

126 - Our Three Secrets to Passive Income Success

Laura Moore: [00:00:00] On today's show, we're talking all things passive income.

Laura Davis: Welcome to another episode of JFDI with The Two Lauras. This is the podcast where we share tips, ideas, and advice on helping freelance social media managers to work with amazing clients, get them great results and create a business that pays really well.

On today's show we're debunking the passive income myth and sharing some alternatives that do work. Whenever we're recording these episodes we're always wondering who will be listening to the show so we'd love to hear from you. Drop into our DMs or tag us in your stories to let us know you're listening to this episode and of course feel free to leave us some cheeky reviews too.

Laura Moore: Alrighty, let's go straight in then with what the hell is passive income Laura Davis?

Laura Davis: Passive income is money that you can get, but you don't actively work for, is a [00:01:00] definition.

Laura Moore: Okay, so basically, like, it's not a thing. It's not a thing.

Laura Davis: Exactly. There we go. End of the podcast.

Laura Moore: So it's basically the interest in my bank account.

Laura Davis: Well, yeah, but you could argue that you've had to work for it. To get the money in there in the first place.

Laura Moore: Well true and choose the right bank account.

Laura Davis: Yeah. Now there are some ways that you can get passive income. True passive income is, is where just money falls from trees basically. But even people who say they have a passive income, they have had to work to get to that point. So it's not passive.

Laura Moore: Yeah, and I think that's the problem, isn't it? People, people don't explain that.

Laura Davis: No.



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Laura Moore: They're like, oh yeah, create a course and you'll just have money flowing into your bank account. If that was true, Laura and I wouldn't have a podcast because we would be sunning ourselves somewhere because we've had many a course.

Laura Davis: Yeah, we'd be on our yacht.

Laura Moore: That's not how it works. Oh, yeah. Yeah. Probably would be. That's the wheelchair yacht coming into play again.

Laura Davis: [00:02:00] Yeah. There's such a gap in the market for that. If I had a bit of money to invest, I would be investing in an accessible yacht. Um, yeah. So, yeah, it's very rare to actually get true passive income, so it's a bit of a misconception and we see this a lot, don't we?

People will say, Oh, I'm, I'm wanting to have a digital product so I can get passive income and it's like, Oh. Hmm. No. So, as we've mentioned, there is that significant amount of upfront work with no guarantees that that will create you any kind of passive income. And it often needs kind of continuous tweaking, refining.

And if you think in a, in a world of social media, if you're going to try to create something, it's barely guaranteed that there'll be changes in social media that will mean that you'll have to keep updating whatever it is. So therefore [00:03:00] you're constantly working on that thing. So therefore that is not passive income.

Laura Moore: No, and also I think if you think about it from like a customer perspective, like how off putting it would it be to buy something that you know is someone's passive income because you know they're not doing anything to make sure it's any good. Like imagine if our membership was passive and we were just sat on a sunbed somewhere leaving everyone to just crack on, rather than actually helping people.

Like, where would the value be in people actually buying that? They wouldn't.

Laura Davis: And you would automatically assume they've made it in 2012 about Instagram, and then they've never, you know, they've never done anything about it.

Laura Moore: Yeah, and like, don't get us wrong, there are some courses that we've bought that have been clearly created like a long time ago about Pinterest and whatever, and then never updated despite being from very big name people, despite them talking [00:04:00]



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about the passive income bandwagon, and it's very clear that they've never bothered to update their course. And we don't want to be going down that route.

Laura Davis: Yeah, there were whole parts of the course that weren't, were not relevant.

Laura Moore: They were missing.

Laura Davis: And it was missing all these new features that had been around. It wasn't like there was a new feature that just came out last week. The new features had been around a long time and even I knew that.

Yeah, it wasn't in there, but they didn't care. And I even messaged them saying, do you have anything more? Because this, you're not, you're missing a bit. And I didn't even get a reply.

Laura Moore: Yeah. So like, you know. If you want to do passive income that way, you crack on, but you will end up with a very bad reputation.

Laura Davis: Yeah.

Laura Moore: And you know, you'll be spoken about on a podcast somewhere where people are talking about passive income and actually naming names. We don't want that. Let's go down the good route. So what can we do instead then?

Laura Davis: So it would be worth us starting off by talking about how we would always recommend freelance social media [00:05:00] managers have some variety in their income streams.

So we have the offer triangle framework, which helps you as a freelance social media marketer to build a business that isn't just reliant on an income from client work. So it removes the risk and it encourages you to have client work that, oh, I can never explain this Laura, you're going to have to do it.

Laura Moore: You're going to get me to do it again, aren't you? Okay, so here we go. Picture in your mind a triangle. At the top of the triangle you have got your management services. So these are like your long term clients. You can probably only have a handful of those people. They're like, you know, quite intense time wise.



