

The Smart Passive Income Podcast
SPI 024 : Online Business Success Stories from
People Who Don't Teach People
How to Make Money Online –Part 1

Transcript

show notes and links: <http://www.smartpassiveincome.com/session24>

Pat: Hey, what's up everybody? This Pat Flynn and welcome to the 24th session of the smart passive income podcast. I am super stoked today because I actually have three interviews for you in this one session. A three for one deal for you today and I can't wait to share these stories because they're going to inspire you. I promise they're going to get you fired up to get stuff done and they're going to show you that you can be successful online without having to talk about or build a business about or blog about making money online or blogging itself because I'm in this industry I'm in the make money online niche, the online business industry and I get a ton of people who tell me that the only way to really make money online is to talk about making money online. That is not the case. I mean you could do that. It's not easy. it's a very crowded niche now super competitive and honestly there's a ton more people out there who are succeeding online in different industries earning a passive income, living exactly how they want to live because of their online businesses outside of this make money online industry. They just don't have the platform to talk about their successes or they just don't want to. I mean why do they need to they have reason to so we don't hear about it. We always hear about the people who are making money online from their own make money online blog such as mine. That's where everyone hears so people think that's the only way to it. It's definitely not and that's why I'm sharing these stories with you today.

START OF KEITH SNOW INTERVIEW
Harvest Eating at <http://www.harvesteating.com>

Actually in this session I have three, in the next session I'm actually doing three more so it's a total of six success stories in the next two podcasts from people outside of the

make money online industry who do things they love and enjoy for a living. You'll get to hear about how they got to this point, their struggles, their strategies, stories, tips. It's just awesome, awesome content. I actually listened to them a couple of times over and over again because they were just super crazy, unbelievably inspiring. Without any more fluff let's get right to it this first interview is with Keith Snow and I'll let him tell you who he is and what his business is and just understand that this are all previously recorded interviews. They're going to go back to back to back. Session 25 which is the next one will go back to back to back as well. Enjoy, be inspired, sit back, relax, listen, you don't have to take any notes just know that you can do it just like these guys do. All right everybody I'm happy to have Keith Snow on the show for us. Keith how is it going today?

Keith: It's going really great Pat. What about you?

Pat: It's going really well. Thank you for asking. First of all what's the name of your business, your URL and then what is it that your business does?

Keith: Sure well. I've had a business online now since about 2005. It's called harvest eating and that's the domain harvesteating.com. What we do is teach people how to cook with local and seasonal foods. We started very basic years and years ago just by putting up text recipes. Then when videos started to come out in 2006 we started putting up videos and the site really started to take off at that point. This is during the low carb revolution and back then talking about this is like 2004–2005 talking about local food and seasonal cooking. No one really wanted to hear it. They just wanted to see if it was low carb and eat bacon and sausage and all that kind of stuff. As it kind of grew, I'm sure you are aware of the movement of local foods. People want to buy local. That really helped me out. I've been kind of in front of that trend and unlike a lot of other chefs that are sort of entertainment based I've stuck with the local foods and I've developed a pretty good reputation as sort of the go to guy online for cooking videos

and we've got a pretty busy YouTube channel. That's basically how it all started. It's been a fun ride.

Pat: Yes. It sounds awesome. It's a very unique kind of niche that I never even thought about, local and seasonal foods. You said you had recipes, text recipes, now videos. How is it that you're making money because there is a lot of obviously recipes and videos that people will get online? How is this a business for you?

Keith: That's a great question and I think this is one of the areas that your listeners should definitely pay attention to because a lot of people get in to the space whether it be a podcast or a blog or whatever. They want to make money right away but as you know it's really a lot of hard work and I always tell people I should have quit a long time ago because I was kind of pigheaded and I wanted to succeed. I just worked and worked and worked. What we did was put out a lot of content and my theory was let's put out a lot of content, let's develop the tools and the resources for people and then we will figure out how to make money later. We've done all the similar things that people do like we've tried Google adwords and we're a subscription based website so we've used Google ads to get people to subscribe and then we have done lots of content advertising deals. We get probably two or three joint venture request a week and companies that want to take our videos and run ads against them. That's a tough game because you really need to have millions of millions of millions of page views to make it in the CPM type of an advertising system. We tried those and some money trickled in. then we kind of always got away from that and we started doing a little bit of ecommerce like I said the subscriptions.

What really did it for us was we had so many videos online. I mean I was looking the other day I've got like I don't know like 5000 back links to my site. That's because I put out over 300 videos. They are on YouTube, they are on Blip, they're all over the internet and the people see the food and it looks good. We do pretty high quality videos so when people see the food then they want the recipe. As a chef I never quite

understood why the recipe was so important. I always thought heck you can see me make it what do you need the recipe for but that's really not the case. A lay person wants that recipe. What we did, basically last year is we decided to put the recipes behind the members wall and my partners at that time said no one is going to pay for your recipes because just like you said a minute ago there's free recipe sites all over the place but as you know creating content, it takes a lot of time when there is video involve. It costs a lot of money when you're having editors and we do a two camera shoot and all that. Giving everything away was impossible and my thought was let's give them the videos, we put the recipe behind the wall and they can't get my recipes anywhere because these are my recipes. They are copyrighted and the only place that you can get them is either the harvest eating cookbook which you can buy in any bookstore or on my website.

