



How to Build a List of Responsive and Loyal Email Subscribers

LESSON 9

Passive & Active Income from Your Email Marketing

*W*ouldn't it be wonderful to set up an email autoresponder series to promote a few products and then run off to the beach to frolic in the waves and sip mai tai's at water's edge while watching the sun set? And every now and then checking your email to see just how much money has rolled in while you were relaxing?



That's the dream of most email marketers and, believe it or not, it's totally doable with the right products, the right list and the right system.

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This is what's known as making passive income from your list.

Most types of income, however, are active income. With an active income, when you stop working, the money stops coming in. Whether you work a typical day job, or you're a freelancer who works for hire, or the owner of a business or practice, this is probably the type of income you're earning.

Also called "residual income," a passive income is one where you put all of the work into it up front and then once everything is up and running, you earn money even when you're sleeping or on vacation. Or on that sunny beach somewhere.

For example, a songwriter or an author receives a passive income. The author writes the book ahead of time, often with an advance from the publisher, and once the book is released, they earn royalties every time a book is sold. A songwriter writes a song and once the song is recorded by an artist and hits the airwaves, they start getting checks. They get their income from the residuals.

Sounds like a pretty cool set up doesn't it? I've even heard that many actors, especially those with a repeatable box office draw, opt to have much of their salary from acting in the film based on the residuals they will get. They tend to make a lot more money this way if the film is successful. And, of course, not all films are as successful as some hope, and thus, it is a gamble they take for sure.

My son-in-law is an actor and once a month he gets various checks from the various movies, TV shows and commercials he's appeared in. A long-running commercial can net him an income for quite a long period of time. Think about what the woman who plays the character Flo in the Progressive Insurance commercials is earning. That's passive, or residual, income for her.

Earning Passive Income Through Your List

There are many ways to earn a passive, or at least a semi-passive, income through your email list. One way to do this is to set up a follow-up series of messages to go out automatically with your Email Service Provider (ESP). The messages include links to buy products.

NOTE: This is why I think it is so important to choose an ESP that has a robust and easy to use autoresponder system. You may not be ready yet to set up a passive income stream using your autoresponder, but it is something that I hope you will consider doing in the future. So when choosing an ESP, be sure to check out that feature carefully.

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If you've created a well-targeted list and built a good relationship with the subscribers you have, they'll eventually buy. Since the list and the order system is completely automated, you don't have to do anything. (Well, you do up front, of course, but your aim is to "set it and forget it." *Sort of.*)

In fact, autoresponder programs offer many ways to automate many aspects of your email marketing.

For instance, AWeber offers a feature called Global Text Snippets in which you use templates or prefabricated email messages. You set these messages to go out automatically and can plug in words or phrases so that you don't have to write completely new messages every time something changes.

Here's a good instructional article about how to use Global Text Snippets in Aweber Here: <https://help.aweber.com/hc/en-us/articles/204028376-How-Do-I-Use-Global-Text-Snippets->

Here's some great news: You don't have to create all of these products to sell yourself. Even when not using full automation, like when you send a broadcast email to your list, you can find new products or services online to offer to your list. Whenever you send out a link to an appropriate product, you get a paycheck. This is known as *affiliate* marketing.

You send affiliate links to your list for products, programs, or services sold by others. Affiliate marketing, especially through email, is the topic for an entirely different course, especially if you want to do it the right way, so I'm just giving you the highlights and benefits here.

You can become an affiliate marketer by signing up with an affiliate network, such as Clickbank, and then getting links to specific products or programs. When one of your subscribers clicks on your link and buys something, you earn a commission.

This is certainly an easier way for you to earn passive income because you don't have to create the products yourself. However, the products really have to be valuable to your subscribers. Plus, you don't earn the full price of the product, although affiliate commissions can be quite generous in some industries. The average is 25% to 50% of the total sale.

I have a couple words of warning with automated follow-up emails that promote someone else's product:

Look for evergreen products that won't be disappearing any time soon. If you put a link to a

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product into an automated series that someone receives a year from now, that link had better still be active.

This is why I said “sort of” above when talking about the fun idea of set it and forget it — the idea that you do the work once and never have to look at it again or do anything with it, letting it send you income on a regular basis.

You want to be sure that you review your automated emails on a regular basis so that you’re sure your promotions are still relevant and that nothing has changed. I recently signed up for a new list and in about the third email, a promotion came to me for something that had happened in 2013. Seeing as how it is now 2015 (or later depending on when you read this) it was obvious the person had not checked their sequence in a long while.

By the way, I let the person know what I had gotten and she was so grateful to know and fixed it right away, then she went through the rest of her sequence to make sure there was nothing else in there that was not evergreen.

You may want to put on your calendar, as a reminder, to check your autoresponder sequences every 3, 6, 9 or 12 months. I believe checking once a quarter at the least is a good idea.

Another thing to remember: It is never a good idea to sell someone else’s product, program or service unless you have purchased and used or tried out the product yourself. You want to protect your reputation with your list and simply selling a product because it sounded good could damage your reputation if the product turns out to be a big bust.

Not knowing about the product first-hand puts you at risk of alienating your list forever. One bad experience and they won’t ever buy from you again, will likely unsubscribe, and may warn others to stay away from you. So, as with anything, you want to tread carefully and do your own due diligence on anything you sell that is not 100% yours.

In fact, one of the best ways to introduce your list to an affiliate product is to do a review of that product — an honest review after you’ve used the product yourself. You’ll also have more credibility with your audience if your review includes both the pros and cons of the product. Of course, if the cons outweigh the pros you wouldn’t be offering the product for sale anyway.