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You then have your one to one clients, which are people who you might be doing, for example, power hours with, you might offer them VIP days or consultancy, you might write a strategy or an audit. It's those people you're working one on one with. But probably only for one thing, like not on an ongoing basis.

And then you've got [00:06:00] your group offers. And that's what we're probably going to be talking about now. And your group offers are what people would tend to think of as passive income, because you are creating something once and then selling it to a lot of people, like a digital product, for example. So the group offer, it's like the thing that is the scalable thing in terms of how many you can sell, whereas your one to one and your management services in your, in your offer triangle, time wise, you can't scale those, but you could scale them in terms of increasing your fees.

So there's different ways that you can make money and bring money into your, into your business.

Laura Davis: Perfect. So, yes, we're going to focus on, as Laura alluded to, focus more on digital products here. So this is, I guess, as close to passive income as you're going to get, but it's far, far –

Laura Moore: It's still miles away.

Laura Davis: Yeah. It's, you know, you can maybe see it on the horizon, but that's as close as you're going to get to passive.

Laura Moore: Do you know what? I always wonder, who was it that decided that they [00:07:00] would start talking about this stuff as passive income? They've got a lot to answer for.

Laura Davis: Oh, I know.

Laura Moore: I'd love to go and find out who it was. Anyway, I digress.

Laura Davis: It makes people feel like this is this easy answer, and it isn't an easy answer. If it was an easy answer, we, as you've said, we wouldn't be here for starters.

Laura Moore: No.



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Laura Davis: So, yeah, so the ways in which we can try to get some money into our business that's maybe scalable. And you can generate income whilst you're still working on your client work is things like your digital products, say, for example, some mini courses, and you can get sales, I was going to say get sales whilst you sleep, but it sounds really wanky, but actually it's true, isn't it?

If you set up the right systems and processes and prepare to test and do lots of different things to try to get that to work, if you find that sweet spot. Then you can totally make sales [00:08:00] whilst you sleep. Um, okay. So you're all on the edge of your seats now thinking, well, hello, this sounds like what I need.

So let's just tackle some of the ways in which people can do that. So you've created your digital product, your mini course, whatever that may be. How can you get sales whilst you crack on with your client?

Laura Moore: So number one, and I don't think these are in any specific order, just to put that out there, but number one, like what you want to think about is what can you set up now so that you can, someone can be seeing that thing whilst you are asleep, or whilst you are on a beach, or whilst you are doing whatever it is.

Laura Davis: The washing.

Laura Moore: Yeah, exactly. Whilst you're doing the washing, whilst you're walking the dog, it is going to be those automated things. And email marketing is always our go to when it comes to automations. And like everyone knows, I love writing an email or two. So email marketing is something that we lean on pretty heavily.

And I would [00:09:00] definitely recommend this. If you want to create this non passive passive income, then it's that work up front that you would do, that you would write these email marketing automations. So it's like a series of, I don't know, say five to 10 emails that talk about your product in loads of different ways.

Everybody goes through. So what would typically happen is when somebody joins your email list is normally because they've downloaded like a lead magnet, or maybe they've bought something from you and then they've gone into your email system and they would then go through some sort of email sequence that helps them to get to know you.



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And then you would put them into like a sales sequence, a sales automation. That's where you can start to get those sales from, but it isn't passive because you have to spend time writing those emails. You have to spend time setting up those automations. You have then have to spend time looking at the data from those automations and making tweaks to see if you can get more people to click through.

To change your sales page so that what they are landing on is converting better and [00:10:00] making sure that the checkout's working and all of those things that are happening behind the scenes. So it's not just a case of setting up an email automation, turning it on, jobs a good'un and you're going to make a million.

Unfortunately, that isn't the case, but without email marketing automations, you, you'll make even less. So email marketing automations are so valuable when it comes to this, this scalable income.

Laura Davis: Yeah, it's, it's very much that constant testing, refining, like a lot of what Laura and I do on a day to day is redoing things, isn't it?

Behind the scenes, we're redoing, we're rewriting emails, we're adding new ad creatives. We're constantly kind of testing and trying to find if we do this, if we say this, does it. I'm constantly on that on Clarity, which, Microsoft Clarity, which is looking at how people behave on our sales page. Not that I ever come up with any profound feedback, but I quite like doing it. Um -

Laura Moore: You're just a stalker, basically, is what you're saying.

Laura Davis: I like [00:11:00] catching out the people who copy and paste our blogs. That's my favorite thing to do. Um, and I, yeah, I. It's constant, isn't it? And there's never, there hasn't, we have not, and we've been in business for over five years now. There has not been a point where we've gone, yeah, okay, we've nailed that. Like we're always trying to improve.

