

SPI Podcast Session #185– Solving a Problem by Building it Yourself – The Story Behind ConvertKit with Nathan Barry

Show notes: smartpassiveincome.com/session185

This is the Smart Passive Income podcast with Pat Flynn, Session #185. Here we go!

Intro: Welcome to the Smart Passive Income podcast, where it's all about working hard now so you can sit back and reap the benefits later. And now your host – he's got the best voice-over guy in the world, if I do say so myself – Pat Flynn.

Pat: Hey, what's up everybody? Pat Flynn here and thank you so much for joining me in Session 185 here today. I'm really excited because we're talking with a previous guest who has gone a completely different route with his business and his focus. I'm really excited to bring him back to the show because I'm using his brand new tool every single day.

This is Nathan Barry, who was originally on in Episode 75 where he talked about how he was making 6 figures a year by self-publishing ebooks. For those of you who remember that, he talked a lot about the pricing strategies and the 3-tiered strategies that he used to sell those books and do really well with them, actually. If you go back to that episode (smartpassiveincome.com/session75) you can hear those strategies.

Everything in that episode completely still applies today, but for certain reasons that are mentioned in this episode, Nathan has kind of put that aside for a little bit to work completely on a tool called <u>ConvertKit</u>.

This is a fairly new email service provider out there that I knew about, but didn't really know about until I started to explore more email service providers because, for those of you who might remember on the blog, last week I published a post called "Why I switched from Aweber to InfusionSoft to ConvertKit." I talk about the struggles I had with each of those previous platforms, and what I found in ConvertKit.

I wanted to bring Nathan on the show today to talk a little bit about ConvertKit and why he created it and why he went this totally different route in his business, but also talk about what it's been like to go the software development route.



He talks a lot about the struggles moving forward, and what he has to look forward to and all those sorts of things. We talk a little bit about email marketing as well, although we've talked a lot about it this month on SPI already. All the relevant links related to ConvertKit and email service providers and email strategies will be linked to in the show notes as well.

I'm really excited to bring Nathan back on. We're going to talk about his new business and everything that's been going on. So here's Nathan Barry from <u>NathanBarry.com</u>, and of course ConvertKit. Here we go.

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Pat: Nathan Barry, welcome back to the podcast. How are you, buddy?

Nathan: I'm doing well. Thanks for having me back.

Pat: You are doing well. You've done a lot of things since we last hosted you here on Episode 75. Back then you were selling digital books and you were making 6 figures doing so, self-publishing them and selling them off of your website using <u>Gumroad</u>. You gave us a lot of great strategies for the breakdown of the pricing structures for all those things. So give us an idea of what's happened since then.

Nathan: Since that episode I took the self-publishing and the books and courses and the audience much further, and probably doubled the revenue since that episode. Then I gradually phased it out. I decided I wanted to go back to building software and I just saw a huge need for people like me with the email tools available.

I was using <u>MailChimp</u> at the time and I was looking to make a switch maybe to <u>Infusionsoft</u> or something, but I just didn't like any of the options available. None of them felt like they were built for me as a professional blogger.

The switch that I made was I stopped working on the books and courses and I went and built a software company. ConvertKit is email marketing for professional bloggers, and we compete head-to-head with MailChimp, <u>Aweber</u>, and Infusionsoft.

Pat: What made you feel like you could even do that, because those are the big names, the big players. I've used Aweber, then I switched to Infusionsoft, and now I'm on ConvertKit. I have a post that I wrote earlier this month about all that stuff and I'll link to it in the show notes here.



This is such a huge undertaking, an entire email service provider, and the way that you'd want it to be, which is great, and you obviously have a lot of skill with UX and UI (user experience and user interface), which is kind of your forte and where you helped out people in the software space earlier. That's what your books were about, but here you are actually building something for you and everybody else out there.

What made you feel like this was something you could even start doing? I mean that's such a huge undertaking.

