

TRANSCRIPT

SESSION 1.3 SIDE GIG MASTERY

- Nate Broughton: All right, Dana, so we've just gone through both of our best side gigs as we see them, I suppose. And Now we're going to bring it back together and then also tie this back to the "Opt Out" book. But let's go through what makes a good side gig.
- Dana Robinson: Yeah, there's a bunch of stuff that would make a good side gig. For the book, I distilled it down to six things. I think that's a good metric to walk through but talk practical as well and maybe reflect on some of the stories we told about our individual side gigs [00:00:30] and just talk about how those fit each of these categories and then explore some other stuff.
- Nate Broughton: Okay, that sounds good. Well, the first thing on this list of six things ... And we are pulling this directly from the "Opt Out" book and tying it back to, like Dana said, all of our side gigs. The first thing is a low initial capital outlay. That means that side gigs shouldn't cost a lot of money to start. They shouldn't be a big leap where you're risking your house or your savings or your net worth to see if they're going to work out or to pan out. That's a business.
[00:01:00] A side gig is something that is a lot more approachable, and that's one of the reasons why we preach about doing them. This isn't something where you're digging in your pocket and taking out a significant amount of money that means a lot to you and risking it.
- Dana Robinson: Yeah, and there's a lot of reasons for that. One is that a side gig for a lot of people is maybe their first foray into business of any kind, so you don't want to put a lot of money on the line. You don't have to put a lot of money at risk.
Let's just compare it to a real business. A real business, I think of Shark [00:01:30] Tank. People go on there because they've got a cool idea, and they need money, like lots of it, to execute on that idea. That's what businesses are for.
- Nate Broughton: They need to hire people. They need to come up with a business plan. They need to buy inventory. None of those things apply.
- Dana Robinson: Pay lawyers, incorporate. And here's the cool thing. Once you get your mind around the idea that your side gig is low on the outlay is it's no longer a hurdle. So a lot of people make the excuse, "Well I can't start that side gig 'cause I need [00:02:00] money."
So if you're picking a side gig that really fits this first criteria, then you're not going to get stalled. You're not going to be like, "Well ..." It's no longer an excuse. I think that a lot of people need the motivation to get going, and it's easy to throw out the obstacles. "I just don't have enough."
And whatever that amount is, it's going to vary. That small amount might be \$500 for somebody. There's a lot of people that need to start a \$500 to \$1,000 side gig, but [00:02:30] I bought a side gig with [inaudible 00:02:31] that was

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\$6,000. I had it handy. That didn't hurt me. It wasn't a lot of risk, but there was a time in my life when six grand would have been everything I had in reserves.

Nate Broughton:

Yeah, another one that I go into that doesn't cost a lot of money was just some of the domain names that I've bought. I've talked through how I've been able to flip some of them for some profit, or I've been able to build them out into basic websites. None of those cost more than a couple hundred dollars. And in fact, most of them cost \$8. That's pretty hard to say that that's a hurdle no matter where you're at in life.

So, yeah, I like it because we're trying [00:03:00] to knock down any excuses as we go through this list for not starting a side gig. And capital can't be one of them. You do need to put forth the effort, and actually, hopefully, it's not going to be a ton of effort to do this either as we continue to talk about this.

But yeah, your lack of funds to start something should not come into play here. That's certainly not an excuse. Other examples of good side gigs that don't require a lot of initial capital? I guess all of them don't require a lot.

Dana Robinson:

I think of the kid who worked for me that was buying video [00:03:30] games on Craigslist. You need some money. You've got to go spend \$30 to buy a couple of games somebody's selling on Craigslist. So there's some capital, but that's a low capital outlay. You don't need \$10,000. You don't need a loan from the bank to start buying something on Craigslist and selling it on eBay. You don't need more than \$8 to get a domain name. You need \$14 to get a hosting service. These are all very minimal outlay whether it's a web business or a physical business.

[00:04:00] An Etsy business, even. Starting an Etsy business does not require a lot of money. Selling an eBook does not require a lot of money. Teaching a course. You don't need to buy these fantastic microphones that we have in the Opt Out Life studio. You can get some pretty inexpensive but quality microphones and video and beg, borrow, rent what you need to produce a video if you're going to do training, for example, as your side gig.

So, so many side gigs can be done without [00:04:30] any substantial up-front capital. And look, if you're ... I met someone at a networking event that bought a couple of cool websites, and she had the money to drop \$30,000. And she was buying sites that were making like \$60, so she had some gambling. There was a little gamble that the revenue that was promised wasn't there once she bought those sites, but she had the resources. She had made some money from other businesses in the past.

So for someone like that, that might be considered low capital outlay. For others, that would [00:05:00] require mortgaging their house and their future and their children's college fund. And that would be the wrong way to go about getting into a side gig.

