

THE ULTIMATE PASSIVE INCOME



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Ultimate Passive Income – How to Set Up Multiple Passive Income Streams to Earn While You Sleep

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CHAPTER 1

**WHY PASSIVE INCOME IS THE
ULTIMATE BUSINESS MODEL**

Chapter 1: Why Passive Income is the Ultimate Business Model

Earning a truly passive income is the end goal of the vast majority of internet marketers and you could very easily consider it to be an absolutely ideal situation in terms of finances and business.

What is passive income? Simple: it means that you earn money without having to work. That doesn't mean you haven't *worked for it* though – it just means you've sowed your seeds so that you can profit long into the future.

In other words, you invest some time and money into setting up a business model that is capable of 'running itself' and from then on, you reap the benefits. You might even continue to work on the business model in your spare time to scale it further, or to keep it going, but the point is that you don't have to actively trade your time for money any more.

Once you have a passive business model, you can literally continue to earn money *while you're sleeping*.

Working online increases your freedom to a great extent because it allows you to choose how and when you work. But if you're providing a service to a client, then that's still not *true* freedom. At the end of the day, if you take time off, you lose money. And you can still upset your clients and end up losing your means of income.

But with passive income, you really do get to experience *true* freedom. Now you can choose to take the entire day off, or to refrain from working for the next week even and there will be no repercussions.

Want to spend more time with your kids? You can!

Want to go for a stroll and feel the sun on your face? You bet!

Want to go travelling? Play a computer game? Work on a personal project that means a lot to you? Stay in bed?

I think you're starting to get the picture...



Using Passive Income to Begin Truly Wealthy

Using Passive Income to Begin Truly Wealthy

But for many people, passive income goes further than this. For many people, passive income isn't necessarily about working less but rather it is about increasing their income.

More so than any other type of business, a passive income model will allow you to scale. Why? Because if you start earning money that doesn't require your active input, then there's no reason that you can't use your free time to set up *another* passive income model.

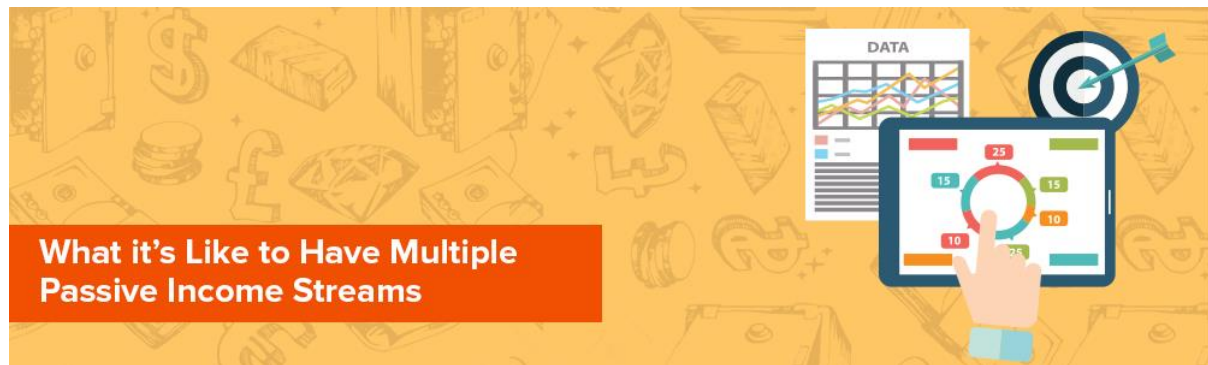
And then another.

And another.

And each time you do this, you increase your potential earnings several fold. You can also often increase the earning potential of a passive income model simply by investing more money into it in order to scale it up directly.

And the more separate passive income businesses you create, the more resilient your business will become. With ten separate businesses, all running at once, you can consider your income *very* safe. It would take multiple businesses all to fail at the same time for you to have any threat of serious financial strain.

You can use a passive income to set up multiple businesses then and you can use a passive income model to fund other business plans and thereby 'bootstrap' your larger ambitions and projects.



What it's Like to Have Multiple Passive Income Streams

I'm going to break from convention from a moment and share with you some personal experiences of passive income.

One was my friend. Being a very forward thinking guy, he invested a huge amount of time into writing content for a new website he was developing when he finished college in the early 2000s. By the end of one long summer, he'd written hundreds of thousands of words and was able to fill his site as well as posting a ton of content on 'Ezine Articles' (not a strategy that would work today). He ended up landing the number one spot for one of the most popular search terms on the web and then used this position in order to attract a huge amount of traffic to his website.

Better yet, he used that position sell affiliate schemes, including many that offered recurring income.

In short, he was earning nearly \$100,000 per month by the end of it while not having to put in *any* subsequent work – except a little maintenance here and there. He used this money in order to fund the lifestyle he wanted – he bought a house and bought one for his brother and then went travelling. He eventually sold the site for astronomical amounts of money and today lives in Spain with his girlfriend, where they spend most of their time 'foraging' (he's a weird guy, okay?).

I have had similar experiences myself. About 6 years ago, I wrote a hit app that sold hundreds of thousands of copies and generated a lot of income. It was nowhere near the success of my friend's website but was enough to bring in an additional \$1,500 per month.

Bearing in mind though that I was *already* on a very healthy salary, that meant that I was now earning \$4K monthly without doing any extra work. I was able to use this money to buy a large house myself, as well as to fund a huge amount of travel and to kit out my home office/gym just the way I always imagined it.

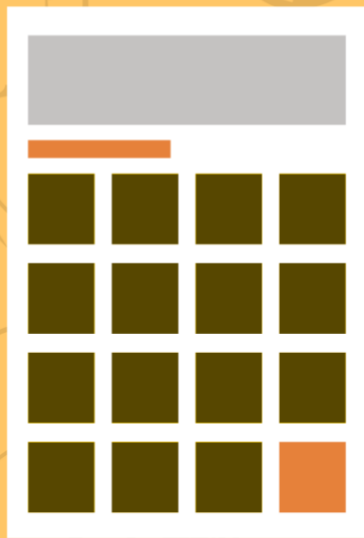
And the sense of excitement and pride that came from seeing those numbers start to climb... I can't tell you how exciting it was.