Nathan: There are a couple things. One is that my background is in building software, so it's not like I went from being purely a writer to "Let's see how this programming thing works." I've worked as a designer in a bunch of start-ups and have worked on some really large-scale problems and worked with large development teams. So on that side I knew that it could be done, and there's lots of great infrastructure with everything provided by Amazon, and all these development tools makes building software easier now than ever before.

On the marketing side of things, what encouraged me was that I knew I didn't have to entirely dominate the market in order to build something meaningful. It wasn't like I had to make Aweber go out of business in order for us to be successful. What I knew is that the email marketing space is incredibly competitive. I think, Pat, you and I could spend a couple minutes and probably name off 20 email marketing companies that make over \$1 million a year. There's just a ton of them.

I knew that if we picked an audience and we could serve them better than anyone else, that we could build a great business. It wouldn't necessarily have to get to hundreds of employees and go to an IPO or something like that. We could build a great business just serving one audience.

I guess those two things really attracted me. I wanted to build a meaningful company, I wanted the predictable revenue from people paying a monthly subscription, and I just really wanted the challenge. I've always thought about it and I wanted to know could I do it.

Pat: And you are doing it. For those of you out there who don't know, I'm using ConvertKit right now and you can find it at <u>smartpassiveincome.com/convertkit</u>. It's incredibly easy to use, which is what I love the most about it, but it still has a lot of those advanced features that one might want to attempt to get to use on tools like Infusionsoft, <u>Ontraport</u>, and some of these bigger ones.



Quite honestly, when I was using them on Infusionsoft they were way overwhelming and they were way too difficult for me to understand. I know a lot of people who use them and love them, and I wanted to love them too but it just wasn't working out for me.

So it just came to be perfect timing between you and I, Nathan, with ConvertKit coming out at the time I was switching and trying to find something new. There will be a video out that shows people what ConvertKit looks like, in case you're interested, so you can see how it is.

But this isn't a pitch for ConvertKit. This is let's look at and examine the email marketing industry and talk about what's going on here in terms of what's working and what's not working for people.

This is a really interesting case here because, everybody, think about it. Nathan wasn't involved in the email marketing space, besides being a user. He's been a user for so long. He was on MailChimp and then tried to explore these other options as well, similar to me. Then here he is building his "perfect solution," his dream email service provider.

Can you tell us what are those things that you wanted to include in ConvertKit? What is the USP (unique selling proposition), if you will, behind ConvertKit? Yes, it's for professional bloggers, but what does that mean in terms of the tools and the functionality of it?

Nathan: The core idea is that you want to grow a very large audience, and you want to be able to interact with them and sell products to them and just keep track of all their activity in a way that makes sense, without getting really, really complicated.

For me, switching off of MailChimp there were a handful of things that I wanted. I hated duplicate subscribers. You have multiple lists and each person should be treated as one person with all their data about them, rather than being treated as a different person on each list, so that's one thing.

Another thing is I learned another best practice that you should give out an ebook or a guide or a video or something in order to get people to opt in, because that's a more compelling call to action than "Join my newsletter." That would be really hard to do in most tools.

Once <u>LeadPages</u> came out with their LeadBoxes that made it easier, but then you're still having to do it in an outside tool. I wanted to make it really easy to have a bunch of





opt-in forms and then have them all dump people on the same list with really intuitive segmentation without much set-up.

Another thing that email should do is it should give you some really great stats just by default. I like to ask people if they're just using straight MailChimp, "Hey, that opt-in form on your home page, what's the conversion rate on it?" and it's always like "Oh, that's easy. I should know that," then they realize, "Oh wait, I have no idea," because if you're not using some other plugin for it or anything like that, you have to set up goals in Google Analytics. And even though you want that data, it's just not worth doing the work to get it.

It was really important to me that ConvertKit gave me the exact data I wanted just by default, without any setup, in terms of conversion rates and where subscribers came from and that kind of thing.

Pat: I love this kind of journey that you're taking here in terms of figuring out the problems in an industry, which is what we all have to do. We all have to figure out what the problems are, what people's pain points are, and then provide that solution. Here you are doing that in the email marketing space.

