EPISODE 26: CONVERTKIT – A MAILING LIST SERVICE FOR AUTHORS – WITH NATHAN BERRY

Speaker 1: Hello and welcome to podcast #26 from the Self Publishing Formula.

Speaker 2: Two writers, one just starting out, the other a best seller, join

James Blatch and Mark Dawson and their amazing guests as they discuss how you can make a living telling stories. There's never been a better time to be a writer.

James: Hey Mark, how are you doing?

Mark: I'm good James, how are you?

James: I'm good, having a nice summer here in the UK, we've actually had some summer this year which makes a change.

Mark: Let me have a look out the window now, it's a little bit cloudy, not good. Yeah, but better than raining.

James: Better than raining. That's a motto isn't it, better than raining. We've got a good guest on today, we've been talking quite practical levels about mailing lists and such an important part of it and our guest today has created a new service which is specifically aimed at authors and bloggers.

Quite a few people have started different mailing lists in competition to Mail Chimp and AWeber, etc. but this one has really taken of and it's got massive plaudits, it's got huge fans including Pat Flynn who's one of the biggest names in this industry behind him. It's a really interesting interview

and as I mentioned last week, some jaw dropping figures when he talks about how the company is growing over the last 18 months really.

Mark: Absolutely.

James: But before then, we are creating a new course which is quite exciting for us. The Facebook ads for Author's course is quite advanced and it is aimed at people who are at that advanced level. We came together right at the beginning because you had this idea of doing an introduction to self publishing so that somebody with their first novel could get themselves set up properly for success in the future. We put it to one side in the end, because it's quite complicated and there's quite a lot to it, but excitingly, we've come back to that idea this year.

Mark: We have, yes. The thing we're aiming for this year is to put this all into to one course, which is how we're referring to it, together. I've been building the list of things I want to cover and have actually started to record stuff now which is quite exciting. We're looking to put bonuses together and all that kind of good stuff.

We've had lots of people indicating that they're interested. We've had over 5,000 writers responding to Facebook ads that we've run because they're interested in finding out what this course will entail, which is all very gratifying and quite exciting.

One of the things that I'm doing right now, is I'm going to be sharing a lot of practical examples, taking someone right at the start of their career and doing everything that they would need to do. Setting up all of the platforms, uploading, converting books, doing covers, everything. I suppose we can announce exclusively, on this episode, that the identity of that lucky author is you James.

James: It is. How exciting for me. I basically get all this service, I get a concierge service into self publishing from you.

Mark: You do yeah, you could probably charge quite a bit for that.

James: Yeah.

Mark: We're doing everything. You're getting a cover from my cover designer. The book's being formatted by my formatter, we're building a website for you, we're doing a MailChimp and possibly even a convert kit's mailing list for you. Everything will be uploaded, the page will be, as I would recommend, it will have sign up offers, everything.

We'll take you from zero to slightly further than zero in the space of a few weeks. All of that will be documented in the course. We're pretty excited about that.

The one thing that needs to happen James, you know what it is, don't you?

James: **Have I got to write a book?**

Mark: You've got to write the book, exactly. You've been sitting on this for bloody ages.

James: I have.

Mark: It's really about time that you pulled your finger out because I'm starting to think you don't have what it takes.

James: There's fighting talk. You asked for the first few chapters this week. When you write a book for the first time, and you have no idea how terrible it is or whether it's going to fly and actually handing it over to somebody, even in the first few chapters, is quite a big thing for me, but I just did it quite quickly.

I handed it to you, so you've got that now. That from me, and we all work differently don't we, with motivation. I remember when I did NaNoWriMo if

that's how you pronounce this, doing this 50,000 words in a month, and that bit in the middle which is where everybody drops away, and stops doing it, or huge numbers drop away and stop doing it, I got booked onto a BBC interview in ten days time to talk about it. It was really a four program and because of that, that's the only reason I finished it, because I realized I couldn't turn up to the BBC in London, having said, oh I stopped doing it last week. I think the same thing's happened here now with you.

Mark: Yep.