That app eventually died down but I currently have numerous other continuous income streams. I make money from book sales, from websites, from apps and from my YouTube channel and all of this is on top of the money I earn from my main 'gig'.

The other day one of my videos had a surge and earned me an extra \$200 in a day! I did nothing to cause this but that amount of money allowed me to buy a cool monitor set-up without it coming out of my main income (and being tax-deductible means I didn't pay any tax on it, either!).

Why am I telling you all this? Just to illustrate that there are countless ways you can create a truly passive income and all of them allow you to live the lifestyle you want. It doesn't necessarily have to mean becoming rich and quitting your day job (although it can), it can simply mean enjoying the success, excitement and reward that comes from beating the system and figuring out a way to literally get money for nothing.

And this book is going to show you how to do it...

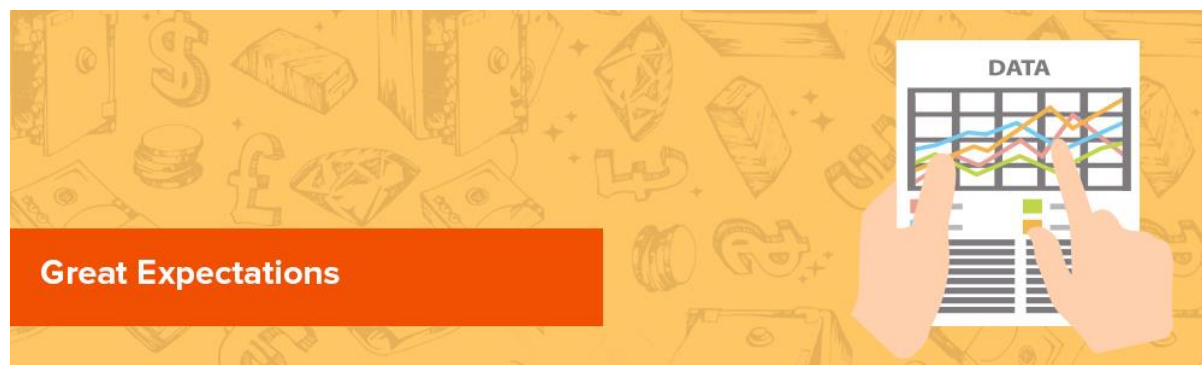


CHAPTER 2

**WHAT TO EXPECT AND HOW TO
APPROACH PASSIVE INCOME**

Chapter 2: What to Expect and How to Approach Passive Income

So what is the secret to success when it comes to passive income? What should you expect from it? And how do you approach it without risking serious disappointment?



Great Expectations

The first thing to do is to have the right expectations. Too many people expect to get money for nothing and to make a huge profit from a website or blog for example after putting in only a small amount of work.

What's very important to understand here is that passive income does *not* mean that you are getting money for nothing. This is not a get-rich quick scheme and it does take a lot of work and a lot of smarts.

Let's take running a website as an example. While many creators seem to be under the impression that they can set up a website in a matter of a few days and start earning thousands of dollars from advertising, the reality is very different.

Actually, the main form of advertising used to make money from a website is AdSense. AdSense is a form of PPC advertising, which stands for 'Pay Per Click', meaning in other words that you get paid each time someone clicks on one of your ads. If there are no clicks, you don't get any money.

And thus, it follows that you need to get as many visitors as possible to make any serious money. How many visitors? That depends on numerous factors including just how well you have optimized your ad placement and how good the niche you initially chose is.

But what you can rest assured is that it's going to require at least a couple hundred thousand. In fact, if you read around the web and do your research, you'll likely find that the average advice is that it takes somewhere in the region of 150,000 views for your website to make \$100.

How long does it take to get to those kinds of numbers daily? I'd argue that it can take at least a couple of years for most people. And that's *only* if you put in a huge amount of work to consistently flood

your site with excellent quality content and to continuously promote your site and your brand in the meantime.

The same goes for selling digital products. For creating an Amazon Kindle. Or for using any of the other passive income models we're going to look at here.



The Right Approach

Why is this important enough to deserve its own chapter?

Simple: because if you head into this expecting to make \$100 a day immediately, you are going to be disappointed and you are probably going to quit out of frustration before you get anywhere. This is what happens to the vast majority of people.

It's also important because I don't want any of you to run out right now and quit your day job!

What you *need* to do, is scale back your expectations and make a steady attempt to increase your earnings and to build a business.

Your aim is not to give up your day job. Not right away anyway! Rather, your aim is to make yourself some extra money on the side that will make your day-to-day life that much comfier and more enjoyable. It's to fund your lifestyle and it's to follow something you're passionate about.

To begin with, you're not going to quit your day job or stop providing services online. Instead, you're going to start devoting just a short amount of time in the evenings to creating content, creating a sales page, or following through with any of the other passive income models we're outlining in this book.

Choose something you're passionate about and that you enjoy and do it for the love of creating. If you make a *little* money on the side, then you should consider that to be a bonus – not the main reason you're getting started.

If you do that, then in a few months you might start earning an extra \$10 a week – enough to treat yourself to something nice at the end of the month.

In time, that might climb to \$20, \$50 or \$100 a week.

And then you can start moving on to one of the *other* models in this book.

Dedicate time at the end of your day whenever you can and don't rush it. Slow and steady wins the race!



Chapter 3: Top Passive Income Models for Selling Products

One of the simplest and easiest ways to generate passive income is to sell a product online. This is a very simple business model: you simply create a website or a sales page, select a product, sell that product from your sales page and then direct traffic there.