What were some of the tactics that you used to be able to figure out what it is that people needed? Obviously you come at it in your own mind with certain things that you know needed to change, but how were you able to figure this out and also validate those ideas? Were you reaching out to other people and talking to them and things like that?

Nathan: The first thing that I did was I built it for me. I think it's the journey that a lot of your listeners are on, the journey to a 6-figure blog, and I knew that if I had all these problems on that journey, then other people would as well. So I knew that if it was useful to me it would be useful to more people.

That's actually something that I encourage people to do with their writing, if you're writing blog posts or any of that. Write it for one person, because if it's truly useful for that one person then it will be useful for so many more. But if you're thinking, "Oh, I'm going to build this for the masses. This is for everybody," if you're doing that with your writing it's going to be really generic, it's going to be boring. It's the same thing with software. If you build it for everybody it's not going to serve anyone particularly well.



So it helped that I was building it for myself but, like you said, we needed to validate it because I wanted more customers than just me, so I went about just asking for presales.

Pat: What does that mean?

Nathan: I wrote out 10 people that I thought might have similar problems to me, and I emailed them or messaged them on Twitter and said, "Hey, I have something I'm thinking about working on. Can I ask you some questions about it to see if you'd be interested?" They said sure and I got on the phone or Skype with each of them and just walked through that process. "This is what I'm thinking about building. Is this a problem that you have?" and then kind of went through that.

In all the cases they were having that problem. They were frustrated by how hard it was to set up follow-up emails or drip campaigns. Then at each stage as they expressed interest I just said, "Well, is this something you would buy?" and they'd say, "Yes, absolutely." Then we'd get to a price. "How much would you pay for it?" and they'd be like, "\$50/month" or "\$200/month" depending on where they're at. I actually went all the way through to getting an exact price.

The mistake I made was that I didn't ask for money right then. Doing it again I would actually ask for money because that's when the real feedback comes out is when you ask someone, "Okay great. I have a Gumroad checkout page right here. Will you preorder it for \$50?" and that's when the real feedback would come out. I ended up getting it a couple weeks later when I followed up.

Pat: So you actually did ask people for money before it was completely built out?

Nathan: I did, and a bunch of those initial people didn't follow through and didn't pay for various reasons. They needed advanced functionality that we just weren't going to be able to build initially, stuff like that. But I talked to a bunch more people and we ended up having I think 25 people pre-order for between \$100-\$500 per person, so we came up with about \$4,500 worth of pre-orders from that initial group. Then I used that, plus a little bit of money that I invested, to start building.

Pat: What was it like to know that people were willing to pay for this? Did that light the fire under you?

Nathan: Oh yeah, absolutely, because there's always this doubt in your mind. If you're working on your own building this thing that you think is going to be awesome,





you always wonder, "Are other people going to like this as well?" especially when you realize that they have to really like it in order to switch off of what they're doing now, because it's not some brand new category. It's not like, "Oh yeah, this is awesome. I'll buy it." They have to like it enough to switch off of something that they use and trust right now.

Pat: You had asked me to coffee once during my transition from Aweber to Infusionsoft, and you had asked some really great questions to me there. I think it might be useful if you can recall those questions to share them here with everybody. Again, we're talking about idea extraction and talking about your idea to other people.

One of the best things you can do, no matter where you're at with your idea, is to talk about it with other people. That's how you can get, like Nathan said, that honest feedback. Even if you're in the beginning stages, just talk about it.

Nathan, let me ask you first before you get to that, were there any moments at any time when you were doing your research where you were like, "I don't want to give people this idea."?

There might be some software that tries to serve everybody, and finding a specific space that could use that software and really nailing it down for them is a great strategy. It's obviously working for me and a lot of other people who are on ConvertKit right now, for professional bloggers and people who want to sell digital products, and so on and so forth. I think that's a great strategy, but did you ever feel at risk by sharing your idea and talking about what you were up to?