James: The novel's going to have to happen. I'm at the point with it where I've just got to, I think everyone probably does this with it, I hope it gets easier as you get along, but a little bit lost in the denouements, the act III.

What I've decided to do actually, having handed over the chapters to you, is to write the last chapter and then fit in the bit in between. I think that's going to work for me because I've got an idea, I've got a firm idea of what happens in the last day of this novel which is over seven days. I'm quite excited about the last day, but I'm not really sure how to get there. I think if I write the last day, then things will be clearer for me. I don't know if you do that sort of thing at all, just to sort of help you with the structure.

Mark: Yeah, yeah. Talking about that, Scrivener makes that pretty easy, you can jump right to the end or jump wherever you want and start writing bits. Then you might find that the preceding bits and the bits after that become easier. I often use to get around writer's block. It's not something I tend to suffer with because I use techniques like that. That's one thing to do.

Another thing, if you need a bit of encouragement, then something I would recommend, would be looking at developmental editor, something like that would be quite useful to give you an idea about the structure and that kind of thing. We'll cover all of this in the course.

James: Developmental editors; do they look at unfinished drafts?

Mark: Can do. Yes, they can do. **They can take a look at how the structure is looking, pacing, plot holes, just kind of a structural examination of the book.** It's ideal for something to be finished, but you could send an unfinished, provided it's relatively finished, you could send an unfinished work for kind of a once over. Especially if you're blocked, you don't know where the story needs to go.

James: Okay.

Mark: Of course, another thing you could do, which again, we'll cover in loads of detail, is look at an advance thing, or beta readers. I've occasionally got stuck on something and I've sent something that isn't finished out to perhaps a smaller subset of my team and have them come back and solve plot problems that I've had. That's something that you can do.

Obviously you don't have that right now, but we can certainly look to start building something for you, so that you've got some help early on and then you're ready to sell to a small interested audience when the book is ready to go.

James: In terms of formatting and stuff like that. I don't really know where to start, so I'm looking forward to the course on this. Can you talk to me a little bit about that at this stage?

Mark: There's lots of options, we could, I'm speaking to my formatter at Ace, Paul, who's over in Australia for all of my formatting and I have done for about three years. Jason Anderson over there is really great. Jason will probably format those three chapters to start with and then I can use those to upload.

There are plenty of other options from things like Velan, Calibre and the guys at Read See, who I've spoken to before have what they call the Read See book editor, which is a very nice web-based product which txports

nice ePubs and PDFs. Scrivener can do that too, as well, so there's loads and loads of options.

It's not something that I do, it's one of the tasks that my view is, my time is better spent writing rather than fiddling around with formatting. I'm quite happy to pay 100 bucks to get Jason to format those, my books for me. For those people who are counting their pennies a bit and trying to do things that they can do easy enough themselves, we will go into all the detailed bits necessary to help them do their own formatting. It's not that difficult, it's just a bit fiddly.

James: Okay, I'm looking forward to that bit. From where we're sitting now, I'm about to go off to have a family vacation for 10 days, so I guess I'm taking my MacBook with me and give myself a little work done every day, whilst I've got some downtime from everything else. Otherwise you're going to be on my case Dawson.

Mark: Yep. I am.

James: You can get quite aggressive, so.

We're going to get into this interview now. This is, it's such an important area, the mailing list, all our businesses really revolve around it, whether you're an author or in any other kind of area of digital online business. It's a competitive space and there's one big monkey in the middle of it. The monkey doesn't suit everybody and the monkey is quite general. This guy, as I say, his name is Nathan Barry, he's quite a laid back guy from Idaho. He had an idea and boy has he made it work.

Okay, well we are always going on on this podcast about the essential importance of a mailing list in any kind of online career, but particularly for self publishing authors and it crops up in almost every interview we do. We talk from time to time a little bit about how you actually go about with the mechanics of operating a mailing list and some of you, in your very early

days, copy and pasting into a spreadsheet and then copy and pasting into the BCC column of your email program and why not? When you're starting out, it's how you do it.