This could be an ebook, a pair of jeans or even a range of different products. The more traffic you can send to your site, the more you will sell. That means you can then start to invest more and more

money, to increase and scale your business – or you can repeat the model with multiple different products.



But Wait... How is Selling a Product Passive?

You may be wondering at this point how exactly selling a product can be passive. Most of us are used to selling a product being a rather big upheaval. Normally, selling a product means first designing said product, then marketing it, ensuring it is being manufactured to a high enough standard, promoting the brand perhaps through a website and then sending out units to all your customers (fulfilment). It means an endless process of ordering stock, promoting that stock, packaging and delivering.

Or at least that's the traditional way of selling products. The good news is that these days, it's much easier to sell a product than it ever has been before and you actually don't even need to make your own product to do so.

In the conventional model, selling a product meant one of two things:

- Creating and manufacturing your own item
- Buying items in bulk and then selling them off at a lower price point (reselling)

But the options we're looking at are:

- Affiliate marketing
- Selling your own digital product
- Dropshipping
- POD
- Setting up automatic fulfilment and storage

Let's take a look at each of these ideas in turn...

Affiliate Marketing

Affiliate marketing is an incredibly simple process and one that most people reading this are going to be familiar with.

The idea here is that you are selling products that someone else has created and you are getting commission as a result. This is just like being a door-to-door salesman selling subscriptions to cable TV, except that you don't have to go door-to-door because you can reach the *entire world* from the comfort of your chair thanks to the internet!

The other thing that sets affiliate marketing apart from regular commission, is the amount of money you will normally take home. When you're an affiliate marketer, you can expect to make anything from 50% to 90% commission. Often, this is going to mean selling a digital product like an ebook or a course. This means that the creator has no overhead and thus they can offer very high rates to their marketers. They are happy to do this because the more marketers they can attract, the more they can scale their business – and they're not losing out on the sales they make themselves.

Selling a digital product like an ebook is a good strategy and especially if you choose the right niche/industry – preferably one that has a great 'value proposition' and a universal appeal. Try to sell books that promise to make people's lives better – whether that means making them fitter, or helping them to make more money. You can then paint a picture of a life where your audience are richer, happier, sexier and healthier than ever before!

The other great thing about selling products as an affiliate is that of course you can usually see how well those items are selling before you choose which one you want to sell yourself. That means you can select something with a pre-established track record and thereby guarantee that you're likely to make a decent profit from it.

You can find these sorts of products from sites like JVZoo, ClickBank or Commission Junction. They will provide you with an affiliate link and any sales you refer through that link will be credited to your account and earn you money. It's that simple!

The *problem* with digital products though is that they don't have as broad an appeal as physical products. You'll be able to sell clothes to *anyone*, whereas only a very specific type of person reads eBooks.

Thus you might prefer to sell physical products, in which case you can use Amazon's affiliate scheme or ShareASale. Suddenly, you'll be able to sell everything from CDs, to clothes, to Transformer toys. The downside is that physical products tend to offer a *much* lower commission at around 4-6% of the RRP.

You'll likely sell much more and you'll have the advantage of selling through stores that people are familiar with (especially in the case of Amazon) but you'll also have to sell a lot more in order to make the same kind of profit you may be used to.

Whatever the case, selling an affiliate product will always be a way to make money passively as all you need to do is set up an account and then pass on the link!

Digital Products

Of course you can always make your own digital product, which will require no up-front investment and no need for any delivery or storage. Once you've made *one* ebook, you can sell it an infinite number of times and through an automated process with no need to handle anything personally.

This also gives you complete freedom over what you sell specifically and how you want to market and price it. Just keep in mind that of course you're going to have to create the product yourself and that means you'll need to invest a little extra time up-front. Or hire someone to create it for you...

PLR

Another way to sell digital products where you get complete control and all of the profit is by using PLR packages.

PLR stands for 'Private Label Rights'. This is essentially a product that you buy with the sole intention of selling on but the good news is that all the work will already have been done for you here, which includes not only the creation of the product but also the creation of numerous marketing materials such as sales copy, freebies that you can use to attract attention and more. Some of these will essentially be an entire ready-made sales funnel and this means that all you *literally* have to do is to copy and paste an existing business model in order to make money!

Dropshipping

Another option is dropshipping. This is essentially somewhere between selling your own physical product and selling an affiliate product.

A dropshipping company is basically any company that will allow you to sell their products and then pass that sale *on* to them. They will then pay you a cut (typically more than regular affiliate commission for digital products – they essentially act as wholesalers, which means 50/50) and will handle everything from the packaging, to the fulfilment to any complaints they may have from their customers.

The best part? A lot of dropshipping companies are happy to be 'white label'. This means that they operate like silent partners, never promoting their brand to your end user. You can thereby sell your

product online and create the impression that you are working as a regular online store. The company will deliver the product on your behalf but it will *look* as though it has come from you.

Better yet, some of these companies will even go so far as to allow you to tweak the product or to redesign it. That means that you can have your own logo on it, or even create something entirely new from scratch. A perfect example of this might be selling a supplement: here, the dropshipping company will let you choose the formulation and will let you put your own brand on the pot. From there, you can then sell the product to your audience and they will send it out each time you pass the sale on to them. They'll never know that you didn't create it in your very own factory!

In short, this is the perfect way to have your cake and eat it too! Find dropshipping companies through sites like Alibaba.com, or use Google and search for 'White Label Dropshipping' in your chosen industry.

POD

POD means 'Print On Demand' and we're going to use that term a little loosely. However, the basic idea is that you can sell a product without having to order huge amounts of stock and then hope that you manage to sell them! That's because POD products get created automatically each time you make a sale and often will get delivered too.

Normally, POD is a term that is used in the publishing industry to describe an alternative to traditional publishing methods. Rather than an author having to find a publisher willing to take a big risk on them by ordering thousands of books and then trying to sell them, POD allows the author to upload their files to a printer and then sell the books directly online. Each time you make a sale, that gets sent to the printing company, the printer automatically prints out and binds the book and that then gets delivered to the buyer.