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- Nate Broughton: Well, let's move on to the next one. It's tied to the low initial capital outlay. But it is the side gig should have a low or no ongoing capital needs. A similar story, I think, in saying that this shouldn't be a thing that's going to require you to mortgage something that is too valuable to you or be a cash outlay that would hurt your net worth. But this is saying that once you get going with the side gig, it's not going to be something that you have to keep [00:05:30] dumping money into.
- I can't think of any of my mine that require any ongoing capital outlay. Maybe there would be marketing cost or a need to continue to buy expensive inventory or parts to assemble something to sell. But really, we're just saying this should be something that's easy, that can maintain itself. And if there's any cash that's going in from your side, that you're getting cash from the selling or the doing of the side gig before you're investing any more.
- Dana Robinson: Sure, I just read Phil Knight's biography, "Shoe Dog." Great book, [00:06:00] great view of one of America's seminal entrepreneurs. And I think it was more than a decade of not getting to keep any of the money that Nike made because every time they made some money, they had to go buy more inventory.
- So a business can sustain that. It borrows. It can factor, which is a type of high-interest borrowing as well. There's a lot of ways that a business might leverage its assets in order to facilitate its business with [00:06:30] that ongoing investment. Other businesses just require ongoing investment. How many years did Twitter operate before it turned a profit? A lot of burn. A lot of money out.
- So you don't want that for a side gig. You don't want a side gig that takes the money that you're earning just to put back in the business.
- Nate Broughton: Yeah, these things need to be cash-flow positive from the get-go. This isn't something that you're building up towards a payoff down the line. And it's another delineation between side gig and [00:07:00] real business. But I think that one's pretty clear and pretty safe.
- Even if you start a side gig and then you start to realize that you could scale it up with a large capital investment in the business, then you're having a different conversation. Now you're starting to say, "Can I turn this side gig into a business?"
- And we can talk a little bit more about when and why you might do that and the risks in doing it. But that would no longer qualify as a side gig. All my side gigs I think require no ongoing investment and very low investment [00:07:30] of time required too, which is the next thing on the list.
- We're saying easy to get into, not a lot of cash outlay in the front, not a lot of cash to keep the gig going. It should be cash flow positive. And then it should have a low time requirement for you on an ongoing basis and at an initial basis, right, Dana?

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Dana Robinson: Yeah, some of my side gigs have taken some time up front. With Free Legal Aid, I had to learn to program: HTML and a little PHP and a little CSS. [00:08:00] These are things that I wanted to learn, and I gave up other things, for example, maybe not watching as much TV, maybe not keeping track of sports. I'm horrible at keeping track at sports because I keep getting sidetracked with cool things that make money.

And it's a little disappointing because I like sports. But yeah, the time required ... There might be a larger investment on the front end if you have not a lot of money because you're learning to do the things that you're not paying people to do. So a pretty prime example these days is if you're going to start a website, [00:08:30] you're going to build it in WordPress. And there's a bit of a learning curve to setting WordPress up.

And you can save some of that by paying somebody on Fiverr to do the initial setup, but you still want to learn. This is your baby. So you want to learn a little bit of that content management system that allows you to update the website and add on the modules and use it in cooler ways to make money.

So there'll be some learning on the front end, but in theory, that's not the month after month after month [00:09:00] that you're throwing in dozens of hours.

Nate Broughton: Yeah, hopefully, you're putting in that initial run of time to whether it's to learn a skill or to get something started. One of my examples as well was related to websites, where I would spend an hour or two writing a couple thousand words to launch a website that then would just sit there and hopefully pay off down the line.

Now, yeah, that's a couple of hours of work early on, but there is no real hard cost to that. Hopefully I'm using time, as you mentioned, that would otherwise be wasted or I'm just sitting around at home. I remember doing a lot of that [00:09:30] stuff just at night to get them going.

Hopefully, again, it's something that you're curious about and having some interest in because most side gigs will benefit from that curiosity and interest and just doing the thing. And as you were describing that, I was also thinking that a few of mine qualify as low time required because it's sunk costs on the time side for me.

So if I'm doing consulting for SEO, I've invested thousands of hours in learning that and practicing that, but it's something that I did a long time ago. Now [00:10:00] I'm able to consult and to sell a productized service for content outlines to people because I learned all that stuff in the past. And I was getting paid to learn it when I was doing it, or I was doing it for my own business. But it's a low time required thing now because I've mastered the skill.

Dana Robinson: Yeah, and maybe a good example of this would be if you're going to start a content website and you're a project manager, you've got all of this knowl

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edge that you've already accumulated. So you don't have to become an expert the way I had to [00:10:30] learn to program, for example, to set up Free Legal Aid. And so you might be able to jump right into that and use all that sunk cost of your time to create great content. If you decide you want to start a website that's all about gardening and that's your hobby, you might not have the expertise to really become conversant in creating copy and interesting content. But you might choose to invest that if that's something you're really passionate about as well.

Nate Broughton: Let's talk about one of the side gig examples for the book. You mention ... I think this [00:11:00] is actually from the side gig book, but you mentioned the guy who mixes up the paint or whatever it is ...

Dana Robinson: Glue.

Nate Broughton: The glue. And is able to sell it off to a bunch of people. There was no high initial capital outlay for that. There's no ongoing capital needs other than just to buy the stuff he's going to sell that month. And the amount of time it takes is like one or two hours on a weekend.

I think that's a beautiful side gig story because it's simple. We're talking about websites here, and we use those as examples pretty frequently. We're also going to use real [00:11:30] estate as an example for side gig income here and there. And I don't want it to sound like these things aren't approachable if we're not always using examples that are something that anyone can do.

But there certainly are things that someone can do on a Sunday afternoon once a month for an hour and two and make 400 or 500 bucks like that story tells.

Dana Robinson: So the next element, it's steady income. So certainly you could have a side gig that fluctuates from 5 bucks a month to \$500 a month but the predictability of steady income is an [00:12:00] important feature. It helps you understand just how much time you need to put in. So steady income is a requirement of a good side gig. It doesn't mean you couldn't have a side gig that makes nothing and then suddenly makes you \$1,000.