As you become more advanced there's various programs available, we often mention Aweber and MailChimp. Something that's come to our attention quite a lot and is very highly recommended by one of the big industry gurus is a service called ConvertKit. Delighted to say that we're joined by the founder and CEO of ConvertKit, Nathan Barry. Nathan, hello to you.

Nathan: Hey, thanks for having me on the show.

James: I always get this romantic idea, when somebody tells me that they're in the mountain time zone, I always imagine you're in some kind of log cabin somewhere.

Nathan: Not a log cabin, but the ski resort is 20 minutes from my house, so there's that.

James: Over there in Idaho, that sounds good. Okay, Nathan, thank you for joining us on the podcast.

Let's start at the beginning because there will be people listening to this podcast who haven't started their mailing list yet and are frightened even of some of the words I've said so far.

Can you talk about the importance of a mailing list, why you need to have one and if you need a piece of software or a service to help you organize it?

Nathan: I actually am, despite running an email marketing company, am a bit of a late comer to the email marketing world. I got started self publishing. I wrote a couple of books, App Design Handbook, Designing

Web Applications, so in the technical space. Self published them, they did quite well and what surprised me was that email converted better than every other channel combined. This was back in 2012, when I launched the first one. **I honestly expected that Twitter would probably drive a lot of the sales, and email just did so much better.** I think the connection there is so much better.

That's when I became obsessed with mailing lists, telling people, hey, you need to have an email list for your blog, for all of your readers, your customers. You're going to get way better engagement, way better conversion rates.

Then, like you mentioned, some people are saying, well I don't need that because I have Gmail. Or people will come in and say, I have 1,000 email subscribers and then they say, oh, it's in Gmail. Well those aren't subscribers, those are just your contacts.

If someone hasn't specifically opted in to your list, you shouldn't, for an ethics perspective and then also for a marketing perspective and finally from the gallery perspective, you shouldn't be email them all of your content from Gmail. What you want to do instead, is have some great content that you're offering and then give people a reason to join your email list for continued value. You're going to send that through and email to like a MailChimp and Aweber, or, as I would prefer, ConvertKit.

James: That's a really interesting point to start with, because you still hear some people say email is dead. Kids don't use email anymore, it's all about social media, but the fact is, the bottom line in so many businesses, including ours at Self Publishing Formula, including Mark Dawson's business as an author, the facts don't back that up.

Nathan: **I have about $1,000,000 in product sales that say, no, it's not dead.**

James: Exactly. It's that bottom line that shows that. Okay, so you provide this service and I'm trying to think, in the old days, we used to say like software, didn't we, or package or program. It's basically a subscription service, most of the things we use today. At the heart of it is some software that I guess.

Are you a programmer or coder? Did you come up with the idea and get somebody else to code it? Are you hands on Nathan?

Nathan: My background is in software design, so like the user experience and user interface of making software that both looks good and is easy to use. I have some programming experience, I've coded a bunch of my own iPhone apps and all that, but I always joke that no one should hire me to program for something important.

I've hired a great development team, we're still a small company, but we have 21 people working on building and supporting Convert Kit every day. James: The time that you decided you were going to do ConvertKit, what was the driving factor? Because there were other email services available at that point.

What did you think was missing?

Nathan: This would be about 3 1/2 years ago, I'd just come off of two self published book launches, so I'd built my initial audience, I was using MailChimp. For the first book launch I think I built a list of about 800 subscribers and then by the time I got around to launching the second book I'd increased that to around 2,500 subscribers.

Email was just doing so well at driving sales, but I kept learning all of these best practices, like, you should send up automated follow up sequences, after somebody purchases your book, because you want them to get the most out of it. Especially with technical training, they're going to buy it and download it and never implement it. That's really frustrating as an author.

Then, if someone downloads a sample chapter, you should send them these automated emails to have them come back and remember to purchase, and to keep convincing them that that's a good idea.