This means there's zero risk for anyone involved but you can still sell a physical hard-copy book! Amazon offers this service (which also means you can sell through Amazon itself!) as does Lulu.com and several others. You can also use this method and then order some stock that you send yourself, though this is obviously less passive.

Of course you need to create the book as well but this is just the same as creating the digital product.

POD might normally refer to publishing but the same basic process can apply to many other scenarios. For example, you can use something akin to POD when you use 3D printing. Here, you will upload a 3D STL file or similar to a site like Shapeways and that will then print out your cup holder, your ornament or whatever else you created whenever someone orders it.

You can also use printed t-shirts, or mugs, or caps and can do this through companies like Vistaprint or others that offer 'custom printing' or 'corporate gifts'.

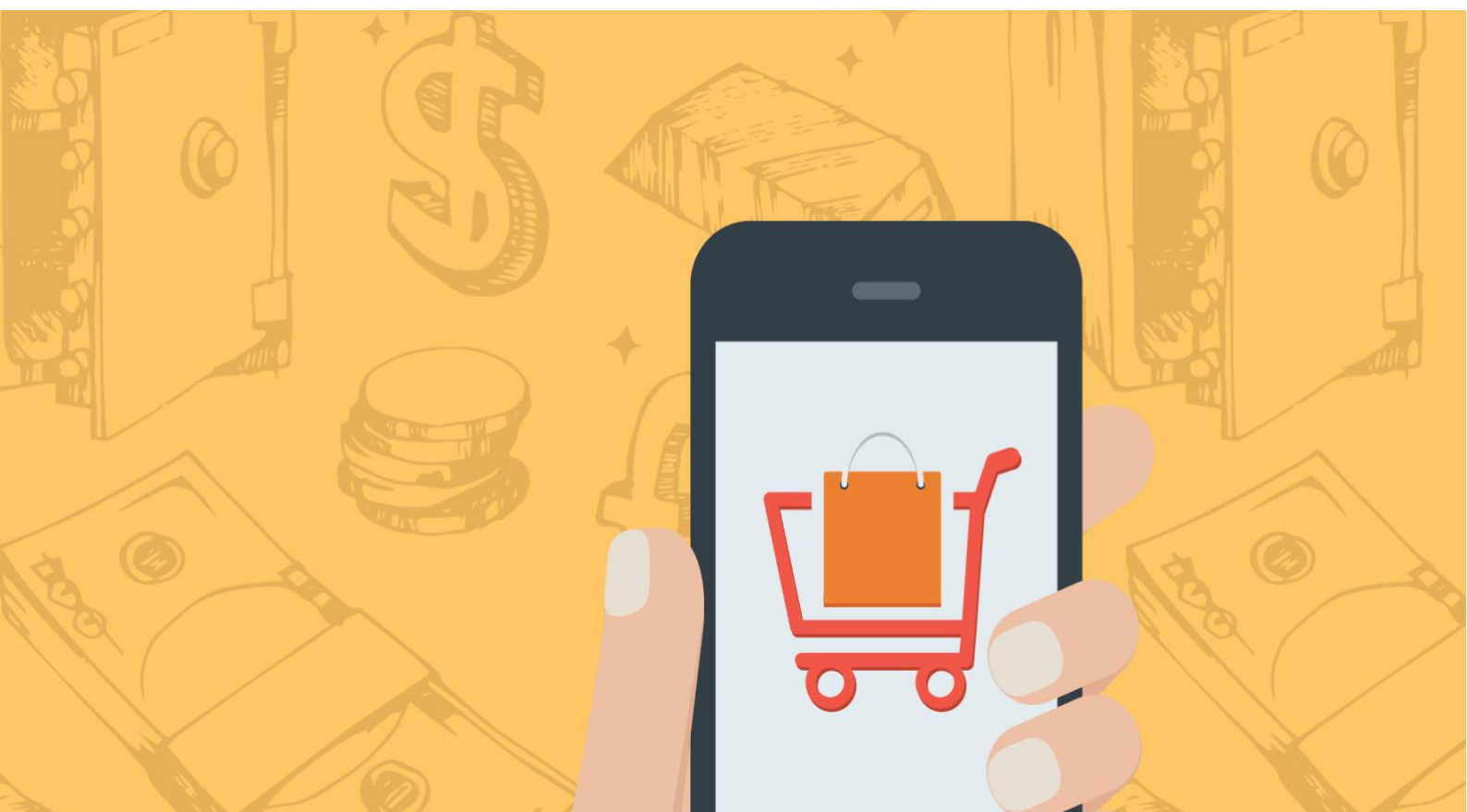
And yes, you can actually make a surprisingly successful business by selling printed shirts!

Automated Reselling

Regular reselling is a very easy business model, even if it is not entirely passive. Usually, this will involve nothing more than choosing the product you want to sell, finding a wholesaler that will provide that product and then order a batch of the item you intend to sell – whether that's t-shirts, computer games, workout equipment or anything else.

You can keep the investment fairly small to begin with as your business will take time to gain traction. Then, you'll just order *more* items each time you sell out. Because you should make around a 50% profit each time you do this, you can invest more money and buy more stock each time you successfully sell all of your items. And that means you can then order more and more each time, growing your business and increasing your profits.

Of course this isn't passive though because you need to order the items, you need to store them in your home or in a warehouse and then you need to deliver them which will cost you money. But the simple answer to this problem is to either pay a company to handle your storage and delivery (a lot of companies offer these services at scalable rates to suit small businesses) or to hire staff! I knew a guy who paid his Mum to handle his stock, which worked out for everyone!