What I saw was just tremendous willingness from the public to subscribe to have access to my recipes because they're just little bit different than everyone else's because they are easier to make. They're more down to earth. There's not a ton of cheffy flare to them. I don't wear the white chef's coat so people immediately identify with me and I'm told over and over that I have a kind of approachable style. This wasn't anything I set out to do. It's just the way it worked out but that's really the number one way we make it is with subscriptions and then we do have products that we sell on our store. We've got a line of pasta sauces called thoughtful harvest then those are a little different and in fact that I sourced all the ingredients from small US farmers. We don't import anything. We make it in small batches and then we have organic spice blends. We're coming out with some olive oils and things like that. And you have combination of ecommerce and the subscriptions and then we do make money on YouTube. That's been pretty profitable for us because I have a YouTube partner channel since that was like one of the first one that had one. They came to me and invited me into the program. YouTube and Google they send us a nice regular check every month but those are basically the ways that we do and it's enable us to see multiple income streams. As we talk I'm going to tell you in a few minutes about some of the other ones

Pat: These sound fantastic so just to get things straight you have your website harvesteating.com. People can go on YouTube or on your website and just find a whole bunch of free content, the videos of all the different foods that you create. These are videos of you right actually creating this food on camera? Is that right?

Keith: Right.

Pat: Then you kind of offer after they see the videos and see the different kinds of foods then you offer them the recipe behind the membership site that people will pay a monthly, are they paying monthly to have access to that or is that...

Keith: We offer three plans. We offer a monthly, an annual and we just recently added what's called a lifetime plan. For, I think it's a \$199 they have access for life and what we've have done recently, I don't think a lot of other subscription sites do is about starting in January we now offer a mix of products that go with the subscription. Instead of just subscribing you get instant access when you subscribe and then a few days later a box shows up on your porch. It's got our organic spices; it's got a couple jars of my pasta sauces, t-shirts in it. Give somebody something tangible in their hands it kind of lets them know that this a real brand. It's not just a blog. I mean it's actual, some business going on here.

Pat: Yes. I love that idea and you are obviously very smart. I don't have my own membership website yet but I said this in a podcast before if I did I'd want to do something special for each and every single person that subscribes or pays for membership I mean that's really, really smart and I think it's a great way to make sure that people who do become a member stay a member because one of the problems a lot of internet marketers have, people doing business online have is once they get people into their program, they have a hard time keeping them there for very long time. I think three months is kind of the usual timeframe for person to be in a

membership website across the board but you know it sounds like you'd have people on for a lot longer.

Keith: Yes, that's exactly right and one of the things that I found recently and you do a very good job of this as well is you are engaging with your customers. When I started engaging with the people that contact me whether it would be through email or on Facebook or in the forums in the website. I mean sometimes even by phone I'll call people. Those people become rabid fans and they become extremely supportive of the website so when you engage with them and they feel like where else can you go on the internet, see a great recipe in a video and buy a cookbook and then you can interact with the chef and the author just about any time. It doesn't exist and that creates people that, maybe they don't want to stay subscribed because they can't afford of it but I just don't think they want to let me down. We have very, very little drop off.

Another thing that I offer is anybody that wants a membership if they can afford it great. If they can't afford it I've never turned anyone down. I give away hundreds of free membership a year to people and what I do is I make them email me and just give me a short explanation and I'm happy to, I've got some 86 year women that are on social security and things like that. Again by engaging and being real it really helps with the drop-off or the attrition.

Pat: That's a great idea too. I haven't even thought of that people who can afford it but who would probably be so touched by your generosity that they would do everything they can to go out there and repay you somehow.

Keith: Yes. I even have a couple people recently that they wanted to have the membership and they also wanted to have the box of goodies and they said something like when I get my next pay check or I'm living on a little bit of money I really want to join. I'll reach out to them and say just send me your email address and I create the

account, ship the products to them and I've never been burned. people have always done what they've said and it's touching to see after this many years because we never really had, honestly Pat, I had a couple of partners that I was working with for a while and I was letting them sort of stir the way we operated and they were doing and suggesting some really critical errors and one of them was that harvest eating, the brand that was the brand and it wasn't Keith Snow, the chef. They didn't want my picture on the site. they wanted to build something that if I died could go on without me so we weren't engaging with people, we weren't having it very personal and then again like I said they didn't think anyone would pay for my recipes so they never really and I control the company but I didn't want to basically tell my partners the hell with you. This is what we're doing. for a number of years we didn't operate like that but when I bought the shares back and started kind of doing everything on my own I started engaging with the people and doing things the way I thought was better. My gut feelings were definitely right on.

Pat: Yes. I mean who's laughing now right?

Keith: Right.

Pat: I have a couple of follow up questions based on your particular business and I know there are a lot of people out there who they have their own recipes and they would love to create something like a food type of item to sell online but there some regulations as far as food right that can be sold online is that correct?

Keith: Yes, absolutely. As a matter of fact about 15 years ago I had a line of food products then took a break. I've been a chef for 25 years and worked in kitchens all over the country. Then I took a break from the kitchen in 1991. For about six years I marketed a line of food products and back then it was so much easier. I launched my new line of stuff, the thoughtful harvest pasta sauces, I think it was about September

of 2010 and it took about six months to jump through the FDA who because they want to see your formula. They've never cared about that in the past but they want to see your formula. They want to see the exact procedures that are used to make it. Of course, there is testing for bacteria and shelf's stable and all of that kind of stuff. They want to see everything that you're doing and then you have to get what's called a process authority letter. That's the FDA giving the food packers because I use an independent packer to make my products, it's giving them the permission to proceed and without that letter they can't legally make it. There are a lot of regulations and this is why a lot of smaller companies never get off the ground because you've got to have the determination to put up with six months of bureaucratic garbage.

Pat: I was going to say it sounds like it's not exactly the easiest thing to do up front but let me ask has it been worth it?