The other thing is, where you should tag your customers so you know on your email list who has purchased and who hasn't. Then there's another idea called content upgrades. The way this works is, if you have a blog post, at the end of that post, instead of saying, hey, join my email newsletter, you might have a giveaway or some, whether it's a free chapter or resources on that particular article that are hyper relevant to what you just talked about. Since I talk about design, one example would be, I have this really long post about design and then it's, hey, if you want to get all the Photoshop files that I used in this design, put in your email address here, join my newsletter and you'll get that sent out. That's a content upgrade.

I kept running into these best practices and then I was fighting with MailChimp to get them implemented, because it just wasn't designed for this.

Conveniently, I have a background in software and so I thought, okay, I can do this better. I can build something that's built for the ground up for authors and bloggers and that's basically how Convert Kit started. It started out of frustration.

James: Well, a lot of good products do. I think that a lot of listeners who aren't familiar with Convert Kit might know the basics and the idea of MailChimp and Aweber, etc. so you can have various lists, you could create different lists for different things, but that's more or less it in terms of segmenting. You can then manually segment and draw things out, but what you're talking about is a more intuitive platform.

A platform almost that you can put some things in place and it starts to learn the habits and starts to treat email subscribers more individually.

Nathan: Yeah, absolutely. **You should not treat someone the same way on your email list, if they've purchased your product or haven't.** You shouldn't be telling someone, hey go buy this book, if you know they've already purchased it.

Now all of a sudden, you don't just need one list, you need tags. You need to be able to tag someone who's purchased, so that you exclude them from your pitch emails. No one wants to be told, hey, you should really buy this thing it's great. They're like, um, I already did. Before I would do that, I would get so many emails where people would say, hey great product, I already bought it, why are you still telling me that I should buy it?

James: **I was just going to ask you where you get a lot of the information from**, because obviously it's as good as the information that goes into it.

Then I remember signing up to Pat Flynn's address and the first email back just asked me a bunch of questions about what I was doing, what I was interested in. Now I'm thinking, that's what that was.

Nathan: Yep. **Exactly**. For anyone who doesn't know, Pat blogs at SmartPassiveIncome.com, amazing blog, amazing podcast, and he's been a great customer of ours for almost exactly a year now. He signed up a year ago like 5 days ago.

What Pat does, is he makes a decent amount of his revenue from affiliate revenue, teaching people how to set up their first WordPress blog and that sort of thing. He has links to set up hosting on Bluehost and so if you sign up for his list, one of the first things he wants to know is what level you're at. He asks where you're at in your business, haven't started yet, I'm making between $0 and $500 a month or I'm making over $500 a month. These are just three links in that automated email that you receive first and depending on what you select, it's tagging you based on the level.

If you haven't started your online business yet, he's going to tell you, well here's how to set up a WordPress blog, you should probably use Bluehost for your hosting. That's going to go through his affiliate link.

If you're already making over $500 a month, he doesn't need to tel you all that, he can go straight to telling you more advanced strategies.

James: That definitely has worked, because I've been on the receiving end of it from his point of view. I'm still curious about the beginning part of it. You have this idea of how this is going to work, you do some software design and then I guess you are the one who's having to put your own marketing abilities to the test.

You've grown quite significantly in a fairly short period of time.

Nathan: It was not like an instant growth story from the beginning. We launched and then had all these great results. I'm totally public with all the numbers. **I don't know how much people care about wanting to get into the nitty gritty of SaS companies.**

James: Everyone loves it.

Nathan: Okay, I'm public about everything. **We stared working on the project, January 2013**, about two months later, we had an initial version that we, two or three months later that we were able to start getting some beta testers on.

By July 2013, so six months in, we'd made it to $2,000 a month in revenue. At the same time, I had my self publishing business that was doing quite well, so it was really quite hard to get people to switch their email system, but pretty easy to get them to buy an eBook or a course. I was balancing these two things and running Convert Kit was getting kind of hard, so we basically stayed at $2,000 a month for the next year. I'd work

on it, but we weren't really growing, but my self published business was doing great. I didn't feel any urgency around that.