Nathan: No, I didn't, although I know that's a concern that a lot of people have. The reason that I didn't is, being a designer and developer and working in software, I'd had that pitch a whole bunch of times where people say, "Hey, I have this idea. Just sign this non-disclosure agreement and I'll tell you." And the idea would be like, "I'm going to build the next Facebook, but it's going to be for dogs."

I'd had enough of those pitches said to me of people who way over-valued the idea and way under-valued the execution that I knew not to make that same mistake, because I came at it from the perspective of a person who could actually do the work to build the tool.

I will give a quick plug to a blog post by Derek Sivers called <u>"Ideas are just a multiplier</u> <u>of execution."</u> If you Google that it will cure you of ever thinking in that way, that you



need to get someone to sign a non-disclosure agreement to tell them an idea for a start-up that you haven't even started working on yet.

Pat: Cool, I'll check that out. Thank you. Going back to our coffee date, you had asked me some really great questions. Do you remember what that conversation was like?

Nathan: I had somewhere I was trying to get you to take your business in a different direction, unrelated to ConvertKit, but separately from that. I didn't think you would switch off of Infusionsoft, so I was asking you questions as far as the needs of your audience and whether it would make sense for you to promote ConvertKit as something better suited than Aweber for your audience.

Pat: That's what I thought was really interesting about that conversation, because you knew I had just gotten on Infusionsoft. Once you had sort of jokingly said, "Oh, come to our team," and I was like, "We'll figure it out and we'll talk about it later because I'm on Infusionsoft now," and then you kind of left that behind, but then you started to dig in deeper with my audience and trying to discover what it is their pains were.

You also talked about in an ideal world you would ask what would the migration from one platform to another be like, if you just had a magic wand and you could make it happen the way you want.

I had told you, "I'd obviously want migration to be super easy. Right now I'm doing it with Infusionsoft and it has been a little bit of a headache, and I feel like a great company would help me out a little bit more or maybe just make it instant. Maybe some button I could just click, 'Hey, bring all your Aweber subscribers over to ConvertKit.' That would be awesome." Then you had talked about something like that with ConvertKit, which is really interesting and I was like, "Oh, this is perfect."

You are somebody who's coming from the blogging space who is in our position who understands this, who's now developing something, which is again why I'm so excited about this, and I can tell you all the conversion rates on every single form on my site right now. Again, it's just stuff that I want to know, that you have built for us.

In terms of digging deeper and asking questions, you were not in any way invasive, yet you were probably getting a lot of good information to help you moving forward with your software product, right?

Nathan: Yeah, and actually I should definitely give a plug here to Dane Maxwell, because I learned a lot from him as far as idea extraction and just asking questions and





genuinely listening to the answers, and it helps. In the case you referenced of what should that switch look like and you laid it out, then it's easy for me to say, "Exactly, I think the same thing. It should be super easy for the customer."

We'd encountered that with all of our customers. They were like, "I love what you're doing but it's way too painful to switch," and I could say, "It's not that painful, trust me," but that's not very convincing. Instead I say, "It's not very painful and I'll prove it to you by doing it for you." We have this concierge migration if you're on any of our larger plans where we'll do the whole switch for you.

Having you think through that first and then saying, "Yes, we do that," or basically having you come up with it and then pointing out that, "Yes, we solve that problem" is really powerful for anyone doing sales of any kind.

Pat: It's huge.

Nathan: We were just having coffee and catching up and all that, but that's what good sales are like. The people who do sales effectively are talking with friends and they're just building relationships. It doesn't come across as weird sleazy sales or anything, but it just comes down to asking questions. "Hey, what problems do you have?" and then trying to come up with a solution.

Pat: It's really funny because obviously I'm very familiar with Dane Maxwell. He was on the show several times in the past. Episode 46 is still one of the highest downloaded podcasts of the Smart Passive Income archive, and in that one he actually gives us specific questions that we can ask for idea extraction.

