afford to grow? Will you need to borrow money to handle inventory as you grow? Do you have the resources to hire help and beef up your web hosting abilities? Do you have the time to grow your company? Will you need to quit your job if sales reach a certain point, so you can run your business full-time?

These are all questions you should consider in determining how and how much you want to grow.

In addition to those questions, you should answer "[The Most Important Question You Should Ask Yourself About Growing Your Business.](#)"

## Tools to Help You Grow

There are a huge variety of tools available to help you grow your business and expand your reach—as well as get more mileage out of what you're already doing.

### *WordPress Plugins*

You can extend or add capabilities to WordPress using plugins. You can find a huge number of useful free plugins, as well as premium plugins, usually at a reasonable price. You will want to add a few plugins to your WordPress installation to make your website run better.

Here are a few suggestions for plugins you might find useful when you start your blog:

### WordPress SEO by Yoast

You will want to optimize your blog for search engines. This is called search engine optimization, or SEO, and WordPress SEO is an excellent SEO plugin. You can find more great information on essential SEO plugins in this article from SearchEngineWatch.

### All in One Favicon

You've probably noticed a little square icon next to the URL in your browser's address bar. That's called a "favicon," and All in One Favicon lets you make and upload your own for that extra professional touch.

### Akismet

Akismet is built in to your WordPress installation, but you'll need to activate it. You'll need an API key, which you can get from WordPress.com here. Akismet is a very good spam blocker for your blog comments.

### NextGen Gallery

NextGen Gallery provides improved image management within WordPress and allows you to create attractive albums and galleries and add watermarks to your images.

### W3 Total Cache

Using W3 Total Cache is one of those things. You don't have to understand how it works or what "total cache" means. When you use this plugin you increase your site's performance by ten times or more, reduce

page load times and reduce download times. We've heard that Google's Matt Cutts recommends this plugin to improve page ranking, so it must be good, right?

### WP-PageNavi

This plugin is not essential but is very nice. Rather than having links at the bottom of your page that say "older posts" and "newer posts" you can customize the links to something more relevant and creative that fits your blog better.

### Google XML Sitemaps

This is a must-have plugin. It generates a special search-engine-readable sitemap, in the XML markup language, that lets Google and other search engines index your blog better. This plugin also automatically updates your sitemap and alerts all the major search engines when you create a new blog post.

### Shareaholic

You can find tons of social sharing buttons for your blog. This one is nice because it offers all the available buttons for you to choose from, and has many customizable display options including 'floating' buttons.

### Broken Link Checker

This is another must-have plugin. It not only monitors your blog for broken links anywhere within the site, including posts, pages and comments. It also notifies you when it finds a broken link. Even better, it then changes the look of the link and even prevents search engines from finding it.

### SEO Friendly Images

All of your images should have ALT and TITLE attributes. This is an easy way to improve your SEO. This plugin automatically updates all images with proper ALT and TITLE attributes to improve your SEO. If your images do not have ALT and TITLE already set, this plugin will add them for you.

### Swiftype Search

This is a nice little plugin that replaces the standard WordPress search. The results tend to be more relevant, and the search box offers autocomplete, which makes it easier to use.

## *Pinterest*

Pinterest is a great way to get people's attention and draw them back to your blog. You can do this with a Pinterest Pin It Button plugin for your blog. You can get that button from Pinterest. Make a point of pinning visual quotes, product images and anything else with a visual appeal that might grab your ideal reader's interest and cause her to click back to your site.

## *Google Analytics*

You must use Google Analytics. It provides detailed analytics about the number of visits, number of unique visitors, bounce rates, pages per visit and a lot of other statistics. You need this information to know how your blog is doing, not only on a day-to-day basis but in terms of trends, growths and consistency. You can use the Google Analytics Dashboard plugin to connect Google Analytics to your WordPress blog.

## Beware!

All this talk about growth and planning is great, but what do you do in case of a smash hit? Too much success can be as bad as too little!