One of my side gigs is referring to realtors if someone comes to me and wants real estate in a geographic area that I'm not an expert in, I'm going to send them to someone else and get a referral fee. That might be once a year.

So there's some side gigs that just happen when they happen, but I think you want to create a [00:12:30] side gig that's worthy of some of your mind share, some of your attention. So knowing that it's going to produce that \$500, \$800 a month is an important piece to the consistency.

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It also accomplishes the stated purpose of the side gig, which is to empower you to have more financial freedom. And the more consistent the income, the better. And if it's right ... If you do it right, maybe it increases a little over time too. So a steady increase would be the ideal.

Nate Broughton: Yeah, it's certainly ideal. The way you describe [00:13:00] it, in my mind I'm thinking, if you're going to choose a side gig, if you're going to have a couple options in front of you as you assess what your skills are and where your interests lie, you should choose the one that's potentially going to have steady income because it's the better bet long term.

It does provide ... The real thing that we're going for here is meaningful income. And these things can add up to say, "Well, I need to make \$5,000 extra a month to be able to do that."

Well, if you have a couple side gigs bringing in a few hundred dollars here and there, as [00:13:30] long as it's steady, that becomes something that you can rely on as a true piece of your monthly income for your household. And if it's something that's random then ... You mentioned the real estate deals. I have that too in the M&A deals I've done. It's the greatest thing when one of them comes along, but I don't know when the next one is going to come.

So if you're going to use this as a stepping stone to gain more freedom in time or place or income or whatever, the steady income ones are the ones that you want to focus on and hopefully prioritize as well. I think I did mention on mine, my favorite one [00:14:00] is the domain leasing where I know it's a steady income, where I've got a contract, and it just hits my account every month.

The same thing with real estate. If it's passive investing or whatever, which is kind of a separate thing from side gigs, but yeah, when you know you're getting paid every single month, big, big difference than when you have to kind of have random ups and downs.

Dana Robinson: Yeah, and I think the empowering aspect is more than just relying on the consistent income. It's now you can make some choices. A lot of people can't start a real business for the very reasons we've talked about: [00:14:30] businesses being higher capital outlay in the beginning, ongoing capital outlay to keep them going and growing.

If you've got a side gig and you're like, "I need to get into business, business." You might decide that your side gig's cool, but it might not scale. That's perfect. Not a problem if you've got a cool side gig that's making money and isn't going to scale. I don't think Free Legal Aid's scalable too much. I might be able to get it three, four X or what it is now, and I'd love to. I'm working on that.

But it's not a \$100,000 a month [00:15:00] product. It's not a \$1 million a month product. But that income, if I didn't have another business already, would empower me to go start a business because now I do have

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some of that income, and I can go, "All right, now I can afford to use some of that say to pay a developer to work on this cool software that is scalable, that's going to be a big business not just a side gig." So it's empowering that way to support you in your effort to get into business, and it can support you in your effort to get into real estate. As an investor, any income you've got that's [00:15:30] reported matters to your ability to qualify. So if you report that income, as you should as a good global citizen and a US taxpayer, report that side gig income because then it's going to be there consistently a couple years out on your tax return. And your lender is going to give you credit for that.

Nate Broughton:

And let's not forget the empowerment that it provides you to live the opt out life. Side gigs that meet all the requirements we've gone through here now, from a low capital outlay to more importantly low time commitment month to month [00:16:00] and steady income, are things that can get you through a time when you're looking to make a life change, when you're looking to live in Bali for a year.

Without those things, you're making a lot bigger leap. But if you've got steady income of a few thousand dollars per month from a side gig that doesn't take much, it's a lot more realistic to do kind of the cool, dreamy things that we talk about on the Out Opt life, like taking those trips.

What's next? Low risk and liability. Yeah, that one's important, and I think sometimes that gets glossed over. [00:16:30] You may not realize a liability that you may be taking on.

I think specific real estate, we know there's a lot of different things you can do with a real estate broker's license. But you also have to ensure that you're protected because you're a licensed professional. Just because deals can come in and out and come your way and people want to leverage your license, if you don't have the proper insurance, if you don't have the proper oversight, you're exposing yourself to serious risk.

That's the one that hits home for me.

Dana Robinson:

Yeah, and risk is part of business. Every business is [00:17:00] a risk-reward game. So when you're in a real business, it's your natural habitat, and you manage those risks. And your mind is losing sleep and sometimes in a good way trying to think, "How do I leverage my risk for reward? How do I take a gamble on something and see if it can pay off?"

And whatever your profession is, you might not even realize it, but you have assumed substantial risk. You just know how to manage it and handle it whether you're an employee in a job [00:17:30] or whether you're a contractor or a consultant. Whatever you're doing as your main thing, you've learned to manage that risk invisibly.

And as a business owner, when you finally get into business if you're not already, you'll learn that that's something you'll also master, that becomes intuitive. It's very wax on, wax off, sort of intuitive motions that you

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go through to manage your risks. And if you don't, business is brutal. Money is very honest when it comes to mistakes. And it punishes very, very swiftly. [00:18:00] Side gigs, you shouldn't take on risk. If it has substantial risk, then it's not a perfect side gig because what you don't want to have to do is spend all of your time hedging the risk. And you don't want to have to spend all your money ensuring against the risk. So if it's a side gig, you want something that's low risk so that you're not losing sleep over it, so that you don't lose your house over it, so that if it has a bad month, you just don't get your \$600 or your \$2,000 that month.