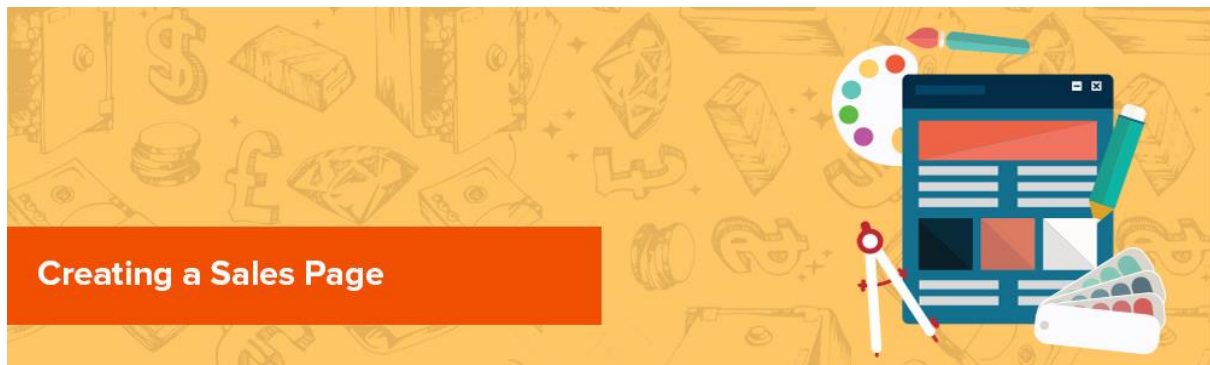


Chapter 4: How to Make Your Products Actually Sell With Zero Input

There's a good chance that you will have heard of these business models before. If you're already an internet marketer or an entrepreneur, then there's a chance you're already selling affiliate products or you're already reselling... and so far it's taking more work to get things up and running than you're actually earning for all your effort!

In that case, it's time to have a rethink about how you're going to accelerate your business and help it to actually thrive. There are several tricks you can employ to make your business self-sustaining and to help it generate genuine income. It's all about understanding what makes things sell and understanding how to get traffic to your site.

Regardless of which of the previously discussed methods you're using to sell products, this chapter is going to show you how to turn your model into something that will generate an impressive income with very little work on your part.



Creating a Sales Page

The first thing you need to do is to create a sales page. A sales page is essentially a single web page that has a singular purpose: selling one product to your audience.

The idea is simple: choose your product, build a sales page, send people to your sales page. Each time someone buys from your sales page, that is called a 'conversion'. Your conversion rate tells you what percentage of people who visit your page buy. The aim of a sales page is simply to *maximize your conversion rate*.

I know someone who once found a book they liked online. Set up an affiliate account. Made a Facebook Ad promoting their sales page and then made a ton of passive income. They made several thousand dollars and all from creating *one* page. Now that's *real* passive income!

But creating an effective sales page is incredibly important here. The key is to make sure that your audience is quickly engaged, doesn't leave to go anywhere else and is completely convinced by the time they've read through all your copy. There are several different strategies you can employ to achieve all these effects...

The Design

The design of your sales page should be such that there are no distractions. That means no links to other pages on your site and *certainly* no advertising or links to other sites! It should be long and narrow so that all the user can do is to scroll down the page and commit/engage further and further with your content.

Also highly important is that you design your site to look professional. This is important because you need to build trust. People often feel reluctant to buy from unknown brands online because they

worry the brand won't deliver the product, or that their transaction will be lost in the clouds. Make sure you inspire their confidence and make an impulse buy easy by designing your sales page to be clean, crisp and professional looking.

The best way to accomplish that? Use a pre-existing landing page tool. The best example is to use Optimize Press, which is a WordPress plugin/theme that will make your site look like a professional sales page and include your transaction button.

Note that ALL our websites and pages recommended in this book are going to be built with WordPress. WordPress simply makes it MUCH easier to create websites that look professional. It has been tried and tested by millions of highly successful websites and brands throughout the world and it is generally known for its adaptability and its large number of different add-ons, plugins and features.

It's also very important that you make your transactions as simple as possible. Letting people checkout with PayPal is a great way to do this for example, because it will allow them to buy from you without having to input their card details or sign up for a new account.

You want to make it as simple and easy as possible for them to click buy and get your products *immediately*.

The Sales Copy

Just as important if not more so is your sales copy. This needs to be written in such a way as to compel the reader to want to buy and to build desire and urgency.

The first challenge is going to be getting your visitors to read past the first line. People are always in a hurry on the web and they don't have time to sit and read a long passage of text that they know is just trying to sell them something!

Start strong then and get their attention right away. Do this by using a question directed at the user that will make them think, or by using a narrative structure that makes your copy sound like a story. We are naturally inclined to listen to stories and it's very hard to cut a story off mid-way because we always want to know how they are going to end!

It's also important to space your content out a lot so that it is easier to skim read (use descriptive headings).

Throughout the text, your aim is to sell the 'value proposition'. This means understanding the psychological draw of exactly *why* someone might buy your product and what it is about your product that they will want.

This comes down to understanding how your product will affect their lives. For example, a fitness ebook will make someone fitter and healthier – therefore also making them sexier, more confident and more athletic. The same goes for a pull up bar.

Meanwhile, a book on making money or some kind of financial investment can help someone to reduce stress by being free of debt, to feel more powerful and financially stable and to chase their dreams. Men might think that earning money will make them more successful with women.

Dating books or a dating site membership will improve someone's sex life, or help them to find love (all depends on the site/book and the audience you're aiming at!). Make that the focus of your product description and get your audience to really visualize what you can do for them and how you're going to improve their lives.

Meanwhile, try to describe the feel of the product and how beautifully designed it is. Get them to imagine it being a part of their lives and to imagine holding it. The aim is to build up that sense of desire.

Creating Urgency

And from there, you're then going to create urgency and scarcity. That means you're going to make out that your product is in low supply, you're going to introduce a limited-time-offer, or you're going to find another way to encourage the person reading to *buy now*.