Keith: Yes, it definitely has. The products are successful and the reorder rate is just crazy. I mean so many people that try; I mean my marketing plan was I'm going to make an initial bash. I'm going to give every single jar of it away and then if I wind up with customers after that then I know I have a good product. If I don't then either I go back to the drawing board or forget about it. That's what I did and we were getting something like 90%-95% of the people that got a jar reordered. We've got customers that order every month or every couple of months. It's been profitable and I sell them direct to the public so I get a good margin for them. It's definitely a specialty item because like I said we don't import anything and most the companies are importing their garlic from china, their onions from Peru and it's kind of a global product.

If you look at my brand I'm all about local foods. I would be somewhat hypocritical to be importing cheese from Italy when we've got perfectly good cheese makers here in the United States in Wisconsin. The same thing with tomatoes I can get them in California or I can ship them across the ocean from Italy but I sourced everything locally and on our website thoughtfulharvest.com you can actually see the places that

supply the ingredients so there's complete traceability in everything that's on the ingredient panel. Nowadays people they have no idea what's in their food and part of my mission is to give people back the control to see. Okay these tomatoes were grown on Red Rock Ranch in California, this olive oil is grown, harvested and pressed in Lodi, California by this company, this family. That is kind of how I have done that product. I do have to get a premium for it because it's much more expensive than a traditional product. I mean I remember that the production partner they were like are you sure you want to use this olive oil because my olive oil had a wholesale bulk price. It's like \$35 a gallon. They're like we've got oil here from Timbuktu. It's \$2 a gallon. You sure you don't want to use that? I'm like no; I don't want to use that. You've got to have pretty strong ethics to do a product like that.

Pat: I'm very curious about your subscription model for your recipes about how many people would you say are in that membership right now?

Keith: Oh boy. My brother is in the business with me. He asked me that all the time. I don't track it that closely but let's just say it's over a thousand.

Pat: Over a thousand wow and you have lifetime membership for \$199. What are some of the other subscriptions base models?

Keith: Then we do an annual. I think the annual is \$79 and that comes with products too but just a little less. Then we offer a monthly plan and even for the monthly plan somebody plops down I think it's \$7.99 a month, I think they're going to get a little package from me. They're going to get a full size bag of our organic spices. They'll get a bumper sticker and a refrigerator magnet and business card and stuff like that. I try to touch every subscriber.

Pat: That's great. I love that so what has been the best part about doing business online like you are for you besides the business obviously taking off and doing well and staying strong and true to your ethics about food. What has been the best part about doing business online for you?

Keith: Well, I guess, my last job I was the executive chef of a ski resort, a big ski resort in the mountains of Colorado and I had I think over 400 people that were in my department. I had 12 chefs that reported to me directly. It was close to \$10 million in food and beverage and you'd think I had 12 restaurants, you think with all that food around me that I would be doing a lot of food but the flipside was I was just paper work chef and a marketing guy and the guy that got interviewed by the local newspapers but I never cooked. When I left that and I came home, you've got a child, being able to spend a lot of time with my family has been super rewarding but then being able to go into a niche and lay down a line in the sand and say I'm all bout local and seasonal cooking. This is the style that I like. I like to teach people to cook with the season and being able to do it online has given me the opportunity to reach over 25000 members of the websites. a lot of them are free members and we've got people that are on our newsletter list from a140 countries so it's really enabled me to get the word out and then the whole passive income side after a lot of years of struggle and definitely a lot of financial investment and a massive time investment now I'm seeing the recurring income.

Subscriptions are great because every day there's money that's being deposited into our accounts. I go on vacation and I'm still earning my salary. It does not really matter if I work or not. I mean I do still bust out a lot at work but as a matter of fact I just got back. I was gone in Europe from July 2 until the 17 with my stove sponsor. I cook on a range called Lacanche and if anyone is interested in that they can check out a website called frenchranges.com. I went with the owner of that company and we travelled through France and Switzerland and Italy for two weeks. The orders for the ecommerce kept flooding in and subscriptions kept coming in so it's enabled me not to have a boss other than myself. That's been really great.

Pat: That is awesome Keith. Thank you for sharing your story. Just a couple more questions for you before we finish up. What is the most important thing you learned while growing your business? Something that you wished you had known before you started that you'd like to share with everybody?

Keith: I guess really understanding that having a niche business, focusing on a small topic at least in the subscription sort of business with a membership site you can't have a really wide type of business. You've got to focus on something that's small and you're going to find a community around whatever you do. I mean you could be interested in making pickles. There's going to be a rabid bunch of people interested in making pickles and you can build a subscription site around that but focusing on something that you're good at and that you're passionate about. you can't do this business if you don't love it because you're just going to fail if you don't doing it because it can be a lot of selfless work for the first few years but staying focus on that.

The last thing is if you've got to engage with people in every screen that they are able to view you or interact with you whether that be Facebook and twitter and the forums of your website. then again remembering that people, you have a skill, you have some knowledge that people are interested in and treating them fairly and giving more than they pay for and going the extra mile. In my case when you kind of get a little bit of the whole celebrity chef thing not being a snob. I mean reaching out to people. Every weekend I answer emails. hey chef I'm about to cook a brisket should I be doing this or this and being able to spend your time and reach out with this people and stay connected and just engaged to make friendships. That's really the key I think for an online business.

Pat: Keith, I couldn't have said it any better myself. I think that's a perfect place to end interview. If anyone wants to learn more about you I would really be happy if you

shared where they can find you and also I know you have a book too. Where can they get that?