If I have a bad month for Free Legal Aid, [00:18:30] it really sucks, but I'm not relying on it. I don't have a bunch of bills to pay that won't get paid when the income doesn't show up.

Nate Broughton: Yeah, I can't think of any real risk that I assume with any of my current side gigs. But I think it's something to not forget about. These things should be "fun" in some way. These are the things that you're doing on the side, hustle to make a little bit of cash. If they meet any of those qualifications or definitions you were describing that were negative and that come with risk, liability, [00:19:00] or even stress, which is the next one, then they don't qualify for side gigs at all.

You've got enough risk and liability whether you're an employee, whether you're a business owner, whether you're a homeowner ... all around your life is surrounded with risk and liabilities both legal and health and professional. So don't add those to the mix here. That is the exact opposite of what we're trying to inspire and all of us are trying to have with side gigs.

And yeah, the last one is [00:19:30] stress, as I kind of foreshadowed there. These side gigs should be low on the stress scale. Low stress for sure because why add that to your life? I can't imagine anyone would even want to do it, and if you jump into a side gig, whether it's driving Uber which can qualify as a side gig, if you find that it's stressful or runs into these other requirements, you need to be able to cut it out pretty quick because you've got too much of that already.

Dana Robinson: Yeah, you can tell Uber drivers that are the right people for the job because they're always the mellowest people. They [00:20:00] don't seem stressed, aren't grumbling. I've been in Uber drivers' cars that are angry road ragers.

Nate Broughton: It's probably their career, not their side gig perhaps.

Dana Robinson: It could be. It could be ... that they don't seem to take any pleasure in it. And then there're others that are happy, full of pleasure, offering candy and water and chatty about everything. And you can tell this is a social outlet. They're making money, and they're happy about it. And they're not stressed about the traffic. It is what it is. They're very zen about that. [00:20:30] So it's a low-stress job for them, which makes it a good side gig.

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So you could have a side gig that's low stress for you. It's not for someone else and vice versa.

Nate Broughton: Yeah, I think about the ones that rely on my professional expertise. It's low stress for me because I know it so well, and I know all the things that can come along with it. The person that I'm maybe even consulting for might be pretty stressed out about it. But I'm not because I've heard the story a hundred times and I'm there to provide an answer.

And ultimately, I'm being paid as a consultant or an outside professional, [00:21:00] and that's their problem, not mine.

Dana Robinson: Right, yes, you don't have to embrace your clients' problems. In my case, as a lawyer, I often do. I do have to often, and so my law practice is my business. And I have employees. I have payroll. I have insurance demands, and I have risk. And I have to embed and endure the stress of my clients. I lose for sleep for them.

So yeah, businesses have stress, and that's okay. And you shouldn't be in a business [00:21:30] where you can't manage that. In fact, a lot of people that are looking for the opt out are in horribly stressful jobs and businesses. And so it is a good pivot because it gives you the ability to realize, "Man, this is what life is like without stress."

But if you're in business, I think you have to embrace your stress. We've got some talks we'll do on the Opt Out Life about embracing stress when it comes to business and life.

But when it comes to a side gig, it's just not [00:22:00] worth it. It ought to give you pleasure when you think about it. And occasionally, look, I've opened ... A year go I think I emailed Nate one morning when I opened my AdSense account and had zero dollars. I'd not in years opened my AdSense account to check my daily count.

One of my buddies that's got almost full-time income from AdSense on publishing websites can sometimes wake up, check his AdSense, and then roll over and go back to sleep for three more hours. I'm not quite that [00:22:30] good. But I woke up and saw zero, so I had a panic because I thought, "What did I do? I don't do anything even gray hat."

So I'm checking. I'm emailing three or four people I know like you. "Can you check? Is there something wrong with the software? Is Analytics down?"

And it just turned out that maybe I was checking it too early in the morning. A couple hours later, I had 40 bucks in there, so you might have a panic now and then. But this is not going to put you into a state of stress. You're not going to lose sleep on any night [00:23:00] the way you lose sleep when you're going to a bad job on Sunday night.

With your side gig, it's chill.

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Nate Broughton: Yeah, I think that is a really important point to make that we're saying is a key stepping-stone to getting the opt out life, and we're assuming that either you're stressed out or you're not entirely happy with the situation that is current. So these six things, which we are going to list out and talk about many, many times over on the Opt Out Life, are the requirements [00:23:30] to kind of hold steadfast to when you're evaluating if a side gig is for you. And also things to keep in mind on the ongoing. Like I've said, a good side gig can turn bad if one or a few of these things start to creep into them. So be steadfast on that as well, and you'll stay happy with your little side gigs making cash every month.

Dana Robinson: All right, so now we talked about what makes a good side gig. And so this is I think good structural ... It's philosophical. This is the existential. [00:24:00] These are important to keep in mind, but they're not really mechanical. They're not how-to. This is not rubber meets the road. So let's maybe help our blueprint members with some more specifics, Nate. How do you find a side gig?

Nate Broughton: Well, I think it's different for everyone, but I think we can talk about how we've done it. And I think also that will bring us back to some kind of maxims that will work for just about anyone.

For of all, I think you need to look at who you are, which can sometimes be kind [00:24:30] of a boring answer and something you don't want to hear. But what I mean when I say that is you need to leverage who you are. All of my side gigs in one way, shape, or form come from something that I've done or become professionally or in a job or a skill that I've mastered out of curiosity.