Try to understand that people make purchases impulsively. We mostly buy things we don't need on an emotional basis, not a logical one. So if your visitor has time to go away and think about it, then they will probably *not* buy and you will probably lose your customer.

Likewise, you also need to think about reducing the apparent risk. Promise a 100% money back guarantee and talk about how easily and quickly your product arrives. Show social proof by including reviews from other customers.

By making your product highly desirable and painting a picture and *then* making the reader act quickly, you can trigger a ton of impulse buys and increase your conversion rates significantly. Especially if buying is easy and your site looks professional!

Of course you shouldn't 'oversell' something like a mug with a funny picture. Bigger ticket items = large sales pages. For smaller items that are easier impulse buys, you can use an ecommerce store to the same effect.



Route to Market, Choosing Your Product and Selecting a Niche

You know what though? It is really *not* your sales page or your persuasive powers that will have the best chance of securing you your sales. What is actually much more important is that you select the right product to begin with and then promote it to the right people.

The first tip is to choose a niche that you know and love. This is important because it will mean you understand it much better, you understand how to sell it and you don't mind spending time writing about it or writing sales copy.

The next tip is to think about the niche and the size of that niche *very* carefully.

Don't make the mistake of aiming for a niche with too much broad appeal, or you'll drastically increase your competition and make life very difficult for yourself. PPC ads will charge you more depending on how many other advertisers are after the same search terms as you. That means that you can end up spending a huge amount of money to 'bid' for a term like 'make money online' or 'fitness equipment'. You'll be going up against the likes of Amazon – and they spend over \$1 million a day in some cases on their AdWords spend alone!

Better then, is to aim for a smaller niche while still thinking about whether you have a strong product with a good route to market.

One of the best ways to do this is to take your niche and then *narrow it down* to a smaller sub-set.

For example, you can create a highly successful niche simply by taking fitness and then aiming it at smaller sub-section such as 'the over 80', 'teenagers', 'women' or better yet 'diabetes', 'martial artists', 'students' or 'karate'.

Now you have a much narrower target audience and you can use tools like Facebook to target that precise group specifically. Now pick a product that solves a very specific problem for that very specific niche and market the heck out of it. You can do this especially well if you can find a *new* audience for an *existing* product.

A folding bench press for example is ideal for students who have a small amount of space in their home! Now you can take that product, write a sales page aimed at students looking to get into great shape and then advertise in places where students go.

But the most powerful strategy of all?

Think about the influence you already have and the routes to market you already have. A 'route to market' is any direct access that you have to the audience you want to sell from. For example, if you happen to be best friends with the editor of 'Gardener's World', then selling a gardening product is an *ideal* option. You already have a means to reach *thousands* of gardeners. Why create more work for yourself when that opportunity exists? Just find a great product and ask your friend to promote your affiliate link!

Or maybe you're already a very big name in a popular forum. Simply find an affiliate link for a product you think those people will link and share it in the forum. You can even be upfront about the fact that it will make you money (in fact, I would advise it). But this *incredibly* simple strategy can make you a lot of money, very quickly!



Chapter 5: Flawless Marketing for Auto-Generating Cash

Now your business model is set up and you have a great product and a great landing page that will help to sell it. This should maximize your conversions and that means that all that is left to do is actually *send people* to your page. That's where marketing comes in...



Your Buyer Persona

Good marketing means knowing exactly who you are marketing *to* which is why choosing the niche is so important. You want to go much further than simply identifying your ideal target audience though...

you also want to profile them! Psychology is *so* important when it comes to selling and this is what will allow you to avoid working hard by working *smart*.

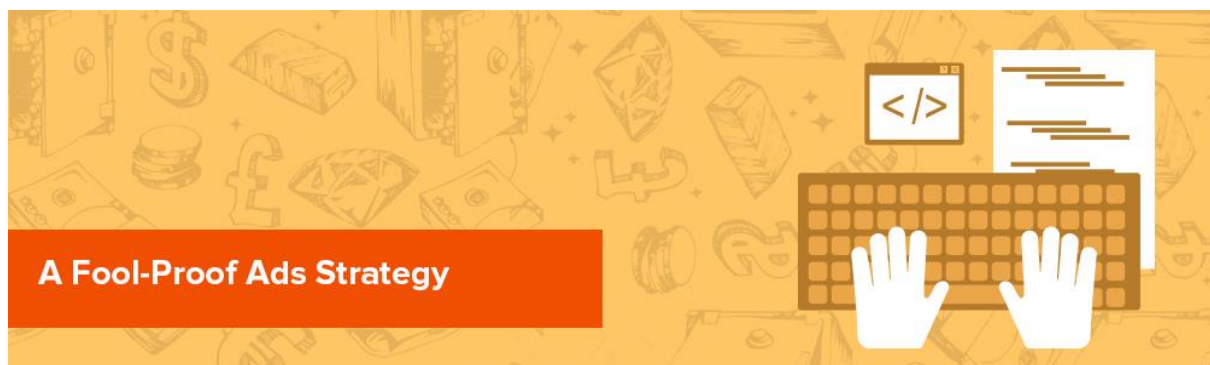
Your buyer persona is a personality outline of the people you are selling to. This will look at where they spend time, how much disposable income they have and even what their hobbies and interests are. This in turn will allow you to get inside their head and sell to them in an even better manner.

It also pays to understand some of the natural driving forces behind all of us. For example, keep in mind that people often buy products as a form of self-expression. That is to say that we love to express ourselves and often we buy things because they say something about us.

Think about it: you probably have a ton of old DVDs and many of them you only bought because they resonated with you and you wanted to show them off in your collection to illustrate that fact. This is how you can sell your products too – by making things that are *specifically* aimed at one person.

If you're selling a t-shirt with a joke on it, make it a joke that will really resonate with a particular type of person or let them show off some aspect of their personality. This is what will make them want it and it also works because it's what will allow a product you sell to be a 'perfect gift' for someone. You want people to look at it and go 'that is *soooo* John!.