Laura Moore: Which is hard for us, isn't it? Because we like new, creating new things, not going back and tweaking old things.

Laura Davis: Yeah.

Laura Moore: So that's difficult for us.



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Laura Davis: It is very difficult. Yeah. It's, but email marketing, I know we harp on about this a lot, but. It's you with like freelancers. I think we, especially social media marketers, we think, ah, no, well, I'm a social media marketer, I can just do everything on social media, but you are building your business on someone else's land to start with, but actually email marketing can be a brilliant converter for people, especially if you're going to be selling things like digital products.

If you have availability for your one to [00:12:00] ones, your audits, your strategies, and also just to tell your list you have got availability for a client, it's often easier to do that on email because people are actively, they're intentional about opening an email, aren't they? Not like they go on social media and they're just scrolling and you're fighting for their attention with your content.

When they open your email, they've intentionally opened your email to hear what you've got to say. And that, it just catapults you just further up that kind of buying process in their mind or your audience's mind. So don't neglect your email and we've got loads of other podcasts and resources about emails and lead magnets, et cetera, so do go and have a listen to those if that's something you need to work on.

Laura Moore: Yeah, I think also there's one thing that people don't realize about email marketing. When you work in social, right, you're creating content and say a post that you put out today, somebody might see it today, but it's unlikely that somebody who comes across you in three months from now is going to see that post [00:13:00] unless you repurpose it, you know, or they scroll back enough.

Whereas with your email marketing, you could write emails today. You could put them in an email service provider in an automation and that email you've written today, somebody who joins your list in three months time will get that email.

Laura Davis: Yeah.

Laura Moore: They don't have to scroll back. You don't have to repurpose it that everybody is going to see the same emails.

And on social, that isn't possible. Everybody can't see the same content because it would just be boring if you just kept posting the same nine posts, for example, on Instagram, that wouldn't work. So you can make sure on email that everybody goes through the same kind



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of journey, the same buyer's journey, and they all hear the same messages in the same order.

And that can be really powerful when it comes to selling your digital product or your mini course. So don't ever think that you're just building an email list just because you worry that you might lose your Instagram account. It's like a really valuable asset in your business.

Laura Davis: Yeah. Nice. So, start an email list if you just need to clarify that.

Laura Moore: [00:14:00] Yeah.

Laura Davis: That's what we're getting across.

Laura Moore: Definitely, definitely have an email list. Put it at the top of your list!

Laura Davis: All right. So, the second way that you can make money whilst you're busy with your clients. is through ads, whether that be Meta ads, TikTok ads, LinkedIn ads, wherever you want to do your ads, but ads.

And I think that now is a good point to say that if people say to you, you can't get success on ads unless you spend thousands, that it's just bullshit. Absolute bullshit. You can run low ticket, um, by low ticket. I mean like low spend ad campaigns and still get results. Not necessarily easy. You're going to have to commit to it.

Like we've just been talking about with email to testing, refining, putting different messages out there, finding out what the sweet spot is, but you don't need to be spending lots of money. And I know that that's when people kind of say. Or, you know, I don't want to run, I can't afford to be running [00:15:00] ads for my own business.

I don't want to be spending. You really don't have to be spending a lot. We have ad campaigns running, which are just ticking over a couple of quid a day, and they do okay. Now, admittedly, they're more lead based ads. There are two different ways that you could try to get money by ad. So obviously there's just sales based campaigns.

You putting ads out, selling your digital product. So selling your mini course and they are conversion based campaigns. So you're saying to Meta or whoever, go and find me people



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who are going to buy this course. And that that's possible. They are probably slightly more expensive way to get a sale maybe, but again, you need to test it.

I don't know for sure on that, but certainly for us, that would be the most expensive way to get a sale. Or you can do use like a tripwire. So for example, you can have a lead based campaign, which is what we do most of the time. So we have lead magnet, the variety of [00:16:00] different kinds. And when people sign up for that lead magnet on the thank you page.

They have an opportunity to buy something and normally there's an offer associated with it. Obviously, often there's a deadline, so buy this within the next 30 minutes, 5 minutes a day, whatever that may be. And people therefore sign up for the lead magnet, then they buy your product, mini course, your digital product on that thank you page.

So therefore you're making money from your ads. Now, some people would call this like a self liquidating offer because really you're just making whatever you're spending on your ads, but it doesn't always have to be the case. You can try and tilt that balance so actually you're making money, but also I guess this is where the first two points collide in that.

Yes, you can run a lead campaign ad campaign, they offer the tripwire, they're offered to buy that product, but [00:17:00] if they don't buy, they then go into your email, where you then sell it to them on email. So you can still make money from your ads, but obviously it just takes a bit longer to do that. Anything to add on that?