So what are the things that you, uniquely, are good at? And maybe you feel like, "I'm not good at anything. I don't have any specific skills."

Well, chances are, if you made it to this point and you're listening to us right now, you do. [00:25:00] And you do because you went to school and learned and something. You do because something you do outside of work that is a hobby of yours. You do because you have a job right now that requires you to use Microsoft Excel, and you're actually pretty good at that. And your job has forced you to do it, and you haven't liked it. But now all the sudden you're an expert, and that can be a great side gig.

You can list yourself on a freelance website and be doing Excel work for other people for a high dollar-per-hour fee. I think a lot of it can start with consulting, which is I guess what I'm [00:25:30] going towards: the professional skills, the tactical skills that you do have and have accumulated over the years.

Or it can come from a hobby, something that's totally outside of what you do as a professional but something you do on the weekends that you do for fun that you maybe just never realized someone would pay for.

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Dana Robinson: Yeah, Cameron was on here and talked about one of his first ... Actually, his first site that ended up selling was his first real side gig and his first real exit was at [00:26:00] a German ...

Nate Broughton: Yeah, it was a BMW.

Dana Robinson: A BMW-

Nate Broughton: Forum.

Dana Robinson: Enthusiasts forum. And he figured out the software. It's not like he'd been trained in that ... got it going, and figured out how to get the word spread. It went viral, and over the course of a few years, it made money. And once it was making money, it had value. And when he decided there was a new thing he wanted to get involved with, he sold it.

So this is a really cool story of somebody that was able to take a hobby, what they knew. It wasn't a professional. He is not [00:26:30] a BMW mechanic, which is what you'd think if you're going to run a forum on BMWs, you need to be kind of a professional or something like that.

So, yeah, hobbies can definitely turn into a great side gig.

Nate Broughton: And I love that story. I'm glad you brought it up because Cameron's episode is a good one because he was working as a customer service representative in a call center when he started that. I look at him now and I'm known him as this dude who does whatever the hell he wants. He lives in Utah, in Montana and [00:27:00] works from home and worked for CBS Interactive and has had exits. He's definitely a peer or even someone I look up to.

And to hear that he got his start working a \$10 an hour phone job, answering the phone and answering people's customer service questions, but then going home at night and running an enthusiast website for cars ... Because I know he's into cars, but I never even knew he started that site. Incredible because it's like these people that have gotten to this point really did start at the most basic place [00:27:30] and just because they had a little bit of curiosity and an interest ...

And a lot of people like BMWs. What kind of car do you like, right? It's a great, great example to bring here.

Dana Robinson: Yeah, so leverage what you know is one of the first tips for how to get a side gig.

And you mentioned consulting. I think an easy pathway for those that don't understand consulting and how to get your services out there are these freelance websites. Upwork is a great one. I mean, you're competing with people on [00:28:00] Upwork from all over the world, but a lot of people searching for the contractors will click a box that says, "US Contractors Only," because they want to speak to someone domestic in their own time zone.

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I love using Fiverr as a consumer because if somebody's got a great expertise at something, "Just convert this file. I don't even want to think about it." It's 5 bucks, but that person does it in like eight seconds.

And they've got a bunch of upsells. "If you want me to do all these things ..."

I might look at it and go, "Geez, for \$20 [00:28:30] I get all this other stuff."

One of the stories in my next book, side gig book, is I talk about a woman that does voice-overs. She just has a great voice, great recording equipment, set it up in her home, and she'll do those little intros. And so the first one is a sentence or whatever, a couple of sentences, for 5 bucks.

But she's got all this stuff that can make her hundreds. She's making thousands of dollars a month and doesn't have to have a business, a storefront. She doesn't have to network and go sell her services. And she gets to work from home and sell her expertise [00:29:00] as a voice-over artist on Fiverr, a site that originally was built for people to sell a service for \$5.

Nate Broughton: Yeah, I think that if you are still not convinced that you have an interest or a skill that could be leveraged for a side gig, all you need to do is go to a Fiverr or an Upwork and look at some of the things that people are listing as services they can provide and/or look at the job postings and project postings.

If you could spend 10 minutes on there and not come up with something, I'd be shocked. I [00:29:30] think that every time I go there I'm amazed at not only the diversity of people that are there but also the specificity of the skill sets. I recently, through one of my consulting gigs, had to hire someone for a project.

We were comparing our service to another big platform in the space, and it was specific to private equity and M&A. And there were dozens of people who had worked at investment banks, private equity firms, who were listing themselves as freelance writers and technical writers for this project. And they were from all over the world.

[00:30:00] It was really easy to run through and kind of see their experience. Some of them had worked for 10 or 15 years and were still actively working in the financial industry, which is not an industry where you think people are "I need a side gig" or want to do that. But they're doing it. They're making a couple hundred bucks an hour extra doing something that is related to what they work on.

And it also does create a relationship. I think you kind of hinted at that there too, where, "What else could this guy do for me?"

I think that very quickly, if you're on those platforms, you could get a client for months and develop retainers. [00:30:30] I know a lot of ... It's hard to find good writers ... is one thing that I always have to deal with in building websites. And I just gave another example of having to find one.

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When I find those guys, I probably pay them \$10,000; \$20,000; \$30,000 a year to different writers through different needs that I have that I've just found on a one-off through those platforms.

Dana Robinson: Yeah, all right, so leverage what you know and sell that is a great rubber meets the road advice on how do you find a side gig that's right for you?

