



Section 6 - Money, money, money - ways of earning revenues

Some of the creative people that I've supported through their business growth have started our relationship by stating 'I don't 'do' money'. But no-one can afford not to 'do' money, either in their personal life or their business life.

Hopefully after doing the first 5 sections of Growth School you will have discovered:

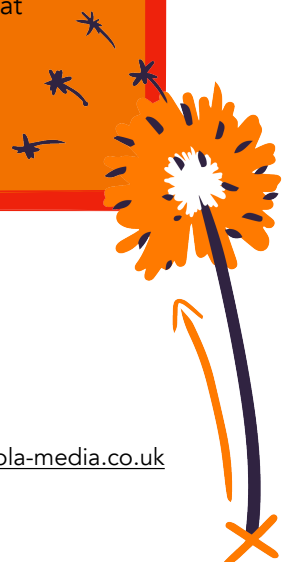
- What you already do or could do, and how to extend it
- The additional opportunities that might be open to you
- The potential for new ways of working, such as offering an existing or new product/service to each of the 5 areas of opportunity.

This section of Growth School looks at some of the key areas around money.

There is a whole section about value and finances starting on page 131 of Simple Tips, Smart Ideas. It expands on areas introduced below but also includes 50+ ways of earning revenue.

What are your attitudes towards money? - exercise 8

Much of our understanding about money is set in our childhood, so it is useful to reflect on what we have brought forward from those days. Write down some aspects, whether positive or negative, and think how these might be impacting your business. Can you use them constructively, or do you need assistance from a book-keeper or accountant to rebalance your attitude?



Do you know how much it costs to open your business 'front door' each day? - exercise 9

If you have not done an annual budget – this is the time to start. On a spreadsheet detail all the company focussed outgoings from the last year, grouping them under headings such as 'travel', 'subsistence', 'software and computer costs', wages allocating them to the months they were spent. (Ignore client or production spend.) Total them all, divide the total by 12 (months), then divide the new total by 20 (working days in a month) to give you a rough cost of what it costs to open your door each morning.

You need to bring in more money than this each day to ensure you stay in business... it is as simple as that.

When you earn, are you charging correctly?

Of the 5 things people pay for (see Growth School Section 3) – each one can help you earn revenues in different ways.

i. Service

If you provide a service, you are often selling your time. By using the daily calculation from exercise 9, you know how much you need to charge per day or week or month to cover your costs. Ensure you add a good profit on top of this base cost. The more skill, complexity and experience you bring to the project, the higher your fee can be. Add value by your differentiation and charge by the 'output', not by a day rate as clients may try to get you to reduce the day rate, or reduce the amount of days you spend on a project.

You can work out your annual salary from the calculation below.

Day rate x 4 days = your weekly rate (with 1 non-earning day for admin)

Weekly rate x 4 gives you your monthly rate

Monthly rate x 10 gives you your annual salary, leaving two months for holidays

The diagram illustrates the calculation of annual salary from a daily rate. It consists of three rows, each with a unit in a dashed box, a multiplication factor, and the resulting unit. The first row shows 'Day' in a red dashed box, multiplied by 4, equals 'Week' in orange. The second row shows 'Week' in an orange dashed box, multiplied by 4, equals 'Month' in green. The third row shows 'Month' in a green dashed box, multiplied by 10, equals 'Annual' in teal. The numbers 4 and 10 are also in the respective colors of the resulting units.

$$\begin{array}{lcl} \text{Day} & \times 4 & = \text{Week} \\ \text{Week} & \times 4 & = \text{Month} \\ \text{Month} & \times 10 & = \text{Annual} \end{array}$$

ii. Intel/data

This is about selling your understanding of behaviour trends, unique patterns and the like – whether through writing, speaking, analysis or whatever. Be the person who 'owns' the space of your expertise as this will allow you to generate increased revenues.

iii. Customers/clients

This revenue opportunity is about selling access, introducing potential buyers, linking affiliate revenues etc. You can add value by building a unique audience on sites like Substack and Patreon, being the innovative voice, and being heard in different places and spaces.

