

EXPLORE YOUR ENTHUSIASM

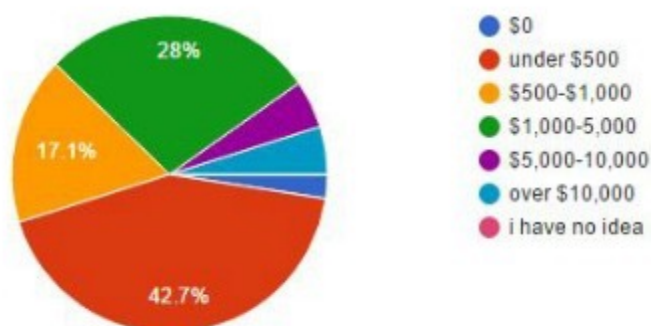
EPISODE 151: YOUR INCOME REPORTS

What was your income last month? What's the average listener to the podcast making in their business? How long have they been in business? I'm sharing it all in today's episode.

Welcome to Explore Your enthusiasm, episode 152 with me, Tara Swiger

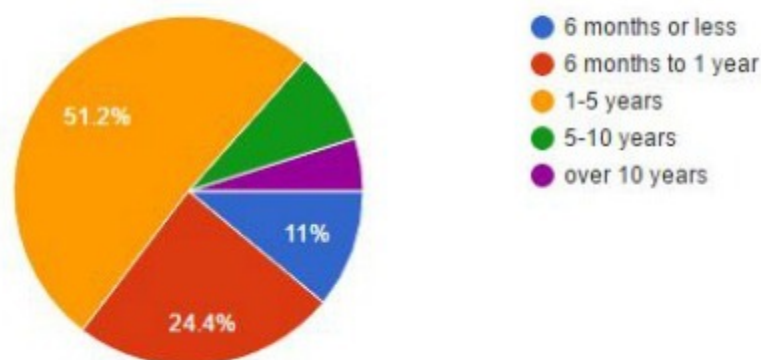
What was your gross income from your business last month?

(82 responses)

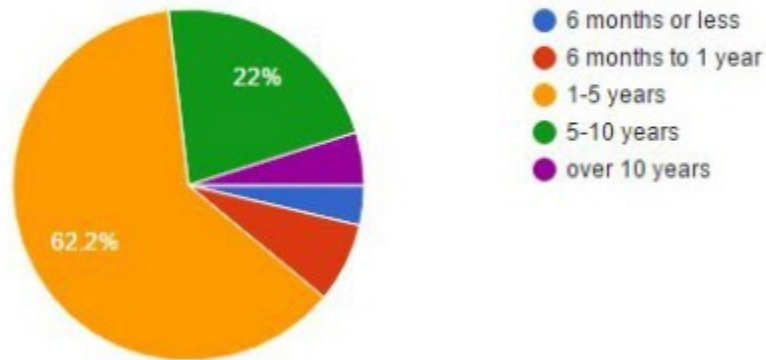


How long have you been dedicated to working on it as a business?

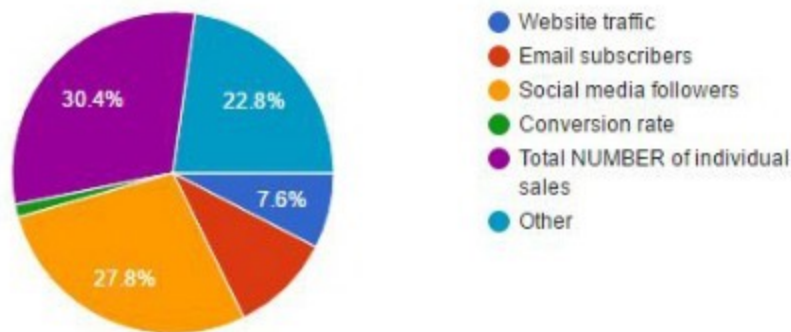
(82 responses)



How long have you been selling it? (82 responses)



What else do you measure month-to-month? (79 responses)



80 RESPONSES

37% do handmade products

47% patterns or designs

I've split up the answers into two sections and will talk about each of them separately

93.9% sell online, with 34% also selling wholesale

DESIGNERS:

Average for all responses: \$1296.20

Average with highest and lowest removed: \$891.35

Here's how I would classify the responses:

Positive - 21
Negative - 8
Neutral - 9

Most positives also said "but I want more/wanna keep growing," and a few of the negatives know that they need to work harder to meet their goals.

A lot of the negatives are blaming the industry - knitters don't wanna pay enough, publications don't pay enough, it's not possible to make a living doing this job. Which clearly isn't true, because look at Ms. \$17K a month!

Where do you think most of your sales come from?

of responses - source:

23 - Ravelry
12 - Instagram
5 - Newsletter
3 - Podcast, Facebook
2 - Etsy, online search
1 - Amazon (book sales), blog, my website, publications, I don't know

What has helped your business the most?

Most common answer, and especially amongst those with the highest sales: [CONSISTENCY](#).

What kind of marketing do you do?

Most common answers, in order of frequency:

Instagram - 22
Email newsletter - 18
Ravelry/social media - 17
Facebook - 15
Blog - 8
Collabs with other biz owners - 6

What I noticed:

Y'all really care about Instagram followers. Like, a lot. And yet, there is absolutely no correlation between IG followers and profit.