Nate Broughton: I think curiosity [00:31:00] is the other one I want to come back to, and we talk about that for entrepreneurship as well. But it's like this ... You have to have some sort of "I'm just going to look around" attitude, whether that's in "I'm going to look around to see what opportunities are out there" or "I'm going to look around to see what trends are happening in and around the world around me."

Cameron started a forum back in 2005 because the internet was in its infancy and forums were big. And that was one of the places that people interacted. [00:31:30] It's probably not something he would start today, not with social media being there and the internet being a lot more mature. But it fit the time and place.

And I think he had just a ... He had to have the curiosity to be poking around the internet and seeing what people were doing. I'm sure he got that idea from seeing another themed forum or two, probably from ones that he was a member of while he was just trying to learn internet marketing.

If you don't have that sort of innate curiosity to be doing that and in your downtime to be poking around or to have the desire to even put [00:32:00] two and two together between what's happening out in the world around you, then it's going to be hard. But I'm confident that if you are here listening to this, that you have those things, and you just need to do it.

Dana Robinson: Yeah, I've had people ask me when I tell some of the stories I've told in the "Opt Out" book about finding the suits at a thrift store for \$40 that are \$3,500 suits or finding this real estate deal or buying this business for cheap ... People think, "Well, how do you keep finding those?"

And [00:32:30] I think there's a curiosity switch that at some point gets flipped, and I really hope that the Opt Out Life podcast and everything we're offering flips that switch for people. And it should cover a lot more than just, "How do you find a side gig?"

Once you get that flipped switch, then you're going to be watching, listening. When you're hanging out with people and someone's talking about how they make their money, you're going to not ignore it. You're going to be thinking, "All right, I'm listening." It's paying attention once you realize there's something to pay attention to.

Nate Broughton: [00:33:00] Yeah, that happened with me. When I talked about, in my

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soliloquy about my best side gigs, is getting into the real estate industry. Ultimately, I ended up getting a real estate license, but long before that and long before the ways I leverage that to get side income, I was going to events here and around San Diego. Some of them were weird events full of weird people that were a waste of time. Some of them were great events where I met people, and I was always very curious to just hear about what they were doing. I've had lunch with probably a dozen real estate investors, [00:33:30] wholesalers, flippers in and around that time that I was trying to learn that stuff just out of pure curiosity, where it was like, "Hey, we chatted at this event for 10 minutes. You said you were a wholesaler. I don't know much about that. I'd love to take you to lunch."

I mean, I was going to go to lunch anyway. I might as well bring a guy from an industry that I'm curious about, and I can learn about how he does his stuff. People are always down to ... are often down to talk about what they do because they find it a bit flattering. And also, some people are like me too, and they also want to learn.

And [00:34:00] I guess we kind of all have a story of interest that could be passed along in the back-and-forth volley of a lunch with someone who you want to learn from. So don't forget to leverage that and be willing to do it because otherwise you're just wasting meals.

What's that book? "Never Eat Alone."

Dana Robinson:

Speaking of that, one of the things that can become a good building block for finding a side gig is leveraging who you know or your network. A lot of people don't really step back and think, "Who do I know?" And, " [00:34:30] What might I ...?" I don't really want to say "sell" them, but "What might I leverage about the network?"

I'll give you a good example. If someone was hanging out with the [inaudible 00:34:40] crowd, you know our networking group, they might decide that that crowd, if they get along with them, gives them a good resource to learn web marketing because there's just a lot of web marketers in that group.

Now, it doesn't mean you have to be a web marketer to come hang out with us. It just happens that we found each other through web marketing [00:35:00] events and whatnot. So you could come into that as a say real estate expert and you might be thinking, "How do I start a side gig?" And you might go, "Well, I know real estate, but I also suddenly know a bunch of smart SEO and marketing people. And they're talking funnels and Facebook clicks and all of that stuff."

And it'll take some curiosity. It will take some work on your part, but you're leveraging who you know to create or find [00:35:30] a side gig. You might even just ask around and say to people that you know, "I'm looking for a side gig."

And that network might have people that go, "Yeah, I've got a cool

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one. A buddy of mine's selling this little website he built for a few thousand dollars." Or, "If I had to do it over again, I would do X." It might be something you get from smart people in your life.

Nate Broughton: Yeah, I think that's great advice and a great point to make. It kind of brings it all together from the story I was telling of going to the real estate events and being willing to talk to folks and [00:36:00] also going on Elance and Fiverr as we've said and looking around. I can't think of a side gig I have that wasn't somehow precipitated by going to an event or having a conversation with someone. So the instruction is to be on the lookout for that stuff, to get out of the house and go to those events and know that they're not all going to be great, but you're always going to have something sparked no matter who you talk to and no matter who the event is.

And if you're not down for that, then what are you doing on the weekends? You're probably going to your kids' [00:36:30] birthday parties. Well, talk to the parents at your kids' birthday parties. That's where I'm at in my life at least. I'm sure some of you are at that point.

But whatever it is you're doing on the weekends, you're probably interacting with someone. And I know that over the next 5 to 10 years because I'm going to be in those places with those parents talking about what we do, I'm always listening and interested to hear what people are up to because it'll spark an idea in my head. Or maybe I'll know someone that I can connect them with in my network, and that's not necessarily a financial [00:37:00] transaction. But it's opportunity and curiosity meeting themselves, and I think it can lead to more from there.