Keith: They definitely can check out harvesteating.com. That's really the mothership for everything I do. All the recipes and videos are there. We also have very vibrant YouTube channel. [Youtube.com/user/KeithSnow](https://www.youtube.com/user/KeithSnow). I think we've got 10000 subscribers there and then [Facebook.com/harvesteating](https://www.facebook.com/harvesteating). We've got a real nice community going there. My cookbook is called the harvesteating cookbook. It's over 300 pages so that is a really substantial book. If someone wanted it autographed they can get it from harvesteating.com or Amazon or Barnes and noble all the major bookstores carry it. I also wanted to let your listeners know that I've been recording a podcast now for about a year. I'm just past my 50th episode. It is the harvest eating podcast and iTunes and it's going really, really well and people are enjoying that. we're just about to launch, I think it comes up on the middle of august our harvesteating iPhone app which will enable people to watch our videos and get our recipes on the fly as well as learn what is in season in their area and then at the same time we're launching a roku.com is an internet TV, we're launching a harvest eating channel. We're going to be just about everywhere if someone wants to find me.

Pat: You've got a lot of stuff going but it all sounds fantastic and I wish you and your company Keith the best of luck and I hope to hear bigger and better things and I'm sure I will in the near future. Thank you for being on the show. I'm sure everyone is very inspired by your story and again harvesteating.com. Just head on over the Facebook page or twitter or say hi to Keith Snow there.

Keith: I appreciate it and I really love what you're doing too. You've got a great niche there and your podcast rocks man. I've got get that Heil PR40 myself.

Pat: Oh yes, it makes me sound a lot better than I actually do in real life.

Keith: All right Pat, I appreciate it.

Pat: Thanks Keith.

Keith: Thank you.

Pat: All right a big shoutout to Keith Snow from harvesteating.com. Keith thank you so much if you're listening to this I really appreciate you sharing your story with us today. Next stop we have Raffael Schulz, who is actually doing business outside of the US. This is a great story. I'm sure you'll be inspired enjoy.

START OF RAFFAEL SHULTZ INTERVIEW
Hochzeits Portal 24 at <http://www.hochzeitsportal24.de>

Pat: This Pat again back with another success story I have Raffael Schulz who contacted me after I've sent a message out on Facebook asking people who make money online without talking about making money online as you know and he really caught my attention because he sent me this message. He said I quit my job last year and now I run one of Germany's biggest wedding websites. I will go on a tour around the world for a year which is only possible because I make money online. That's awesome. I mean quitting a job and now touring around the world and also doing a business in another country which I know a lot of the listeners for smart passive income are from other countries and are wondering what it's like to utilize the internet in those other countries so I'm very happy to introduce Raffael. Raffael how are you doing today?

Raffael: I'm fine. Thank you very much.

Pat: Thanks for being on the show. I really appreciate it. I just want to ask you where were you before you created Germany's biggest wedding website?

Raffael: I was studying at the university. It's a cooperative study that means I'm part time working and part time I have to go to the university. It basically was a lot of studying; a lot of working and it's just...

Pat: What did I you study?

Raffael: International business and one day my brother decided or said okay, how about we do a wedding website and we didn't know anything about it and we just decided to start it...

Pat: Took off?

Raffael: Yes.

Pat: That's crazy. I mean what is the name of your business and what's the website. I know it's in German so it's going to be a little bit difficult for people to maybe understand or type in right away but I will have show notes on this particular podcast just so they can click on it but what is the URL and what's the name of it?

Raffael: Ok the name is Hochzeits Portal 24.

Pat: I would not be able to pronounce it.

Raffael: And the URL is <http://www.hochzeitsportal24.de> basically that means wedding portal 24. That is the name of our website.

Pat: Why do you think it blew up so big? I mean how did you become the biggest wedding website without even understanding anything about weddings?

Raffael: Just to make sure, I'm not the biggest; I'm in the top five.

Pat: Sorry, one of the biggest but that's still a great accomplishment. I mean I'm sure a lot of us know Ellie's in the US, the wedding industry is huge. I'm sure it is in Germany as well so please go on.

Raffael: When we started with the website, really we didn't know anything and we had a different domain name and we started learning about SEO and all that stuff. After one year I contacted different owners of wedding websites where I saw that they haven't done anything new in the last two or three years and I found this one website and I saw they have pretty good rankings. I would only have to change a few little things to make it better to get better rankings and so I made a deal that I bought the website for a pretty small amount of money. That was basically what really helped me because this website was about six, seven years old. It already had lots of content. It had lot of links so I just had to tweak it a little bit to make it more SEO friendly and to change the design so that it is more, a little more modern design.

Pat: So it was an existing site that you purchased and you saw that there was an opportunity just to take it to the next level obviously the people who were who owned

that site weren't doing anything with it and you said you made it more SEO friendly. You changed the design and did you see results right away after you made those changes?

Raffael: No, it took me a quite a while. In the beginning there were about 80 or 90 visitors per day and last year it went up to 200, 500 something like that and then all of a sudden there was one big keyword that I'm ranking number one and that just got me to 2000 or 3000 and actually this year I'm up to about 6000 visitors per day.

Pat: Per day? Wow. From 80 to 90 day to 6000.

Raffael: Yes and it was basically all, it came in boost. It was not steadily growing but it was going from 200 to 1000 and from 1000 to 3000 and from 3000 to 6000 and really like steps.

Pat: Right and that is because of the rankings in the search engines is that right?

Raffael: Yes.

Pat: So for those of you who's listening out there I always talk about how important it is to do things other than SEO because I'm a big proponent on great content and building relationships and stuff but obviously SEO is important case in point is wedding website and how dramatic that can affect your traffic. As far as monetization on your site how exactly are you making money from your site?