He runs through an example with us and talks about all that stuff and it's amazing. Whether you're doing software or trying to figure out what business to create or how to brand yourself or any of that stuff, these questions are useful.

So yes, absolutely you've got to sit down and have a conversation with people in your audience or people who are in the same space as you. You're going to find out so much golden information that you would never know from even conducting a thorough survey. I feel surveys are sort of level 1 answers to certain questions, or maybe even level 2, but that's it. It's when you start asking, "How come? Why? What would be better?" – you never know what those answers are going to be until you have those conversations.



The reason why I wanted to bring this up is I think it was really smart for you to ask me out for coffee and talk to me about this. Even though you weren't selling me anything, you were still able to get a lot of great information to help you build your software in a better way.

Nathan: The two questions that I got from Dane that were the most useful were not the initial questions that you ask, but just how much he emphasized saying "What else?" and "Tell me more." I would ask that first question and then my instinct would be to take a note and then move on to the next question, but all the good stuff comes after diving deeper.

Pat: Nice. Now, what were some of the challenges for you getting started? I know a lot of us are in start-up mode, whether we're doing software like yourself or building a brand or content marketing or whatever. What are some of the challenges that you've been facing in starting this company?

Nathan: There have been a huge number of challenges. I'll just say that I terribly underestimated the amount of work it would be to build this company, and the amount of work it would be to sell software versus selling books or courses. The biggest challenges are just how much infrastructure and how many features and how much code has to be written just until you're playing on the same level as the other big providers, so that's one, but I knew that one was coming and I knew how to deal with it.

The biggest one was just convincing people that we're a serious player in the market, especially when it's really early on and you have 20 customers or 30 customers or something like that, and they're all small. It's a big deal to get people to switch. Really you need people to take a chance on you early on.

Pat: How do you get people to do that?

Nathan: Building relationships is a big part of it. Then I would say being really honest with people and don't promise everything. Tell them what your dream is, what your vision is, so they can buy into that and they can want you to be successful. But then also tell them, "Hey, when you switch over things are going to go wrong. We're not going to be perfect."

You don't even have to say that their other provider isn't perfect because they know that, but then you say, "We're going to do our best to make you successful. We're



going to go above and beyond. If you run into problems you don't have to write into Support. You can give me a call."

When you try to get these big accounts early on, you're trying to get people to take a chance and just be super up-front with them. Then I would also say to lay out the worst-case scenario. That would just be, "Here's what it would look like if after 30 days you had to switch back to your other provider."

The one person that has been absolutely amazing through all this is Joel Runyon. He runs <u>ImpossibleHQ.com</u> and UltimatePaleoGuide.com. Joel switched to us really early on and he took a big chance on us. I think we let him down at times, but we also helped him in as many ways as possible. So I've got to say thank you to him, and there's a bunch of other early customers.

Once they started to switch it just kind of leveraged and started to snowball from there, where people would say, "I don't know if you can handle my list of..." and it was like 10,000 subscribers or something like that. It's one thing to say, "Yeah, we can, of course," but it's another thing to say, "Hey, we have this other customer who has 150,000 subscribers. I think we can handle what you're doing."

Pat: One other thing that impressed me about ConvertKit, and I think this is something that everybody can learn from, especially people in the software space, is that you're doing your best as well to educate your customers, not just in terms of using ConvertKit, which like I said is very easy to use, but in terms of how to succeed with email marketing.

Gumroad does a very good job of this too. They have education built in throughout Gumroad in terms of how to sell better and marketing strategies and all these things that they don't have to do because they're just a provider of a shopping cart and a digital product delivery service, and that's essentially it when it comes down to it. But there's so much more than that, and they're able to build even stronger relationships by educating people.

And here's the kicker, and this is what you told me and I was like, "Yes, it's so genius! I need to do this too when I get into software," which I have been doing now, which is you have to want your customer to succeed. It's not just to get them into the line where they're paying and that's it. Obviously if you're getting recurring income as well you want them to stay around as long as possible, but beyond that they're going to want to share you with everybody if you're educating them and making them better and sharing more results.