Dana Robinson: Let me ask you about another mechanical sort of rubber meets the road approach to finding a great side gig. When we interviewed Cameron, he said for years he watched listings on websites of other websites being sold.

I know as a realtor, if you want to buy real estate, you go to the MLS. And if you want to buy a business, at least a physical business, most of them get listed on the MLS as well. Some [00:37:30] businesses get listed on LoopNet, which is commercial real estate based website. Flippa if it still is in the same existence that it was a couple years ago.

Nate Broughton: It is.

Dana Robinson: That is a good forum for watching websites. And there are brokers out there that broker businesses.

So depending on how big of a side gig you want ... Like I said earlier, I've known people that spent \$30,000 to buy a side gig because they have that kind of resource. You might find those from a broker who's going to charge you commission for it. But that also [00:38:00] might be a great way to figure out some cool side gigs. And you have an opportunity to kick

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the tires for a side gig that you're buying. Do your due diligence. Ask questions. At the end of that, you will have satiated your curiosity. You might not buy the business, but you'll have learned an awful lot that you take into the next attempt.

Nate Broughton: Yeah, I like that a lot because we shouldn't assume that everyone is a newbie just getting started or that everyone doesn't have a large cash outlay that they couldn't make for a side gig, "large." [00:38:30] Those are things that I do. Everything you just said from ... And I know you do them too. From using our MLS access to watch the real estate market to signing up for Flippa, and there's a bunch of other ones. There're brokerages like FE International. There's Latonas.com, which is a website-based one.

Dana Robinson: I've known the guys at AppBusinessBrokers.com.

Nate Broughton: Yeah, AppBusinessBrokers.com is another good one. We'll list all the ones that we currently use to kind of keep an eye on things here for those that are purchasers of the course.

[00:39:00] And yeah, I'm not actively looking to buy another website to add to my side gig repertoire, but I certainly ... I looked at one like 20 minutes ago before we sat down to do this. I get a ping once a week. I'm always just like ... I'm just curious which ones are selling and how people are making money.

There's a lot of Amazon FBA stuff right now coming out and people selling those because they've taken off in the last few years. And it's always interesting to see, "It's a nutraceutical one. It's one that sells dishpans. Wow, that was making \$400 grand [00:39:30] a year?"

I think it's another drop in the sand of your beach of entrepreneurial experiences that will lead to something in the future. And that's an easy passive way, which is maybe most important about it, to keep your eye on what's out there.

Dana Robinson: Right, so it's not only a "how to find a side gig," but it's also a "how to be you know what a side gig is worth" because if you're watching, it might take you a couple of years to really find what you want.

I encourage people to find something and get started. I [00:40:00] definitely don't think people should dawdle when years may pass where they're not making money. But if someone has a job they like, a business they like, or already has a side gig and they just want to keep an eye out for others, just like Cameron when he was in here, we're all watching these. And we want to sort of have a sense of what the value is. Then when a deal happens, you know it. When you see a deal, you'll be like, "All right, I've been watching these kinds of sites for almost a year."

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I've done that with real estate. I don't drop the hammer until I've been watching a zip code for a long time.

Nate Broughton: And I will say that I ... You [00:40:30] may have just sparked a memory for me. I was looking at a website on Flippa that actually was sent to me by a friend. And I think it was making like \$150 grand a year or so, and it ended up selling for about two times that, which is decent for a site that was making all this money from AdSense. But I knew that we weren't going to move on this site. But I took the exact structure that they used to build that site, and I'm going to apply it to like three or four other verticals in sites that I'm launching as side gigs. So I'm not ripping off their idea in [00:41:00] any way, shape, or form, but the way that they built their site ... I know that they were auto-generating the content, the addresses. And the site structure that they used was so cool. I'd never seen anyone do it that way.

I took that, sat down with my developer, and I'm like, "Let's build this structure and process, so we can launch a bunch of other sites in other verticals using that exact same layout." And that was worth keeping my eye out for it too. Hopefully it turns into another side gig for me that's making a couple hundred bucks once the sites go up.

Dana Robinson: Yeah, that's awesome.

Nate Broughton: One other thing we wanted to touch on [00:41:30] is that debate that we hinted at earlier in that side gigs have rules, at least for us as we defined them. They have a low capital outlay, a low time outlay. They should have positive cash flow. They're not businesses, and that's how we define them.

Well, a lot of people that we've had in on the Opt Out Life and also for both of us over time, we've had side gigs turn into real businesses. Not every side gig should become a business, and there are some rules that we try to put around evaluating if you should take [00:42:00] it from side gig to business. But that's a big question that you need to ask.

That can be a big answer that you need to figure out if you have a side gig that's doing well, that has momentum, and you're possibly at the point in life where you want to take it from side gig to maybe full-time thing.

And it can be a great story. We don't want to say that it's a bad thing. I mean, sometimes those are the best stories. We had some guests on the show recently who launched a jewelry line where they started as a side gig, the [00:42:30] way you should do it: where they didn't quit their jobs and they started to make it work. And they decided that they wanted it to become their full-time thing. And they eventually figured out how to do it. So we want to talk through some of the points where you might recognize that it could be an opportunity to take a side gig to a business and then what evaluations you should be making to say, "Okay, let's do it."