Fast forward about a year to summer 2014 and I talked with a good friend of mine who's very good at software startups, his name is Heaton Shaw and he was just saying, hey I think you should shut down Convert Kit. And the reason is, because you're working on it, it's not really growing you should move onto something else you'll be successful at.

At this point, I had a good email list, I was doing great product launches for the self publishing stuff. I kind of sat on that information for a while. He said that, which I thought kind of sucked to hear. It takes a good friend to say, hey, that thing that you're working on, you should shut it down, because it's not working. Then he continued after saying that, he said; or give it the time, money and attention it deserves and build it into a real business. Whatever you're doing is not working.

I waited like another six months or so, doing what everyone does when they hear good advice, not taking action right away. At this point, our revenue had declined slowly down to $1,300 a month. This was October 2014. I looked at that and I really had to go, do I shut this product down, which I love it? I'm using it for my own email lists, it's driving lots of sales, but I haven't had a lot of luck getting other people to use it.

Or, do I double down on it and really invest in it and try to build it into a real company?

I decided to double down, so instead of using contract developers, **I hired the best developer I've ever worked with in my career working in software. I invested all of my spare cash into the company.**

James: What was your hunch that that was the right thing to do at that point?

Nathan: **I asked myself two questions.**

The first one was, do I still want this as much today, almost two years in, as I did the day that I started? Do I still want to run a software company? I had other options, it's not like I was in danger of being on the streets because my software company wasn't working out. I was making good money. Basically the question was, why not just continue with what's working and not do the software company? I thought, yes I still wanted it, I wanted the new challenge, I wanted to build a team and I wanted to build a much bigger company. I thought there was a lot of value that Convert Kit provided.

The next question was, have I given it every possible chance to succeed? Because if the answer is yes to that, if you've given it everything you've got and it's still not working, there's a time when you just shut it down. But if I still want it and I haven't given it every chance to succeed, there's a disconnect there.

That's when I thought, I would look back years from now and always wonder, could I have made it work if I didn't give it that shot. I did and we actually picked a niche at that time, instead of being email marketing for whoever, we went to email marketing for authors and then just started direct sales. We went from $1,300 a month to $1,600 a month to $2,000 a month in revenue and by March of last year, 2015, we were at $5,000 a month in revenue.

James: When you say direct sales, how did you do those?

Nathan: **I started reaching out to authors and bloggers** and I would send them an email and say, hey my name is Nathan, I notice that you're using MailChimp, is there anything frustrating you about it? People would come back and say, let me tell you and they would, all this stuff.

I would say, actually that's exactly what was frustrating me about MailChimp, so I made this other product called ConvertKit, I'd love to show it to you, can you hop on the call. Then what would happen is, we'd go through the call, they'd usually love it, they have a bunch of questions, but they'd be excited. Then we'd get to the end and I'd be like, so do you want to sign up? They're like, you know what, actually it sounds like a ton of work to sign up. I love everything about this, but I'm just not going to move my email lists, it's too much work.

I'd try to convince them that it's not that much work, we'll do it for you. Then I finally said, I'll prove it to you, I'll do it for you and I'll do it for free. That's when we came up with our concierge migrations. Then we would switch people over.

Early on, we would do it for any size of account, we've since changed that to where we do it for the $100 a month accounts and above since we're doing so many of these. The goal is to be able to grow the team enough that we can move it back down to doing it at any size. That was the process, that's how direct sales worked and that got the initial traction.

By March of last year, it was 5 grand a month, by July we'd landed people like Pat Flynn and others and we were pushing about $15,000 a month. In September and October of last year, Pat started promoting it along with other people and we crossed $25,000 a month. By the end of the year, we were at $100,000 a month in revenue and now today, six months later, we're at $339,000 a month in revenue.

James: $339,000 a month in revenue.

Nathan: Yeah and **it's growing at least 10% every month**, it's insane. We've built the team up to 21 full time people, 7,000 customers.