Raffael: Right now I have two basically, three different strategies. At the moment the biggest part is advertising. I have a media partner. They are called glymedia. They look for big companies to publish advertising on my website and that brings in a lot of money because companies like Mercedes for example they pay a lot of money for advertising so this is display advertising. If I don't have display advertising book then the website shows adsense so display advertising in adsense that's one strategy. The second monetization strategy is it's a directory which we just started in February this year so if you're in Germany and you want to get married then you can find all the different service providers for the wedding on our website and the businesses they pay me a monthly fee to promote their business on our website. the third part which I just started in the last few month is a affiliate marketing that I promote products that I think that are good and that can actually help the people to plan their wedding better or maybe if somebody wants to buy a wedding dress online I just give them the links where they can buy that.

Pat: All right. Wow that's great. You obviously have some good strategies. The first one you said was advertising so you have a media partner onboard that goes and finds advertisers for you. That's great. Number two you have the vendor listing which something that I'm starting to get familiar with on. I have this security guard website and I have been trying to do a similar model. I'm going to be very interested in going to your site and checking to see how that works and then affiliate marketing. You said the top thing right now would be the advertising route is that correct?

Raffael: Yes, until now that is still the biggest part because I have a lot of visitors on the website so that gives me a lot of money without me having to do a lot but I think the money really is in the directory. that's also where there is the biggest gain for my users because it's really hard to find a good wedding location so I think this is a part that I really want to focus on in the next few months.

Pat: Great. Now I want to ask you about doing a business online in another country. Obviously you're doing really successful. I get a lot of people who are from other countries including Germany, Poland, everywhere asking me should I do a business in the US because that's where all the money is. How would you respond to people from other countries other than the US who say there is a limited amount of income that can be made by going in my own home country?

Raffael: If you're in a really, really small country then maybe it makes sense to have an English website with a larger audience but most countries here in Europe either if it's Germany or Poland it's a huge market. If you don't want to make 20 or 30 million a month it's enough for everyone to if you look for your niche there is enough for you to make a living in your home country and it's your home country. Your home country you know how the people think and you know what the people want so you can give them a lot more information and they benefit because you know what you're talking about. For example a wedding in the US is totally different than a wedding in Germany.

Pat: Exactly. I'm glad you said that and I know from experience that it doesn't really even take that many people to support a business and really change your life with it. My lead exam website for example, that's a really tiny niche. Not very many people know about the LEAD exam and I created a study guide for that. I was making six figures in the first year. You don't really need that many people as long as you can find a group of people specialize in something and become the expert or the authority like you guys doing on your wedding website that then if you're providing great information then the rewards will come back to you. A few quick questions before we finish up. This is really inspiring stuff. Thank you for sharing. Now what is the, what would you feel is the best part about doing your business the way you're doing it online?

Raffael: The best part for me is I can do whatever I want on during my day. I can work in the morning. I can work in the evening. I can go swimming during the day if I want

to because I can work on my business in the evening or even at night if I want to. Also I'm mobile. I can go where ever I want and like you said in the beginning in November I will leave with my wife for a trip around the world. If I would have a 9 to 5 job I could not do that because the money stops coming if you have a 9 to 5 job. That's for me is one of the biggest advantages of doing business online.

Pat: Very well said and I think that's a lot of people's feelings on what the advantages of doing business online. Not necessarily to stepping away from your business forever but just having the ability and flexibility to do business wherever you want when you want which is great. Now on flip side what would you feel is the worst part about doing business online?

Raffael: The worst part is that you always know you could do so much better. There is such a huge audience you could do so much more. You always want to do more. If you have a 9 to 5 job. If it's five you're done and you leave and if you had an online business there is a huge, huge audience and you could work forever. That's one of the disadvantages. You have to know when there is a good point to just hearsay.

Pat: Right. How did you go over that? I know I've had issues with that as well. My office store is in my house and I can just always add more into my business. It's hard to stop, how do you get off work for the date and start to enjoy life.

Raffael: Usually my wife she still has a 9 to 5 job so when she comes home at 5-5:30 that most of the time that is when I just stop working and we have dinner and then we do something else so I don't work after that.

Pat: Very cool. Now the last question I want to ask you which is a question for the listeners out there. What is something that you've learned during your journey of

building your online business that you wished you had known before? Some tips or something that you wished you had known that can help the listeners out there when they're trying to start their own online business?

Raffael: I wish I would have known that it's important to look at other people who are already successful and not just look at what they're doing but actually try to do the same or copy their methods because I know a lot of things. I've seen so many successful people and I thought oh yes that's great and that's working for them but I'm going to do it my way. I had to find out that there's a reason why all the successful people do the same things and I wish I would have known that beforehand.

Pat: That is a great point. Not necessarily creating something entirely brand new and revolutionary. You don't need to do that as long as you look at other people who are successful, see what they're doing correctly and kind of borrow those methods and strategies not copying them verbatim or stealing things. I'm sure that's not what you mean but getting inspired by them, using the same tactics and you're right. I saw what other people were doing and I tried to do the same thing but then put my own voice, my own twists, my own unique spins so that you could still stand out from the crowds. Raffael thank you so much for your inspiring story. I wish you and your website the best of luck. You're already there but I wish you even more success. enjoy your trip around the world with your wife in November and if you could just one more time , I know it's going to be hard for people to write down but again I'll have show notes with links to all the websites here in this podcast. Can you mention your business name one more time and your URL and maybe if you have a twitter or Facebook or something where people can just say hi and thank you.

Raffael: My website <http://www.hochzeitsportal24.de> that's the wedding website. If you want to find me the best way to contact me is I have a small blog. It's <http://4hours1000places.com>, the numbers are written out. If you want to contact me that is

probably the best way. That is also where I write a little bit about my journey of the world.

Pat: Awesome I'm sure people would love to hear more from you. Again I'll have links on the show notes there. Thank you so much. Enjoy the rest of the day Raffael and I hope that we can talk again soon.