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Dana Robinson: So, taking a side gig to big. It can be delicate, or it can be obvious. I think when it comes to [00:43:00] publishing software type products, a lot of times it's a matter of lining up the metrics. So once you get past making a couple of thousand dollars a month, like maybe I do with Free Legal Aid, you get to a point where you realize that if you add some marketing money to push more users to your website instead of just the organic results that a lot of us get, you can spend say \$100 to get \$120 back in revenue. [00:43:30] And we've had a lot of guests talk about this. It's ad arbitrage in some instances. In other instances, it's a matter of actually just knowing the value of your customer and realizing that your value of a customer is \$120 and it costs you 100 bucks to get the customer.

Well, that's a net gain of \$20. So now you can take that and determine whether your business can scale.

Nate Broughton: Financially. But beyond that, you need to determine if you have the time and resources to do it and what hurdles may lie ahead.

Dana Robinson: [00:44:00] For example, do you need to hire people? So it's easy to say ... Let's just take Free Legal Aid for example. I might be able to get 8 cent users, and the value of my users are 10 cents. That's not bad.

But I have to be very careful not to have that go up to 11 cents because then I'm losing one penny on every new customer that I add. Now, if I can do all of that carefully in my spare time with low stress, then [00:44:30] I might be able to scale Free Legal Aid to go from \$2,000 or \$3,000 a month to \$20,000 or \$30,000 a month.

Now to do that, I might have to spend \$100,000 a month. And when I do that, I'm putting a lot of money at risk. And now I might need to hire somebody because it seems like a job now.

And we've known some guys in this business, and finding a smart person that's going to sit in front of computer all day and manage your ad arbitrage ain't cheap because you don't want them to make that one or two penny mistake. Or [00:45:00] you'll have a very bad day. Instead of making a \$1,000 or \$2,000, you might lose \$5,000 or \$10,000.

We had a guest talk about a \$30,000 mistake one day. So you have to be able to gauge the metrics but then also step back and evaluate what is the business that results from this new expense and new income model that I have just decided I'm going to experiment with? And in some instances, we've been involved with businesses that have been able to scale that to go from \$8,000 a month [00:45:30] and a year later \$2 million a month in revenue. That's a pretty steep curve, and it required going from 3 guys in a garage to a team of 30. And once you hit those metrics, you're watching them every day, every moment of every day because if anything inverts, you're screwed. And you lose a lot of money.

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Nate Broughton: You have to know yourself. And I like what you're saying about the metrics of the business. If you've been doing your side gig long enough that you can feel confident in the cost and the time outlay and "[00:46:00] industry" that you're in and you can kind of see a path forward to give this a try, that's when you're going to start to make this evaluation. And don't do it without all of that knowledge and all those things right there in front of you.

And then you also have to look at yourself and decide what you want to do. If you've got a full-time job, and you've been running a side gig and it's starting to go well ... It's been going well, let's say, not starting to go well. And you've got the curiosity to say, "What if I took this from 700 bucks a month to 7,000? What would that take? I'm pretty confident [00:46:30] on my cost. I know it takes me X amount of time to get one product out the door and make X dollars in profit."

It really comes down to a life decision. Now, we don't suggest that you take that lightly, and we more often than not say side gigs should probably stay side gigs because they've got all these great qualities that we've describe here in this lesson of not taking up a lot of time and not having a lot of risk.

And when you jump to the other side of the fence, it's a whole nother ball game where you're going to be ... If you're going to make this [00:47:00] something ... If you're going to make this into a real business, then it has to perform in a way that is totally different than what it does as a side gig. And you just have to be ready for that psychologically with your time and with your money and your risk and all that stuff.

Let's talk about the example with the jewelry company one more time because that's kind of fresh in our minds, Dana. And I think it's a little more instructive to anyone who doesn't know web marketing.

They're creating jewelry in their spare time, and they're selling it retail and selling it at farmers markets and places like that. And they know what their profit [00:47:30] margin is after a while. They have a desire to make it a full-time thing because they don't like their jobs. And it was always kind of a goal to see if they could prove the model out a bit and the product out to turn it into that.

So they sit down and say, "How are we going to make this leap? We know we have to buy more inventory to have more inventory to sell. We know we have to put in more time in the short term if we're not going to quit our jobs, or we actually have to quit our jobs to make this reality."

Dana Robinson: Yeah, sometimes that's an easy calculus. When [00:48:00] I started my first business, I was 19. I was mowing lawns, and I still worked in a retail store at the mall. And I was going to college. And I just thought, "I hate working for someone else. I hate working at the mall." And if I mowed lawns, I did it as a kid. It's the only skill I thought I had at the time. It was readily apparent when I could make \$20 an hour mowing lawns that it was better than the

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Dana Robinson: \$11.50 an hour I was making at the mall. So sometimes it's really an easy calculation. What [00:48:30] if I took Free Legal Aid and I could take it from three grand a month to seven, but I need to work full-time? Well that's going from making three grand a month for doing nothing to seven for working full-time. If my time is worth more than \$7,000, that's all my time. I can't do any other side gigs, can't do any other businesses. Got to shut this podcast down.

Because I value my time as much higher than that, it would be a bad move.

And so it's going to be different for everybody [00:49:00] when they make that calculation. Is it worth taking the side gig and turning it into a real gig? And I suggest people take their sweet time making that decision and compare what it would be to keep it a side gig and launch a different business.

Look, if the side gig really does create good passive income the way that our side gig matrix requires, then it's better to maybe keep it a side gig. And then now that you're flexing your business muscles, look for something that's scalable that might [00:49:30] be better than your side gig.

Keep the side gig making that money, and to get into a business that's going to be a much more aggressive and successful venture than just scaling up your side gig.