Often business fail to plan for scalable growth, and when success happens it's overwhelming. Set checkpoints for yourself where you take stock of what is going on in your business and your life, and tally all of your resources. Have in place the plan for what you will do to manage your growth responsibly.

> *Often businesses fail to plan for scalable growth, and when success comes, it's overwhelming. Make a plan now for how you'll manage your growth responsibly.*

Let's say you have a business offering digital training in raising geckos. Your Basic Geckos series provides new gecko owners with all the information they need to properly care for their gecko and keep it healthy and happy for its full lifespan. You started out offering this video series with baby geckos from your gecko store.

After a few months of selling 20 to 30 copies of Basic Geckos along with baby geckos, you put the series in your store as a stand-alone item. Your sales rise to 50+ sales a month. You also start getting questions from people who've bought the videos but did not buy their gecko from you.

You put together a FAQ page for buyers of the videos, and include the link and a copy of the FAQs in the zip file with the videos.

You decide to offer your Gecko Basics videos as an affiliate program to other people who sell geckos online. Your sales rise from 50+ per month to 150+ per month. You continue to get questions, many of which you've answered in the FAQ. You create a set of email swipe files, each containing an answer to one question you often receive. When someone emails with a question, instead of directing them to the swipe files, you paste in the answer and send it out.

You start advertising on herp sites and using Google AdWords to advertise your gecko videos, and you begin writing a column for a well-known herp newsletter. Your byline in the newsletter mentions your gecko videos. Your sales rise to 500+ video sets per month. You hire a virtual assistant to provide customer support.

With the time you're not spending on support, you create Advanced Gecko Care and Gecko Breeding for Herp Lovers. You add these video sets to your store, offer them through your affiliates and advertise them on herp sites and with Google AdWords. You create FAQs and email swipes. Your sales rise, for all three video sets, to over 2,000 sales per month. You work with your customer support assistant to streamline customer support and provide more information in less time.

Once you have a new support system in place, you hire another customer support representative, increase your advertising, bring on more affiliates, and watch your sales rise to over 5,000 video sets a month.

During this time you have phased out of selling live geckos, which was fun but created very little income. You continue to breed geckos for fun and occasionally offer your geckos for sale to people who've bought your video series. You still offer gecko accessories and food through your store, as an affiliate, but you spend most of your time developing new videos for herp lovers.

This is one version of how your success could go. But imagine if you hadn't hired a customer support person, or hadn't planned for your growth. How would you handle questions from 5,000 new video students?

Success is wonderful, but it can also be overwhelming.

If you're eager for success, check out the Tiny Buddha post "How to Achieve Unexpected Success"

## Key Points

- Growth means different things to different people. How much growth do you want, and when do you want it?

- You should be clear about your ability to scale, or grow, your business and the implications of scaling. These implications might include needing to hire help for customer support, for example.

- Be careful that you don't grow too fast.

- Always hire a team member before you need them, not after.

- When you envision the future, don't just plan for what if things don't go well. Make sure you're prepared for unexpected, phenomenal success.

## Exercises

Based on the work you've done up until now, what is the single first step you need to take to get going?

Use the information in this section to set your long-term goals, and then work backwards. Use the desired outcome of your first idea as a starting point, and work out how you envision your business growing, and when.

Map out the path you will follow from your first success to your longer term goals. Include checkpoints to verify how you're doing, especially in the next three to six months.

# Conclusion

We've covered a lot of ground, and you have a **lot** of work to do if you want to start making money from your blog effectively.

We want you to know, though, that you **can** do this. You can have a thriving, successful online business without sacrificing your integrity, or resorting to underhanded tricks and techniques.

You just need to think carefully about what your goals really are, and make intelligent decisions, backed up by research about when and how to put one foot in front of the other.

If you think this guide was useful, we'd love it if you shared it with someone you know.

If you have any questions about the material covered here—why don't you email us? You can reach out to support@mirasee.com with anything that's on your mind about making money from your blog!

The Mirasee Team

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