I think what's happened is we just got the messaging right. We're not here for all kinds of businesses. If you run that cupcake shop or something

else, we're not for you. But if you're an author or blogger, we get your needs because that's where I came from, trying to sell books and courses. It's built exactly for that and we don't feel bad about turning people away and saying, it's not a good fit. That way we can have all this room and embrace with open arms all of the authors and bloggers out there who are ready for something custom built for them.

James: Wow, so now you sit back and look at your $4 million dollar annual turnover company and think, probably good hunch that you had to put the books to one side and double down on this one.

Nathan: This one paid off, yeah.

James: Good decision I've made. Okay, well that's an amazing story Nathan and good for you for building a product that people want which is the bottom line of any successful business, right?

Nathan: Yeah.

James: How do you price it and what's the experience like compared to the sort of entry level email assistants that we mentioned earlier?

Nathan: **We price it starting at $29 a month for up to 1,000 subscribers.** We don't differentiate any features based on what plan you're on, it's purely based on how many subscribers you have. You get to pay $29 a month and get all the same features that Pat Flynn is paying many, many times that amount for, for his list.

Companies like MailChimp have a totally free plan. You can get started with MailChimp completely for free and we actually recommend that a lot of people start there. Because if you're just feeling this out and go, I don't know how important this audience building thing is to me, I'm not sure I'm ready to commit, then absolutely start with MailChimp.

We actively turn people away who say Convert Kit is too expensive or that kind of thing. We say, hey go build your list, get to 500 subscribers or something on MailChimp and then when you've proved yourself that you're serious about this, come switch to Convert Kit. We'll be ready to help you switch.

James: Do you not worry, you mentioned earlier about the difficulty of switching, it does feel, even if it's not that much work, it does feel like MailChimp's got a good handle on the entry. Once you've got people with their lists there, they feel committed, even if they're not particularly happy or they're frustrated.

You must have considered the option of an entry level of free.

Nathan: Yeah, we absolutely have. I guess two parts to that. First, on doing a free plan, **we want to be able to provide really great support.** Almost entirely, everyone we hire for our customer success team, is a blogger or has written a book or something like that. I don't want people who can just spit back FAQ type questions. I want people who get what you're going through and what you're trying to build and why this is important to you.

We want to be able to invest more in that and also, the response times. A while ago it was really hard for us to get past the 24 hour, like a 1 day response time to get back to and yesterday we pulled of an hour and 15 minutes. **So far today, we're responding to all new emails within 30 minutes.** We're trying to invest in that and the more you do a free plan, the harder that is to do. What I would hate is for the people who are just kind of feeling it out to fill up the support queue and take away from people who, they may have a small list, but they're committed to building this blog and they just have some questions.

On the other side, on the switching thing, I'm confident enough that people will hit enough frustrations with MailChimp that they'll switch. **The vast**

majority of our customers are switching from another tool rather than signing up with no email list.

James: Okay, the second part of that was when you get into ConvertKit, what's the experience like? Any piece of software or service gets easier with time the more you use it, but a lot of people do struggle with the concept of MailChimp when they first start. Is it going to be the same with Convert Kit?

Have you aimed it at a slightly more advanced user?

Nathan: **We're trying to do less and do it better.** We definitely have work to do on the initial learning curve. We've got a lot of training videos. Just this morning, I had been working on code for a new onboarding welcome series that has videos walking you through every step of the process. We're spending a lot of time on that.

There is definitely a learning curve. We have workshops every Thursday where our team is there live to answer questions, demo features, all of that. It could always be simpler and that's something we're spending a ton of time on.

James: Was it Einstein said, "Everything should be as simple as possible, but not any simpler."

Nathan: Yes, exactly, I love that.

James: It's a good quote. Exponential growth.

You're based in Idaho, is everybody else who works for you, are you all based there? Or are you scattered around the world?

Nathan: **We do worldwide.** I think there's 5 people here in Idaho, we've got 5 in Nashville, Tennessee, then we've got Seattle, Portland, Columbus,

Ohio, Barcelona, Spain, Chiang Mai, Thailand, Slovenia, wherever people want to work, we'll take them.

James: Well that's the modern way, isn't it.

Nathan: We actually use Zoom all the time, which is what we're using for this call.