Understanding the psychology of your buyer and tapping into the driving forces that makes them buy is the **single most important way to make a passive income model work**.



[A Fool-Proof Ads Strategy](#)

With your target demographic identified you can then set-up and advertising strategy to send people to your site where they can buy your product. We are choosing PPC advertising because it is a form of advertising that will allow you to set everything up and then lean back to let the cash roll in.

When it comes to PPC advertising options, there are two big players. One is Google AdWords and the other is Facebook Ads.

Google AdWords allows you to pay for your ads to appear on SERPs (Search Engine Results Pages) for particular terms. That means you can make sure that your foldable weights bench comes up for the term 'foldable weights bench' or 'workout without space'.

Whatever the case, this works well because it allows you to target people who are actively looking for products like yours. You're getting people who want your product and who are in the process of looking to buy it!

For our completely passive form of income though, we're going to look at Facebook Ads in particular. Why? Because these allow for much more precision when targeting specific people. Facebook Ads will allow you to target your ads to people who fall into very specific demographics based on the information they added to the site. That means you can target people by their age, their sex, their location, their relationship status, their likelihood of owning property (Facebook also deduces a lot of information), their weight, their hobbies and interests and more. And you can also filter your ads to *exclude* certain people.

So if you're selling a folding weights bench for students through Amazon or a dropshipper, you can now sell that weights bench to: male students who don't own property, who are interested in fitness, who are single and who don't weight very much.

Could there be a better demographic for your bench? And because you know they're single, you can choose to market your product in a way that really emphasizes the sex appeal that a big, strong chest gives you!

Or how about selling a t-shirt with a funny joke about being self-employed to people who *are self-employed*? It's so easy this way to match your product directly with your target audience.

Or how about if you are selling wedding decorations, selling them to women who are engaged and have shown an interest in the style of décor that your items fit into (such as shabby chic). You can infer someone's likelihood of enjoying shabby chic by looking at their favourite bands and books even!

Perfecting Your ROI

Better yet is the fact that you can also set the budget perfectly to avoid spending more than you are earning.

Remember, with any PPC advertising set-up, be it Facebook Ads or Google AdWords, you are *only* going to pay when someone actually clicks on your ad. So if your ad isn't working and isn't attracting clicks, you don't lose anything.

And because you are only showing your ads to people likely to want your product and you are going to use a *very upfront explanation of what the product is in your ad* you can thereby ensure that people won't click on the ad unless they're likely to want to buy from you. And that way, you can enjoy a VERY positive conversion rate for that audience.

Better yet, you can also calculate your budget and your spend perfectly to ensure this. You choose what your maximum bid for ad clicks is going to be and that means you can choose how much you're willing to pay for your visitors.

That means you can look at how many visitors you get in a month and how many sales you make in a month. Then you divide the profit by the number of visitors to work out the average value that each of your visitors is worth to you.

So if you have 100 visitors a day and make one sale of a \$100 profit product, that means your average visitor is worth \$1 to you.

And by doing this, you can now make sure you are paying *less* than \$1 for each click and means you should make measurable, predictable profit from *every single click*.

Facebook even allows you to go further by using CPA advertising, where you only pay if someone *actually redeems a special offer*.

This is foolproof passive income and the worst case scenario is that you spend no money and earn no money. In which case, you simply tweak and hone the various factors until you find the sweet spot.



Chapter 6: Making Passive Income From a Blog or Other Content

Those last three chapters have given you an insight to what are some of the most popular methods of generating passive income. Of course many people will also create a blog to help back-up their products and to strengthen their brand but you don't even need that – just a landing page, an affiliate link and the right advertising campaign.

But what if you don't want to sell a product at all? Can you make completely passive income from a website or blog alone?

The answer is: yes and no.

Over time, if you build a website up to be big enough and to provide a huge amount of free information, if you can rank at the top of Google and if you can build an active community, then in theory, you can get a massive flow of traffic that will be self-sustaining for several years, even without you having to have any consistent input.

If you then place advertising on this website, then you can potentially earn up to a few hundred dollars daily and profit. But this will take a *lot* of time and a *lot* of luck.

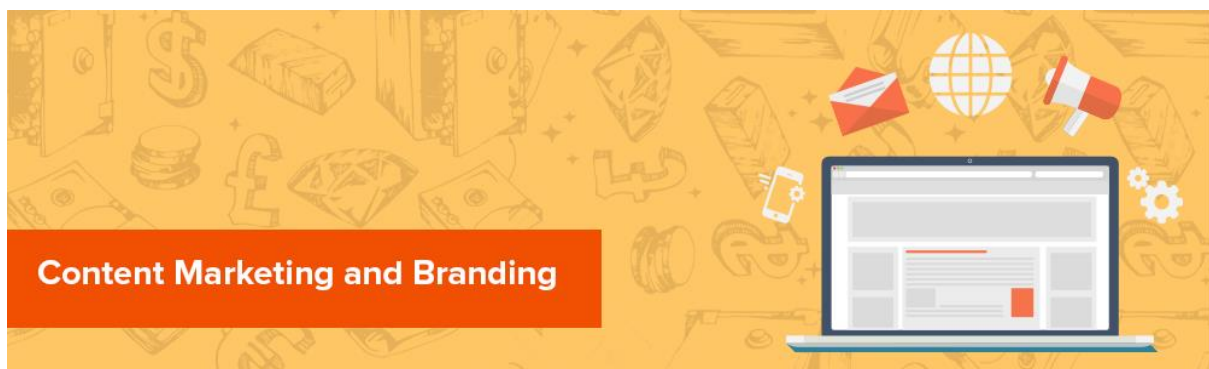
Therefore, *most* of the best ways to make money from a blog are going to involve regular input on your behalf, which will mean writing new blog posts and running a social media page. One way to get around this is to find a write (or several) and pay them to write content for your site. Make sure it is good though.