Raffael: Okay thanks for having me.

Pat: Thank you.

Raffael: Bye.

START OF DANIEL HIMEL INTERVIEW

Endurance Nation at <http://www.endurancenation.us> &

Marathon Nation at <http://www.marathonnation.us>

Pat: All right. Special thanks to Raffael for coming on and sharing his story with us. I'm not even going to attempt to say the URL of his wedding website. I will have the links on the show notes as per usual. If you go to smartpassiveincome.com/session24 you will see those links there as well as links for everything else mentioned in this particular session smartpassiveincome.com/24.

Pat: Last up we have Daniel Himel, with a great story, millions of dollars involved; quit his corporate job to do online business. This is a good one. Please enjoy.

All right everybody, what is up? I am on the line with another fantastic interview. I'm here with Daniel Himel from Endurance Nation and Marathon Nation. This is a fantastic story, I'm going to let him tell the bulk of it but I know there are a lot of you out there who were wondering if there are any people who left well paying corporate jobs to do business online and this is one of them. I'm going to let Daniel take over. First Dan, I just want to thank you. Welcome to the smart passive income podcast.

Daniel: Sure, thank you.

Pat: Start from the beginning. Where did you start? You said you had this corporate job and then you left it and then to do what? Kind of just give us the breakdown of how things went.

Daniel: Sure it's a great story. I worked at the world's largest cosmetic company. I held a high position there, six figure salary, the whole nine yards. During the end of this thing just like a lot of people I was becoming really unhappy with just the corporate environment, all the shenanigans that kind of go on every day. I had eight hours of meetings and I was still supposed to be productive for another eight hours of production time. Just like most people I was already kind of wishing I was out. During that time I decided to train for an ironman triathlon. When you train for an ironman there's usually a few different ways that you could train. You could go out and purchase a plan on the internet from a coach and they charge you \$300 or you can get a personal one on one coaching locally. I went and purchased a plan from a coach on the east coast named Patrick McCram. When I joined and I purchased that plan he had a site you buy this pdf from him. He had a site and you guys can go there and get supported through a forum and things like that.

He was also teamed up with another coach on the west coast, so they already had this small business going selling these training plans. They are both becoming pretty

successful in their own right leaving corporate America and becoming full time triathlon coaches. During this time talking back and forth with them I noticed they're pretty vocal about some technical trouble that they were having. I approached them. We came up with kind of a partnership deal and we took the existing team of maybe about 200 people on the team paying a monthly percentage, a monthly fee of maybe I think back then they're paying \$10 a month. We took that and developed a whole platform where people get coached inside this community. It's almost like a private Facebook. You sign in. you get your training for the day. You talk to your teammates. You do lots and lots of cool things. We built this whole platform, have people sign on because of the new value they were adding they raised the price to about a \$100 a month. Over the last three years that has grown from 200 people to 850 people paying. Actually the price has just recently risen to a \$129 a month. On average there's about 850 people paying \$99 a month. me and Patrick from the east coast, I'm in Texas by the way we built this whole business using Skype which is kind of another great story and she provides me inspiration because you can go out there and partner with people. They don't have to be right next door. You can meet this people online.

Pat: Right just like we're talking right now.

Daniel: Exactly, so it's really pretty funny. Me and Coach Patrick, we decided to take our learnings from Endurance Nation we built Marathon Nation. We opened that up in 2010, in April of 2010. We actually met in Austin, the very first time. They had been writing me checks for a couple of years and I had never met either one of the coaches face to face so we met up at Austin for the very first time at (South By (SXSW). In the hotel lobby we built Marathon Nation and we launched it a month later. Marathon Nation is the same kind of aspect. It's kind of a private Facebook training for people trying to complete their marathons, get faster at marathons. That one is cheaper. it's about \$30 a month and we grew that from no members, from scratch to, we have about 350 members now plus we train about another hundred members for free if they are training for certain charities. Those are the two businesses that we are part of.

Pat: So that's endurancenation.com that was the first thing.

Daniel: It's endurancenation.us actually.

Pat: .us okay.

Daniel: And marathonnation.us is our second one.

Pat: Great and when did you personally quit your job at?

Daniel: I left my job in June of last year so it's been a little over a year since I've worked fulltime for somebody.

Pat: Here's a question that I'm sure a lot of people are wondering how did you get all this stuff done with endurancenation.us and marathonnation.us while you had your corporate job? You said that you are doing eight hours plus a day. How do you find that extra time? What gave you the motivation to do that? How did you know that this was going to be successful and that was worth your time?

Daniel: That's a great question. One of the ways is that I'm just like you. I'm super, super productive. I'm really good at batching my work. I don't, once I got my head down I could really do a lot of things really fast. We do a lot of things under the principle of good enough. We don't aim for perfection but we execute fast and we just get things out there so it didn't take much time as a lot of people think. We didn't sit down and write business plans and stuff like that. We sat down on a hotel lobby and built the company. then we just got it out there so as far as extra time I gained a lot of

extra time for being super productive like you mentioned virtual assistants helped me out a lot on some of my other stuff and a lot of it was just kind of the crush it attitude, the hustle attitude so I would come home and I knew it was worth it when I would come home and start working on my side gigs which eventually turned into my real gig.

Pat: That's awesome. I mean those four things that you mentioned are things that I apply in my life too, in my own business which has really had helped me and I think you summed it up perfectly. That is exactly how someone who does have a corporate job, who does work 9 to 5, should do it. Starting from first thing that you mentioned is really batching your work. Working on being productive. When you're working 9 to 5 you probably don't have as much time as you like so you better maximize your efforts and productivity when you do actually work. I'm really glad you mentioned that.

