



INTERNATIONAL FREELANCERS ACADEMY

Training that transforms your solo business

Strategies to Get You from a Job-Business to a Bona-Fide Business Carol Roth

Carol Roth: Hey, it's Carol Roth and I wanted to talk to you about an issue today that is affecting so many freelancers and solopreneurs in its country: 22 million of them to be exact or approximate, I guess. And this is when you are a freelancer or a solopreneur or even a super micro small business owner, you often end up in a situation where you are working more hours for the same or less pay than you would if you had a regular job. And does this sound familiar? You may be feeling some of the overwhelm and the overwork that so many people in your position are facing.

And that's because when we leave our jobs, when we go out on our own and we're starting out, we end up having to do so much ourselves. And we end up with this one-person business model that I call a job business. And what I mean by a job business is that you may have a business, but in effect, it's really more like a job because you have to do so many different things. And at the end of the day, if you are not working, you are not getting paid. So whether you're a web designer or a massage therapist or a photographer or what not, do you have a business model where if you go on vacation for a couple of weeks you still have money coming in at the end of the day?

If you don't or if you're just toying, then continue to listen because I want to talk to you about a couple things you can do to tweak your business model to get closer to what I call a bona fide business: meaning that you do have the opportunity to leave your business behind and still earn some revenue, perhaps create some equity value in the business, and make sure that it's not dependent only upon you. And that you could also focus more time on revenue-generating activities instead of spending all of your time marketing.

So what I want you to think about are ways that you can leverage your existing customers to continue to create more business for you. And think about this in the context of your model. And it's really important. There are two key things you want to be thinking about. One is recurring revenue, which is revenue that continues on a consistent basis, not just one project and then you never see the clients again. And the second is what's known as passive revenue. And I kind of hate the word "passive" revenue because at the end of the





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day, you still have to work to make it happen. But the key point of it being passive was that you can set up the work, and then hopefully have it be working for you while you're enjoying those margaritas on the beach.

So a couple ideas that I have for you: first of all, is there a way that you can do something where you are really visiting the customer on a regular basis. And this could be something that I like to call an audit, or it could be a checkup or it could be a yearly or a quarterly engagement: something where you're continuing to visit that customer. So, for example, if you're a photographer, could you put together a membership site that has scrapbook elements for your clients that they could subscribe to every month--\$9.99 a month--and have access to great scrapbook elements that they can use with the pictures that you create for them? And then can you also when you're doing your family portraits, talk to your clients about a yearly time capsule for the family. Because it's much easier to capture that sale when they're there and they're together. And then you sign them up for this yearly program. And they make the commitments, and you create something that's guaranteeing for them to come back.

Or perhaps if you're a web developer, you can do something like an SEO checkup every quarter or every six months. And, in some cases, these can be revenue-producing ideas in themselves. But, in some cases, they can also be what's known as a loss leader, meaning you don't necessarily make a ton of money on that. But it's a way for you to get back in there and sell more services. And then, of course, there is the "would you like fries with that" model, which is finding other products and services that your customers want. And in some cases, you might be able to find partners to fulfill those for you, and you can leverage your relationships. So think about those.

And then the other thing I want you to really think about: Is there a way that you can create products and services for your customers to use based on your core competencies that makes the business less dependent on you every single day. So is there an app that you can create? Is there a workbook you can create? Is there a resource guide that you





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can create that has information that's evergreen, that will continue to drive income for you even when you're not focused on selling that customer every single day?

A great example: Go to askdavetaylor.com. Dave is a tech guru and he's got evergreen content on how to troubleshoot all different kinds of technology that he spends a short amount of time updating. But it's this evergreen resource guide. And he has really turned his one-person business into a bona fide business that could easily be sold and that continues to make money for him even when he's not working on the business.

So that's the mind frame I'd like for you to get into: really evaluate your business model and think about the ways you can leverage your existing customer base and leverage your core competencies to create products and services that make that business less dependent on you for every single dollar working by the hour. Again, this has been Carol Roth. I hope that this has been helpful. And if you want to dive deeper into the subject, check out my new book, *The Entrepreneur Equation*. You can find it at carolroth.com/book or theentrepreneurequation.com.