For a business model like yours, which is like a lot of other software, the more successful they are, the more successful you as a company are as well.

Nathan: You just have to look at it that people don't want to buy a particular tool, or they don't want the best email marketing software or anything like that. They want a particular result, and you can accomplish that result with software, with a plugin, with a bunch of things, or you can accomplish it with training.

They want to grow their audience and they want to sell more products, so we want to do everything to help them get to that point, and that means a combination of software and training. I guess you have to look at how you can help your customers be successful, and then be open to whatever form that may take.

Pat: I think that's very smart. I know there are a lot of software companies out there that could potentially benefit from that strategy. I mean podcast hosts, for example. You get in the door and kind of that's it until you have to pay again next month, where they could probably do a lot better educating an audience as well.

Nathan: They definitely could. Someone should do that. [laughing]

Pat: Yeah, somebody should do that. [laughing]

Let's talk a little bit more about some of the big mistakes that people make with email marketing. You've been running ConvertKit for a number of months now.

Nathan: 2-1/2 years.

Pat: Wow, so this has been a long journey for you.

Nathan: Oh yeah, it's a long process.

Pat: I love the long-term game here because I feel like things are finally starting to pick up for you.

Nathan: We had a long time building out the platform, supporting a small number of customers. It's really been the last 8 or 9 months that I made the decision to go full-time on it. I invested \$50,000 as of January 1 of this year, hired a bigger team and scaled up, so it's been a wild ride this last 6 or 8 months in particular.



Pat: And how's the growth rate been for you guys, if you don't mind sharing.

Nathan: All the numbers are public. Actually if you want to know everything about ConvertKit you can go to the blog at ConvertKit.com and I write a monthly report there.

Pat: I love that.

Nathan: Yeah, I figured you would. [laughing] But then also if you want to go to <u>ConvertKit.baremetrics.com</u> you can see all of our metrics. You can look at our exact churn rate. You can look at our growth.

Basically all the analytics that I have on the business I made public, so if you want to see what it was like to have a business that wasn't succeeding for over a year – I bet if you look at those graphs you can find the exact month that I went full-time on ConvertKit. Since then we've grown 20% every single month, then in July we grew 48%.

Pat: So it is taking off. What would you attribute that take-off to, besides you obviously putting more effort and money into it at the beginning of the year? What else has been really helping you grow?

Nathan: I would say that full-time focus is the driver for all of that. If you're trying to get people to take your product seriously, then you need to be taking it seriously and giving it all your attention.

Once I made that decision, I think there were all these people on the sidelines, people like Joel Runyon who were interested in what I was doing, but before I was working on it full-time they weren't going to take a risk and switch to it. Once I started working on it full-time, then things can start to snowball and then you start to get people who use it and love it, and then it goes from there.

I think if I was still doing this as a side project, like I was a little over a year ago, Pat, you certainly wouldn't have switched. You aren't going to switch to something that someone's running as a side project. But once all this starts to happen and you can see that someone's giving it more than 100%, it makes you want to be a part of that.

Pat: This convertkit.baremetrics.com is really interesting. You can even see a live stream of new customers, not their names but just the fact that when you get paid and all that stuff, that's really, really cool to see, but also really scary. Why would you do that as a company owner?



Nathan: The biggest thing is I wanted to tell a story. I've seen far too many people talk about their start-ups that were a wild success. They just say, "Oh, we launched and then we did XYZ and then there we go. We were on our way to selling \$50 million." How do you relate to that?

If you're in the position that I was in, where you have this thing that's kind of working but it's not that big of a success, should you double down on it and should you really focus on it, or what do you do? I knew that I was going to turn this around so I wanted to tell the story of turning a side project into a full-time gig, and I wanted to show that growth.

I didn't want to tell like a doctored version of it, like I could screen shot maybe just from October of last year until now and be like, "Look, we launched and all this amazing growth happened!" But what I want you to see is the year and a half before that of the hard work as well, where nothing happened.