Number two, doing things good enough and not perfection. That's huge too. That's something that I learned and I struggled with in the beginning of my business is I tried to make everything perfect and nothing is perfect and it really holds you back sometimes. As long as you put things out there that provide the information that people want and they're happy with it you don't have to be perfect. You can work on being perfect after you launch those things for example and improve. What happens is if you have like a membership site like you guys for example if it's good enough and people are happy with it and then you start to perfect it, people in there are going to be even more happy. They're going to stick around and that is something that I have noticed in a lot of other people's businesses as well.

Number three, you talked about VA's, it's something that I've been getting very familiar with lately. Super helpful, that's basically a great way to clone yourself and do work that you don't have time to do which is perfect for someone with a 9 to 5.

Number four I think is probably the most important thing is just the hustle attitude like you were talking about. If you want something you're going to do what it takes to make it happen. Thank you for summing that up nicely like you did. Was it hard for you to leave your job? I mean were you ever worried about that or did you just know that this was going to...

Daniel: Yes, I was totally worried and so as my wife. I have a super supportive wife and she's for the most part supported me through all this but I was making a lot of money there and by the time that I decided to quit I was making a lot of money with Endurance Nation and even Marathon Nation. When you have a lot of money from my corporate job, a lot of money from my side gigs. I was essentially cutting off a \$100,000 a year, \$125,000 dollars a year.

Pat: But was it worth it to you, do you feel?

Daniel: It was totally worth it because now I couldn't imagine and I was thinking about this last night. Last night, I was really, really tired and I could not imagine waking up in the morning and going to work. It's just not part of how I operate anymore. I couldn't imagine thinking oh man; tomorrow is Monday I have to go to work. I still have work to do but hey I could only wakeup, I'm going to knock something up for three hours and then I'm done for the rest of the day. Just like you I've heard you discuss on your podcast where I have a pretty good schedule and basically now I just have to work half the time so it's a trade off of time and money but I make enough money now but I have more time and freedom than anything. That's really what I was going after was the freedom and not being hassled so much by co-workers and bosses. I have none of that right now.

Pat: Yes, when I was working 9 to 5 I didn't even realized all those things. I liked my 9 to 5 but when I got laid off and I see what I'm doing now I don't think I could ever go

back. I love working from myself and making the executive decisions in my business and having that flexible schedule.

Daniel: At a corporate job if you hustle more you're usually not going to make anymore. like if I stay up late or if I go into like kind of crush it mode and I put out some new feature or something like that on products or develop something on the side like an affiliate program or something if I work hard for a month and put that out there I immediately get paid for that instead of just being told by a boss to do that and it's still part of your salary.

Pat: I've talked about that to a lot of people before in mastering groups that I've been in. it's like you can work harder than the next person and you would be both getting paid the same so I mean really what's the motivation there. It's kind of weird thing.

Daniel: Well in the opposite is you could decide to work a lot less than the next person over you're still getting paid the same. You have to work with those guys and usually you have to pick up the slack or if you're managing them you have to manage those people so it's just a broken system.

Pat: What has this done for your life style? I mean obviously it's not entirely passive income because you are still working on the technical side of things but how has it changed your life switching from the corporate world to the online business world?

Daniel: At first I've seen some articles written about it. There's some bipolar thing. Some days I'll be on top of the world someday it'll be kind of low because, I get scared of longevity sometimes. Is this going to last for another five years? I could have stayed at my company forever. If it's not going to last more than five years what am I going to do? I have a lot of fears up and down like that especially maybe the first three months.

That kind of tailored off but now it's a wonderful thing. what it's done the most I guess I'm like the envy of a lot of my friends because they're off going to work while I'm staying at home through automation and through virtual assistants and things like that. It has become at some point it's pretty passive. I work very few hours every day and this has completely changed my life. I have four kids actually so I never have to miss anything for them at school before I would have to kind of pick and chose what little school program I would go to. Now, I don't miss anything. My son was just in the little league world series or something like that over the summer. They had three games every day. I heard a lot of parent complaining oh I had to take out a week off work. I didn't have to do anything I could do anything I want as long as I managed, as long as I know what I need to do tomorrow and I could manage around that so it's an incredible thing.

Pat: I know you got in to this by doing the ironman training did you, are you still working on that? Did you complete one or I mean...

Daniel: Yes. I did ironman Florida and ironman Cosmo.

Pat: Nice congratulations that's awesome. I would love to do a triathlon some time. I don't know if I could ever do an ironman but...

Daniel: When you're ready talk to me.

Pat: Okay! I will.

Daniel: Coach Patrick, he got fifth place overall in this big one up in Lake Placid. He'll be going to the ironman championships in Honolulu.

Pat: That's pretty crazy. As far as Marathon Nation, I want to talk about Marathon Nation really quick because this was something that you and Coach Patrick started from scratch. How did you get 350 members to sign up? I mean what is your kind of marketing plan? How did you go out and get new members and it seems like it's doing really well and that started what last year in April you said?

Daniel: Yes.

Pat: That's amazing 350 members at \$30 a month from scratch. I mean obviously you had people in Endurance Nation already but I don't think, I mean just from my point of view I don't know if you could you know have one person buy both products so you have to find a whole new different audience. How do you guys get so successful with that?

Daniel: That is a good question. Part of it is that Coach Patrick already had some reach. Just like you are now when you opened up on your new programs you had some reach so you had some people wanting to buy some stuff already. Coach Patrick is a pretty big name in the space so he had some reach so he was able to guest post at certain places or write articles.

Pat: I was going to ask how did he get that reach? I guess guest posting and just putting his name out there as much as possible.