Laura Moore: No, the only thing I would add on that is that I think it's important to know that you've got these options because a lot of people will say, I can't spend money on ads to grow my email list because it's, they, they feel that it's dead money if you like. You know, I can't spend five pounds to get a lead, but if that five pounds that you spent to get a lead then turns into a 200 pound sale.

You've made 195 pounds. So you just need to kind of have a bit of a, a mindset shift that sometimes we have to speculate to accumulate. We have to put money into something to get money back out and only you will know the numbers that work in your business. You'll have to figure out, you know, how much you are willing to spend to get that sale.

But if you have got like a mini course that is 200 quid, [00:18:00] 300 quid. I'm pretty sure you would still be happy with making a hundred quid, right? Because it's something you've



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already spent creating. So if it does cost you 200 pounds to get that sale and you've got a hundred pound profit, and then they then go and buy something else.

And then maybe they come become a long term client. And over a year, they end up spending 12 grand with you. That 200 pounds was well worth spending on ads. You know what I mean? So you have to kind of think of, of it as a long term investment as well.

Laura Davis: Yeah. You have to speculate to accumulate.

Laura Moore: Yes, exactly.

Laura Davis: And if you're someone who really struggles with ads and it's a bit of a, you've got a bit of a blocker that it's just not for you and it's really difficult, if you've got The Social Media Managers' Toolkit, you'll have access to the Ads Manager Academy, which is everything a social media manager needs to be an ads manager.

Now, you might be thinking, oh, well, I don't want to be an ads manager, but that's fine. But that course is going to teach you everything you need to sell your product. So even if you don't want to do ads for other people, [00:19:00] it's enough that it will teach you absolutely everything. So you can grow your email list or preferably make some money from your tripwires or what have you.

Laura Moore: Nice.

Laura Davis: Okay, the third way, which is probably less spoken about, and it's something that we've done in the past, is using ManyChat, and there are other options available, this podcast is not sponsored by ManyChat.

Laura Moore: Unfortunately.

Laura Davis: Yeah. So using something like ManyChat to get people to buy from us. So you can't get a sale through ManyChat at all, but you can get people to a sales page to make that purchase.

So that obviously relies on you having good social media marketing, which obviously should come naturally to you all. To get people to –

Laura Moore: Which obviously isn't passive.



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Laura Davis: Again, yeah, it's not [00:20:00] passive. But then that will fire your ManyChat bot to then take you through a process of trying to sell a particular product or service.

Laura Moore: Yep. And you could do all three. You could create really great content that gets people to land in your ManyChat. On the ManyChat, you're sending them over to a lead magnet, maybe, or you know, you're getting them onto your email list. They then go into your email marketing campaign, so they're being told about this thing in your emails.

Plus, you're retargeting them with ads, so they're seeing that thing other places. And all of a sudden, they're like, Oh my God, this thing must be amazing. I'm hearing about it so much, I need to buy it. And that is then when you get the sales in your sleep, but you have to put these processes in place. You have to do this work beforehand and you have to keep looking at the data and keep testing and tweaking and refining and trying new things to see if you can get it to work better.

Laura Davis: What works now might not work in six months time. So you can't just sit there going, Oh yeah, great. I found the sweet spot. This is it. I'm going to go and retire. I'm going to go and buy that yacht because before you know it, you can't afford [00:21:00] the running of the yacht because you've not tweaked and refined and kept working on these things to make them keep working.

Laura Moore: Yeah.

Laura Davis: Okay. So if it all sounds too good to be true, but you're straight away thinking, I haven't got a digital product, I haven't got a money course, but I want one, then keep listening as we have something coming soon.

Laura Moore: Yeah. Keep those ears – Can you peel your ears? Mind you, you can't really peel your eyes, can you?

Cause that would hurt. That's a weird saying too. Keep your eyes peeled. Keep your ears peeled.

Laura Davis: Why do people say peel your eyes? Oh yeah, keep your eyes peeled.

Laura Moore: They don't say feel your eyes. They say keep your eyes peeled.

Laura Davis: Keep your ears peeled. What does that even mean? Your eyes peeled?



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Laura Moore: I don't know.

Laura Davis: It's making me feel sick.

Laura Moore: My eyes actually hurt now thinking of that.

Anyway, on that note. Yeah, keep, keep your ears open because something new is coming. We will be telling you about it really soon. And hopefully we won't hurt your ears in the meantime. And we'll be [00:22:00] back next week, maybe with news of this, maybe not, who knows? It's all a big surprise. We'll see you then. Ta ra!

Laura Davis: Bye!