I think there are so many people out there that need to put that hard work into their products to make it happen, but all they see on Twitter is these overnight successes, so I want to show something that's not an overnight success. It's just pretty much hard work.

Pat: I'm looking at the numbers right here, and I'm going to explore this even more now. I just think it's really cool of you to do that and it just makes you a real person. Now if people do switch over they can really relate to where they're at and be a part of that story with you.

I know there's going to be a lot of people who listen to this and are like, "Oh my gosh. You're actually investing your time and money into this company that's just starting out?" and I totally understand where you're coming from, and I had to ask myself those questions. But then I had to also remember that I've known you for quite a while. I know what kind of work you do and the dedication you have for the things that you put your time into.

Getting to know ConvertKit and your plans for it even more, I'm just very excited about it. Plus it's just a great product overall. Again, I don't want this to seem like a pitch for it, but I love the fact that we are telling a story here, and I think it's very admirable for you to be very open with your numbers like this.



This is how companies like Buffer have done so well too with being fully transparent. This is how I've been able to grow and build real relationships with people too, because now you're not just getting customers, you're getting people.

I think that's where a lot of email marketing has gone wrong over the past number of years. The people who are on the other end of those emails have been treated just like customers, and that's the problem. When you take the time to treat them like the actual people that they are, and know that there's real people who are building their lists who are struggling as entrepreneurs, who are growing as entrepreneurs, then you can serve them in a much better way that will have them stick around for longer.

Nathan: Yup, absolutely.

Pat: Nathan, this has been a great conversation and I'm very happy to introduce ConvertKit to everybody. To everyone listening, I understand if you're not ready to move yet, and it might not even be the right tool for you. Again, Infusionsoft is one of the most amazing tools out there, but it just wasn't for me. I'm just kind of trying to introduce other tools that are available to you, and I've explored this one very much. I'm using it full-time now and I'm enjoying it very much.

People are segmented in my audience and going through different courses in there, and they're also being tagged appropriately as well so I can better serve them in the future too, and that was my primary goal.

So the big question for everybody out there is what is your primary goal with your email list? If it's just to collect a single email list to mention when you come out with the next blog post, then there are a lot of tools that can do that. Again, I'm just introducing all these tools to you. This will be on the Resource page after this episode goes live.

Nathan, any other words of advice for anybody else out there starting something? The journey just seems to be very long, and maybe too long for them at this point.

Nathan: I'll tell you what went through my head when I was trying to decide whether or not to double down on ConvertKit and invest a bunch of money and bet everything on it, or shut it down. There was a point in the journey where I was trying to make that decision.

I would say just ask yourself honestly, have you truly given this your best effort as far as to grow it and make it succeed? If you haven't, then do that. You owe it to the



product that you're trying to create. Then also just look at are there other opportunities in front of you that you haven't gone through yet and that you could still pursue?

The answer for me was that I hadn't given ConvertKit every possible effort, so I needed to do that. Then I could pursue other things like picking the perfect niche for ConvertKit and really marketing it better.

That's what I would do when you're considering growing a product. Also, all those stories that you're looking at, those blog posts about companies doing ridiculous revenue, I would look at the time before that. They're always going to show a pretty chart, so what do the three years before that look like? It may be that they just launched that product, but what were all the things they learned on five previous products? Always look for what happened in the two years before the overnight success.

Bryan: Like Angry Birds being the 52nd game that Rovio created, and so on and so forth. Nathan, thank you so much. I think this is going to be very inspirational, and I think it might be a much-needed episode for a lot of people to here. Again, thank you for being fully honest and transparent with what it is that you do.

I look forward to continuing to work with you in the future, Nathan, and we appreciate you.

Nathan: Thanks, Pat. I appreciate you.

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I hope you enjoyed that episode with Nathan Barry. It's so cool to hear how he's progressed from publisher to now software developer and everything he's going through. I think it's really cool that he's being very authentic and upfront with where ConvertKit is at.