James: **We use Zoom, it's more reliable than Skype, I think that should be its motto.**

You set this up and you've got it to the point where it's doing the type of intuitive breakdown of people's lists. It's not just about your relationship with the person at the other end of your list, it is, I'm guessing, by the name you've given it, ConvertKit, **it is focused on maximizing the commercial benefit of your business**, right?

How do you monitor the results on that, apart from using it yourself? Can you, hand-on-heart, tell me that this is a more effective commercial system than the other platforms?

Nathan: **We definitely believe it and I have a few thousand tweets from customers that say the same thing.** Quite frankly, people wouldn't stick with us if that wasn't the case and they wouldn't tell all their friends to switch to us and they wouldn't do webinars and demos and write review posts and all of that.

There's actually this review post that I thought was really funny. Maybe I'll send you a blank email link to it and show it. It was basically a breakup letter, like a Dear John letter, but to MailChimp. He was talking about how much loves MailChimp's brand and all that sort of stuff, but I think it's time for us to see other people. They did this whole custom illustration with the MailChimp monkey crying, looking at a Dear John letter. It was amazing. I'll send you the link to that.

James: **We should say, that long before we sorted out this interview and got in touch with you directly, Nathan, we had made a conscience decision for Self Publishing Formula to move to ConvertKit.** Just on the basis of recommendations and looking around and realizing that we needed a more sophisticated platform. I guess we've come to that same point, which is exactly where you want people to come to and what the product's going to be doing. We're just in the process actually, I think we're probably entitled to the concierge service …

Nathan: Oh yeah.

James: We're just going into that with you, which will be an interesting process. I can't wait to get my hands on it, I have to tell you. With any business, you keep an eye over your shoulder at the competition. I don't suppose the people at MailChimp are sitting there idly filing their nails at the moment. They've got to be thinking about how they're developing their product in the future.

What do you think about your development in the future to make sure you continue to occupy this space?

Nathan: **The nice thing about staying focused is that we don't have to build all the features.** We just have to build the right features for bloggers and authors. There's all kinds of functionality.

When people come to us and say, hey do you have, I don't know, I'm making something up, CRM stuff for sales tracking, because I have a sales team and they're cold emailing and calling people and I need to track all of that. How does ConvertKit work for that? We would say, not well, go use something else, go use InfusionSoft, go use something that's complicated.

We don't have to build as many features, because we say no to such a large category of customers. That makes it easier for us. I also think there are so many players out there. I could sit here and name probably 25 or

more email marketing companies that make over, at least a few million dollars a year. MailChimp has 8 million customers and 600 employees. I don't think we're really taking much business away from them in the grand scheme of things. I don't know how actively they're working on improving that. I don't know if they need to.

James: I guess you're proving the old adage online which is that niche works when you focus down. That's when the results come.

Nathan: **It works so well. For everyone, whatever your blog is, whatever your book is, any of that, a niche is amazing.** That's such easy advice to give and so hard to take yourself, because you always think, I'm excluding all of these people and you're really not you know.

People aren't going to say, well I'm not a blogger but I run a software company and we drive a lot of our sales through a blog. Maybe ConvertKit will work for me and they end up having a great result. Whereas, most people, if you tell them it's not for them, they'll often start to find ways that you're wrong and that they can use it anyway. **I found that you can't go to too much of a niche. It's so powerful.**

James: Having a market and having a focus on that community. Or perhaps the best way to think of it is, **it's a community that you can talk to and have a relationship with.**

It's certainly worked for us at SPF. We have that conversation, in fact I had it yesterday with my business partner, who understands all of that and still was trying to tell me that we should be doing something. This is not Mark, it's our other guy. We had a friendly conversation that we should be doing something, because every business can take advantage of that. I said, well, every business uses chairs, so why don't we just sell chairs.

It will be a lot easier than what you're trying to suggest, which is we get every business, every florist and every car salesman to buy our social media

advertising course. Niche works. It's really good talking to you Nathan, I'm sure people have had their interest piqued.