Most years I go to an event called Burning Man. It is a wild, sometimes extremely difficult place to be especially during a whiteout dust storm, and I don’t believe that it is an experience that

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is for everybody. So whenever someone asks me about Burning Man you'll never hear me say, "Oh, you must go." I'll tell people both the pros and cons that I think are valid around Burning Man and folks appreciate my honesty about sharing both.

You'll want to do the same thing in your review emails when promoting someone else's product. Heck, you're going to want to do the same thing with your OWN product or service.

NOTE ABOUT MAILCHIMP AND AFFILIATE MARKETING: MailChimp does not want you to use their service strictly to promote affiliate products and services. They believe the chance for abuse (as in spamming) increases with those who only do affiliate marketing. While I personally do not believe that to be true, you gotta play by their rules. It appears that it is okay to send out an occasional affiliate link once in a while without endangering your service contract with MailChimp, but tread carefully here. It never hurts to ask them just to be sure. If I were you, and I was going to be selling only affiliate products and services, I would choose a different email service provider. It's a good idea to read the *Terms of Service* carefully, no matter which email service provider you choose.

Sorry to break it to you, but...

There Is No 100% Completely Passive System

With much of your email marketing automated, you can generate a great deal of income without having to do much of anything once it's all set up. But there's no truly 100% passive income.

You want to aim for a nice balance between passive and active income.

This is because:

- ▶ You need to stay current. You have to stay abreast of things happening in your market in real-time, including market changes and the actions of your competitors.

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- ▶ You need to keep your market engaged. This is really tough to do on autopilot. Plus, remember that some communication needs to be done personally.
- ▶ Passive incomes are rarely permanent. To take the author example above, once the checks start rolling in, the author needs to think about their next book because the residuals will eventually dry up.
- ▶ Passive incomes are never 100% secure.

Why You Need a Balance Between Passive And Active Income



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Also, no matter how airtight your system, there are always certain tasks you need to take care of. For example, if part of your passive income generation strategy is to outsource much of the work to others, there will be some team management tasks from time to time.

Of course, any time you outsource any part of your business you still have to be paying attention. You are the final checker to make sure things are working the way you had planned them, because ultimately, the buck always stops with you, the business owner. And it should be *you*, checking on your system from time to time.

I also suggest that you put yourself on any new list you create so you will get the same emails that your subscribers are receiving. And then read them yourself as soon as they come in, watching for anything that might be amiss. Always double check that links are active and going where they are supposed to go by clicking on them yourself.

This is not just true for a series of autoresponders messages you've set up. You should be checking every email that gets sent on your behalf. This is especially true if you have someone else managing your email marketing for you (like I do for some of my clients). Always click on links before sending an email because a link that doesn't work makes you look bad and will cause you to lose sales. I think some people write emails and then never re-read them before hitting the send button. Re-read whatever you send every single time! Twice!

Of course, selling products as an affiliate is not the only way to create passive income. What about your own products or programs?

For example, this course, *How to Build a List of Responsive and Loyal Email Subscribers*, was first delivered to a “live” group and is now part of my passive income profit center. It is in my store, and is promoted in an autoresponder series I have set up just for folks interested in email marketing, and can be found along with other email marketing related products I have already produced.

Perhaps you've noticed that in some of the lesson emails you've seen about this course that in the **P. S.** at the bottom I'm promoting my *From Idea to Ebook* ebook that I sell. This is a way that I generate passive income for myself. It is a subtle offer, and yet, it works!

So when I tell you that you should have a Call to Action (CTA) of some kind in every email you send, having a passive income product — whether your own or an affiliate — is the perfect CTA for you.

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Passive income helps you leverage email marketing to produce the most income with the least amount of ongoing work on your part, which should be one of your goals if you want to make money through email marketing.

The key is to put in the work ahead of time and do a good job with it.

This includes:

- Knowing your audience well and producing or sharing the content they love.
- Building your authority as a go-to source of information and deals.
- Connecting with your subscribers everywhere possible and creating a stream of two-way communication.
- Offering promotions and products that are truly valuable to your subscribers.
- Testing and monitoring well so that you can make improvements.

By doing the above, you can set up an email marketing list to run mostly on autopilot and once you start receiving a passive income, you can start setting up your next list. This is how marketers make big profits from email marketing.

So in reality, you may have more than one email marketing track in your business.

Your marketing for active income — reaching out to potential clients for things you want to sell immediately, like a course or a program, or for your active income services like coaching, consulting, or speaking — would be one track that will likely be where you put your most effort.

And you may set up one or more other tracks that are strictly for passive income. You can set up as many interest, niche, or market specific email lists as you like (if your ESP allows unlimited lists, and it should). You may have your main list and then you may have several sub-lists that generate passive income for you. I have several lists that generate passive income for me and they are lists based on very specific subjects like email marketing, networking, and stay in touch marketing.

So now I hope you're excited about the possibilities for creating both passive and active income from your lists.

And remember, as mentioned above, you do not have to set up a *separate* list with an

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autoresponder series to enjoy passive income; you can do that with your current list by utilizing your call to action to bring attention to something you have for sale. Use this tactic especially when you are publishing otherwise information-only emails.

You just want to make sure that whatever you are offering in your CTA is something that has relevance to the topic you are talking about in your email.

Action Assignment:

- ▶ Make a list of types of products your list could benefit from which will still be around a year from now. These could be your own products or ones sold by others. Examples include programs, memberships, marketing tools, books, plug-ins, software, etc.
- ▶ Pick one product that's related to your opt-in gift, sign up for its affiliate program, or create your own product or program, and write an email about it. Be sure to write an honest review and why the product or program or service will help your readers.
- ▶ Add that email to your autoresponder follow-up series or use as a CTA in your regular broadcast emails.

Next Lesson: Wrap Up to the Course.