2000 IG followers = \$600

4000 IG followers = -\$200

RESPONSES FROM THE HIGHEST PROFIT:

How do you sell?

Online to customers, Wholesale or Consignment

How long have you been working on it: 5-10 years

Net income: \$17,000

Was this month normal?

Slightly lower than my yearly month by month average, but that's normal, as I have a big variation month to month (and a big spike in book launch months).

What did you do with it?

Pay the bills, put it in savings...the same things most folks do with their paycheck!

How do you feel?

Great, I'm earning a very comfortable income and my business is growing. I do worry that lots of other people in my industry say they're having a hard time/you can't make a living. But for me personally? It's going great.

What else do you measure?

Enthusiasm and engagement of my existing audience, and audience growth (mailing list, rav group, instagram, blog readers).

Where do most of your sales come from?

Individual patterns are ravelry, book sales are amazon.

What helps your business move forward?

Instagram and mailing list

What's helped the most?

Mailing list, and more important being hideously consistent. I've gotten things out, on schedule, no matter what, for year (serious...surgery, illness, death in the family, travel, dead pets, household emergency...the work Still Gets Done, no matter what).

What do you use for your bookkeeping?

I use godaddy bookkeeping

What's your income goal?

Get my income to about 300k, which should get my revenue to about 200k, which feels very comfortable. And if I can, do that while scaling back my working time to more like 3-4 days a week.

How do you feel about the goal?

I'll get there. Last year was close, I suspect it will happen this year or next.

What was it like answering these questions? How do you feel?

I'm actually really proud of myself, but I feel awkward saying that, because we're socialized to keep money private and to not be proud...and because there's some serious push back against designers if people think they're making too much...

Anything you wanna tell me?

I hate it when we send out the message that we need to be all arty/creative/sweetness and light, and that if we treat this like a business (or heaven forbid make good money at it) that we are somehow sellouts or less pure or that we should feel bad about it. I treat this like a business. I work damn hard. I make a really good product. And yes, I make money. But that should be awesome, not something I have to hide...

HERE'S WHAT I LEARNED:

Income doesn't correlate with happiness. A designer making \$1200/mo was stressed about paying the bills, while a designer with -\$200 in profit was thrilled because she had sold more patterns than ever before. And a designer who lives on her profit of over \$2000 just felt "meh" about her numbers, because they had been stagnant for a while.

HANDMAKERS:

Average: \$660.21

Without highest and lowest: \$735.12

How do you feel

Split evenly between "Great!" and "freaked out"

Goals:

FT income - 13

PT income - 3

Small income (like to cover hobby expenses or pay for one vacation): 3

"More" \$ (unspecified) - 4

To grow/have a "real" business - 6

Other - 3

How do you feel about progress towards that goal:

Responses here are overwhelmingly positive (Good, I'm on track, I know what to do) - 22

Negative - 9

Neutral/unsure - 1

Sales coming from:

Number one sources are tied between Etsy and social media. Then in-person events, newsletter subs and website visitors, collaborations, Google, and word of mouth.

RESPONSES FROM THE HIGHEST GROSSING

How do you sell:

Online to customers, Events - craft shows, fiber festivals, farmer's markets

How long have you been doing this? 1-5 years

Profit: \$7500

Is this a normal month?

This isn't an average month. Best month ever. Plans are in place to grow further in September when childcare eases.

How do you feel:

Pretty good

Pretty positive

I WANT TO ANSWER A FEW SPECIFIC RESPONSES I GOT, IN MORE DETAIL:

Someone who said sales were very slow and they had seen no growth also said this:

"I still do not see results from social media marketing. I'd like to grow organically and authentically, so I don't follow/like others just in hopes they will follow me. I can't seem to grow my following. I've read all the advice, but I feel like I'm missing something obvious."

Yes! What you're missing is this: You need to go FIND your people. You don't follow others in hopes that they'll follow you, you follow your potential customers so you can get to know them and delight them. It's a give and take.

They also said "I think it's the political climate"

Here's what I noticed:

Every single respondent who said a version of: "nothing seems to work" either wasn't seriously tracking their numbers or didn't have a specific, attainable goal. One said, "I'm not trying to make any profit" and "nothing works," and "It's painfully slow." Well of course it is, honey! You have to TRY to make money to make money!

Some of you aren't profitable yet, or your profit is under \$500 and you have a clear plan, you're tracking your numbers, you seem to be hard working and your business is just going to take some time.

But if not, I wanna tell you this:

Of the high profit respondents: All had goals. All knew their numbers and had a way to track that information. NONE of them were surprised by the numbers. Some in the \$1000-\$2000/mo range were a little stressed because they're living on their income. But...

Of the no profit/in the negative respondents, many who felt negative weren't tracking their numbers, were surprised by what they found and were generally coming up with a million reasons why they weren't profitable.

If that's you, no matter how much you make, one thing I am certain of is this: If you tracked your numbers and kept your eye on your goal and took action towards it, you'd feel better.

Now, if you have a goal and you have no idea how to reach it or how in the world to pay yourself, I want to help with that. We can take your goal and split it down into how many products you need to make and sell. We can find your profit margin and your break even point. My newly opened class, Pay Yourself, teaches all this.

Hundreds of makers have used it to discover their profit, right pricing and overall health of their business. You can join now at Taraswiger.com/profit. And if you join before April 15th, you'll get a chance to ask your questions in a student-only Q+A in March, so we can be sure you're using and applying the class.