Daniel: He hustles. He writes very well, he writes very fast so he's published all over the place. he has an existing reach, hit social media very, very hard, create lots of twitter buzz and if anybody is familiar with the internet marketing space we did a pretty

typical launch plan where we got people to sign up for a wait list by downloading an eBook. We told them something very exciting is happening. We're opening up this place. If you like coach P's style sign up for this wait list. We're going to open up on Marathon Monday which is the day that Austin marathon opens up.

We started this wait list of people waiting to get in the door then we told them how much is it going to cost and people were still signing up for this wait list. We just kept on dating them through email marketing telling them hey you're going to be a charter member or you're going to get a discount, you'll get a free t-shirt, typical launch stuff. Then once the wait list got to a certain size we opened the door on marathon Monday. I think the first day we had I think 120 people signed up that first day because what's interesting about this and people think that we're crazy is we opened it up for only 26 hours then we shut it down again. We had a 120 people sign up at the first day. We shut it down and worked out some kinks in the system itself because the platform itself is pretty tricked up. It's a really nice place to train so we shut it down. We worked out some kinks and then once inside the community coach P, he's the face of it. He's a great marathoner. I'm more of the back of the pack, bucket list type of athlete.

Pat: I apologized that he wasn't able to come on today. maybe next time we'll have both of you guys on to talk more about your story because these are kind of more shorter inspirational interviews and this is been super inspirational so far but I love to get you guys back on in the future to just talk a little bit more detail because this membership thing that you guys do in the platform and just the way you're running in your internet business like people do in the internet marketing niche and in a niche that is totally different. I mean obviously it's working really well.

Daniel: Right and we still use all those internet marketing strategies. Some of them I learned from you frankly. We still used all those things but we're just not teaching how to make money online. We're training to run marathons.

Pat: So you opened it up for 26 hours because there's 26 miles in a marathon. That's pretty cool I like that. That's great too closing it out. I've seen other people do this too like Corbett Barr with his program at traffic school. closing it off which makes people who get in feel very special and what you could do is you could work with them to tweak things, make sure the system is okay so that when you do open it back up there's going to be hungry people that are waiting to get in.

Daniel: Yes, we mainly started the wait listing again and people took it seriously because most people when they first say he's not really going to close it down. He's not really going to raise the price and yes, we did close it down and yes, we did raise the price.

Pat: Yes and you have to be honest about when you close it down and raising the price because it kind of just compromises your validity if you don't.

Daniel: Exactly our wait list started growing again and a month later we opened for good. We opened up in May to where anybody can show up in a day and we've been running that way ever since. Endurance Nation does something pretty crazy where they close out membership in the early spring for two or three months and people just start piling up in the doors and that builds a need. It makes people inside the house or on the team feel special. Since we're a community it keeps some of the community questions down. The people are kind of heads down. They're ready to train for their triathlons and they cast down a lot of the noise. People stay focused and then the coaches open up the gates again about in the summer.

Pat: Some great numbers here. You said you launched Marathon Nation, opened for 26 hours. You had about 120 people come in at \$30 a month. That is \$3600 a month in

residual passive income from just those initial 160 people in the first 26 hours. Now you said about 350, I'm on my little calculator here. That's over \$10,000 a month in passive income from Marathon Nation which is your smaller priced, smaller amount of members compared to Endurance Nation. Everyone else can do the math there for Endurance Nation but that is amazing. This is like a million dollar company.

Daniel: Yes, it's going to make a million dollars this year.

Pat: That's amazing. well congratulations Daniel and if coach Patrick you're listening to this in the future, sorry you were not here today but congratulations to you as well. I'm just very happy for you guys. This has been super inspirational. It's really great to hear a story from someone coming from corporate world with a little bit of the anxiety that we all kind of feel making a switch in our lives and really crushing it and hustling and doing some awesome work and really changing people's lives and giving value to the internet and everyone else who signs up for community.

Congratulations Daniel once again. If there's a place where people can go to feel free to drop in a couple of websites, a twitter, a Facebook or something right now so that they can come and say hi.

Daniel: Just look for me on twitter. That is the best place to get a hold of me. I'm just at Daniel Himel you'll find me.

Pat: [Twitter.com/danielhimel](https://twitter.com/danielhimel) and endurancenation.us and marathonnation.us. Thanks again Daniel. Before I leave do you have any quick tips for anyone who is in the corporate world who wants to leave, just words of wisdom based on your experience.

Daniel: I think the transition is a good play. Hustle at night. A good way to think about it is if a corporation is paying you money to do something I guarantee you that there are people out there that will pay you money to do something where you get to keep the bulk load of it. Whatever you're doing for corporate America I can guarantee you should start building a side business doing the same thing. that may not be something that you love right now but at least your first step is I'm no longer working for somebody else at least now I have a job working for me. Once you have a job working for you now you have this flexibility to really kind of go and tweak it out and then end up in a place exactly where you want to be.

That one stepping stone of just separating yourself from corporate America and still doing the same thing but all the money is yours and your time is a little bit more flexible but you still have a job that's an important step. Once you're there tweak it out and give it to me wherever you want to be. If you want to change career fields that's the time to do it once you have separated yourself from corporate America.

Pat: Fantastic. Thank you so much and we'll talk again soon.

Daniel: No problem. See you.

Pat: Bye. A special thank you to Daniel as well as Keith and Raffael for sharing their stories with us today. Great, great stuff. In the next session we have three more success stories from people in three completely different niches so look out for that. Again you can check out the show notes at smartpassiveincome.com/session24. I'm going to leave it at that. Have a great day. Thank you for listening and as always thank you for your undying support. This podcast, the blog and my life really wouldn't be where it is if it wasn't for you guys. Thank you so much and I wish you all the best. Take care. Bye.

END OF TRANSCRIPT