It's still very new, and I know a lot of you who are not early adopters with things might not want to get with it yet, but it is growing. Every single day they're adding new features. Actually that website at baremetrics.com just shows you the trajectory. If you go to convertkit.baremetrics.com you'll see exactly. It shows you in graph form very specific numbers on how much he's making every single month, what his churn rate is, how many refunds he's giving.



There's even a little feed on the right-hand side of baremetrics that shows you how many people signed on today. It's really, really interesting and very, very transparent. I love that. You can see it's growing at a very fast pace, and I'm really excited to see where ConvertKit lands in the future.

I'm at the point now where I've used it enough where I trust it and I can recommend it. I use it and it's helped me so much with my email segmentation. It's just insane how easy it is to use, and that's actually Nathan's specialty. It's the user interface and design.

If you want to check it out, here's my affiliate link. I do get a commission if you go through this link, and I appreciate it in advance. That is <u>smartpassiveincome.com/convertkit</u>. Prices are very similar to other email service providers but it offers so much more. Again that's <u>smartpassiveincome.com/convertkit</u>. Go ahead and check it out there.

I also want to mention that the show notes and all the links for this episode are available at <u>smartpassiveincome.com/session185</u>.

I also want to thank today's sponsors. First up, <u>99Designs.com</u>, making it super easy for anybody out there to get anything they want designed by people who know what they're doing when it comes to design.

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The turnaround is super quick, 7 days, and if you don't like what you see you can get your money back – really awesome.

You can get a \$99 Power Pack of services for free if you go through my link, which is <u>99Designs.com/spi</u>. I've used it in the past several times. If you can't afford that one designer that you have working for you completely, this is a great way to get those design needs done for you so that you can move on and do what you need to do with your business. Again that's <u>99Designs.com/spi</u>.



I also want to give a big shout-out to another sponsor, <u>Athletic Greens</u>. This is a sponsor that I first heard on Tim Ferriss's podcast, and I actually got hooked up with their product after listening to them on his show. Now I'm in love with it and I have it every single day. It's a supplement, what they call a premium super food cocktail.

A lot of these supplements and powders and stuff are not for making you stronger or bulkier or anything like that. It just literally gives me energy throughout the entire day. It's 100% natural and it actually tastes really, really good. It's how I can start the day off inside my Miracle Morning and just know that I'm going to have what I need to get through the day and just crush whatever it is I'm going to do.

If you want to check it out, you can actually get it for 50% off for a limited time only. Go to <u>AthleticGreens.com/pat</u>. Check it out and see what other people have to say about it. It's awesome. Again that's <u>AthleticGreens.com/pat</u>.

Thank you so much for listening in today. I appreciate you spending time with me today, me and Nathan and ConvertKit. I can't wait to see where it goes. I wish you all the best and I look forward to serving you next week and next month, where we talk about affiliate marketing.

We've talked about affiliate marketing in the past, but I'm bringing it back. We're going to talk in more detail about it because not enough people are using affiliate marketing in their business. I'm going to give you some information on what you can do to succeed as a successful affiliate marketer, no matter what niche you're in. So look out for that next week.

Until then, thank you so much. I look forward to hearing what you think. Again, the show notes are at <u>smartpassiveincome.com/session185</u>. Cheers and I'll see you in the next one.

Outro: Thanks for listening to the Smart Passive Income podcast at <u>www.SmartPassiveIncome.com</u>.

Links and Resources Mentioned in This Episode:

NathanBarry.com ConvertKit ConvertKit metrics Smart Passive Income Podcast Episode 75: Six-Figure Earnings with eBooks (Not on Amazon) and a Pricing Structure that Works with Nathan Barry



Smart Passive Income Podcast Episode 46: Building a Lucrative Business with No Ideas, No Expertise & No Money with Dane Maxwell Why I Switched from Aweber to Infusionsoft to ConvertKit Gumroad MailChimp Aweber Infusionsoft Ontraport LeadPages "Ideas are just a multiplier of execution" Joel Runyon's ImpossibleHQ.com

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