iv. Knowledge

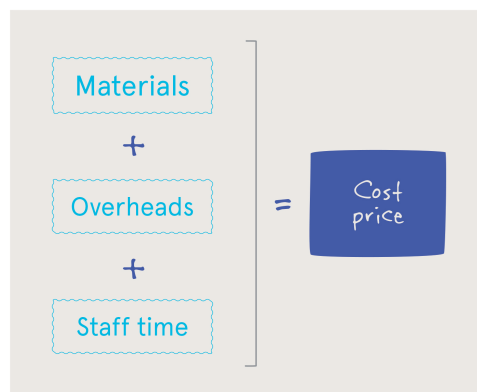
There are so many different ways you can generate income from knowledge – workshops, courses, books and so on. Repackaging your knowledge in a wide range of guises for myriad different audiences gives you several bites at the cherry. Whether in person, online, via a newsletter or social media channel. For courses and workshops, you can either price on your day rate + profit, or a per head rate for attendees.

v. Product

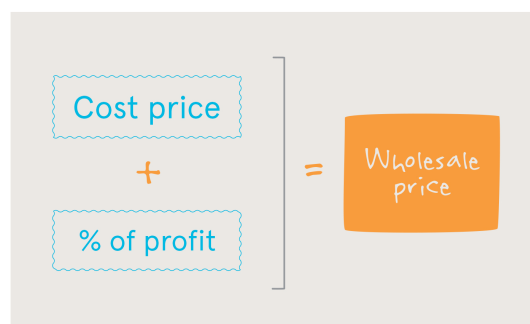
When you sell a product, you are largely selling an 'output' – something you have created before you can sell it. Whether a unique work of art, or manufactured model. Price will depend on its availability, its audiences and how you position yourself as an artist or brand.

Here are several ways to think about how to price products...

This first diagram shows how to work out the cost of making an item...



The second diagram above shows how to work out a wholesale price (ie selling it to a trade buyer so they can sell it to their public...



- And then finally we have the calculation to work out the retail price that you should look to be charging for goods you make...



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Finding value in a direct audience

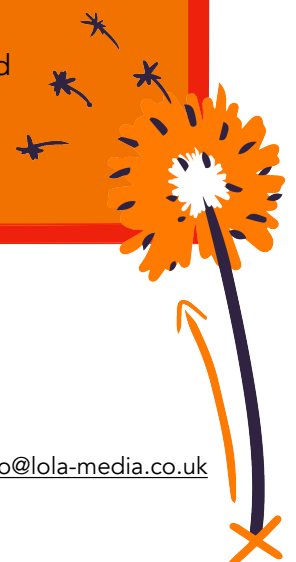
The audiences you have on social media, YouTube etc do not 'belong' to you. One swift tweak of an algorithm over which you have no control – and they are gone.

Use social media to build followers but then 'migrate' your top supporters, fans and customers to platforms like Substack, Whatnot and Patreon where you can have a direct relationship with them. This allows you to encourage crowdfunding support, or attract sponsorship with companies being encouraged by your direct relationship.

How can you attract money and support in new ways? - exercise 10

Once you have reached this point in the range of pdfs on the Artist Development website, you should have all sorts of ideas about the value of your experiences, new offers you can make to the five areas of opportunity. So it is up to you to map it.

But please don't think you need to do this all at once. Much of what you've learned here and the new ideas that have been triggered take time to come to fruition. And some will fall away. That's fine. It's your life, your business so do what works for you.



And finally here are a few useful tips when thinking about your money and finances...

- i. If you find talking about money uncomfortable, practice, practice, practice, until it becomes easy.
- ii. Where can you trim back, or add small fee increments to find marginal gains in your business to improve services, products, finances etc.
- iii. Look for small profit centres in your business and ensure each is working effectively. This helps to keep you fully aware of all the financial aspects of your work.
- iv. Pretty much everyone wants your business to grow and succeed, so who can you ask for help and advice?
- v. Think of your money and accounts as a 'story about your business' so it's vital you understand the story behind your accounts and forward plans.
- vi. Remember that your advisers, bank etc may not understand your industry and your business – take time to explain.