You say you don't do a free trial, but how can people have a little poke about, are there videos that they can watch to get an idea of what we're talking about?

Nathan: Well, **there's plenty of that and quite frankly, what you should do is you should set up an affiliate account**. Then what you could do is through our affiliate, if you wanted to do that, then people could get a first month free if you should offer that.

James: I think an affiliate account would be an ideal thing. We'll get that link into the show notes before this episode is broadcast. In part, because it's a journey that we're going on as SPF and we're going to keep people informed about that and our experience with it. It will be certainly good to have a few people along with us in our community as well with ConvertKit. It's exciting that there's a service that is dovetailing with this community and not simply, as you say, slightly from a standoffish is MailChimp just by necessity, because it's so huge, even with 600 employees, it's not often you have a conversation with anybody.

It's quite exciting to have you here and servicing us, so to speak.

Nathan: I'm thrilled to be here. If anyone wants to check out our blog, we have a lot of stuff on there, just at ConvertKit.com about product launches and all that kind of thing because we always say that **ConvertKit is built by authors and bloggers for authors and bloggers**. That's core to our DNA, that's who we are. We just happen to want a better tool out there and so we've put our blogging businesses on hold in order to build ConvertKit and hopefully support tens of thousands of authors and bloggers doing the same thing.

James: I mentioned in the interview there Mark, that we're switching over to ConvertKit. We're leaving the monkey.

Mark: **At least for half of the business, the Self Publishing Formula side of things will be switching over**. We're going to have a look. They've offered to handle the kind of concierge export, which means we don't have to worry too much about setting everything up. Once that's been done, I'll get involved at that point.

Mailing lists is something that I'm very focused on, so it's something that I want to be involved in, but it's quite nice to have that taken off my plate so I don't need to worry about it until things have been set up, so I can see how it works in practice.

The reviews are pretty strong. **Pat Flynn is a friend of mine and he speaks very highly of ConvertKit, so that's a recommendation that I'm going to listen to.** The numbers speak for themselves. Nathan wouldn't have a business that's generating that kind of income if it wasn't a robust and useful product. We're very keen to see how that works. Of course, if it works well, then it might be something that I'll look to exporting my main mailing list, which is nearly 55,000 strong now, so we'll see. We'll see how we get on.

James: And depending on our experience with it, I think it's going to be very positive as you say, it's very likely. We'll be upfront about it if we end up in their affiliate program. I know Pat Flynn, that's how his business operates, he's very transparent about it with his monthly income reports. He makes tens of thousands of dollars on that. That's not because he thinks he can make money from it, it's because he primarily thinks this is a really good platform and you should be using it. I think we'll probably get to the same place with them, but we'll see. As things develop we'll keep you in touch with that.

There are other options and in fact, if you are a member of our course at the moment, you will have noticed in Facebook that one of our students has created a really low end option for people who can't afford it. ConverKit starts at $29 a month and goes up from there. There are other options that do a lot less.

If you are getting to the point where you really need to market to your list and start making your list perform better for you, then you need something probably more sophisticated than even MailChimp and I guess that's what they've done.

Mark: Yeah, absolutely. One thing that I forgot to mention before the interview when we were talking about the course James, is that if people are interested in joining the wait list and potentially applying to be a beta tester when we release the second wave of beta testers when the course is being finished, then they should just pop over to the website at SelfPublishingFormula.com, there's a banner at the top of the page where people can click and sign up to join the list.

James: Yep, get yourself on the list. That 101 course will be coming out in the Autumn and, as Mark says, we are looking for beta testers to put it to the test before then. I mean I am the monkey, I'm the experimental monkey in the middle of it. Is that what you call me, a gamma tester?

Mark: Guinea pig.

James: Guinea pig.

Mark: You're guinea pig, yeah and I'm going to be experimenting on you James. I don't know how that makes you feel.

James: Nervous. Okay, thanks very much.

Mark: I'd be nervous.

James: Yeah, thank you. Right, I'm going to get writing and have a great week.

Mark: Cool. Bye bye.

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