Another way to get around this is to buy a website that already comes with a big audience and a big community + plenty of content. To get this, you're going to have to spend a large amount of money but this *can* be a good investment if you can make that up-front expense. Browse marketing forums and webmaster forums where you'll be able to find people selling sites and try contact big sites

directly. A good strategy is to contact people who have a massive audience but haven't maximized their earning potential yet with ads and affiliate links – it's likely that they're not going to know just how valuable their site is just yet and that means they might accept a good deal.

Another strategy is to use insider information and to target a website that's in a niche that you think is *about* to become more in-demand. In other words, if you have a tip-off that a big brand is about to take the world by storm and you can buy a website about that brand before that happens, you can stand to profit in a BIG way!

If you can buy a website that is already getting a lot of visits, then theoretically you can simply add some adverts to it or some affiliate links and start profiting immediately!



Content Marketing and Branding

But that said, there's nothing wrong with running a blog the old fashioned way. This might involve a little more effort than a truly passive income model but it's still passive in as much as you aren't trading time for money. And if it's a subject you love, then you shouldn't mind writing about it regularly.

The key to being successful with this kind of business is again to get inside the heads of your visitors and to offer something really different. That means creating a brand that once again will appeal to a very specific type of person rather than trying to appeal to everyone possible. You need to think about branding your site so that people will instantly know what your site is all about and whether it is for them and you need to be very consistent in delivering quality content that is also going to offer something a bit *different* from the competition.

Don't think that you can make a lot of money by populating a generic site with generic content like 'How to Get a Six Pack' (500 words). If you want to be the next Tim Ferriss, then you need to write about things that sound exciting and that no one has read before. That might mean a new training technique, or it might mean a challenging intellectual expose on a particular aspect of training. It means writing in a way that is entertaining and engaging and it means writing in a way that is in-depth and provides links to useful resources.

Then it means building up that brand visibility on social media, getting follows and getting people to repost and re-share.

It means being consistently brilliant and on-point in other words and having a clear mission statement that lets people feel like they're part of a 'movement' just by following you. Again, it's about *their* identity and knowing the psychology of your audience.

But meanwhile, there are also a number of useful growth hacks you can use to get surges of hits for your site. One is to write a post that will be particularly irresistible for a certain audience and then finding a route to market again – in this case that might perhaps mean a community on Google Plus or Facebook. Post there and if you're fortunate, this can lead to hundreds of thousands of hits overnight!

Better yet is 'influencer marketing'. This means finding a big influencer in the niche and getting them to promote your site. Of course that means you need to offer something else in return, whether that means you also link to them or it means that you provide them with free content. To be successful with this, the best strategy is to start with those smaller influencers that are around your level and then to slowly 'climb the ladder'. Each time you get a shout-out from one of them, you'll gain more new followers and you'll be able to approach someone even bigger next time!

The best way to get influencer marketing and make big money from a blog quickly? Network *in person* with someone who happens to own a massive website. It's not easy but it is possible!



[More Strategies for Earning Passive Income From a Website](#)

There are other ways you can earn even more truly passive income from a website too if you so wish. One is to use a subscription model. There are plenty of WordPress plugins that will allow you to do this easily and completely for free and if your content is compelling enough, you might find people are willing to sign up – creating a recurring income that is much more stable and reliable than you may get from ads! Even donations can work as a model! Or what about having a 'pay wall' for your very best content? This works particularly well for those 'static websites' that act like large repositories for

information – and that kind of business model is most effective when you target a niche that relies on lots of information. Targeting specific careers and industries can work very well for example, as can providing a resource for people studying a particular topic!

Another option is to create a 'SAS' or 'Software As a Service'. This might mean making an online calculator, a tool that organizes people by providing to-do lists, a CMS or a dating website. Then you charge for membership. This will require a little coding skill but you can either handle that yourself, or outsource it to a coder through a site like UpWork or Elance, as long as you have the good idea to start with. (Quick-but-very-important-tip: not every idea needs to be 'unique' to be very profitable! Sometimes it's best to copy what is working for someone else!)



CHAPTER 7

SERVICE ARBITRAGE

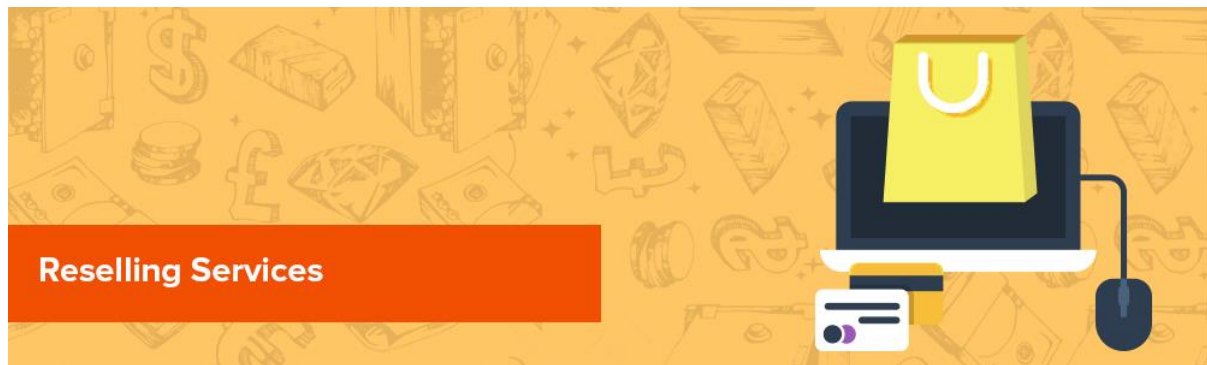
Chapter 7: Service Arbitrage

The problem with a lot of the ideas that we've gone over so far, is that they may seem somewhat abstract or even quite confusing. If you're someone who has never created a website and who would never read a PDF on their computer, then you might struggle to get into the correct mindset of someone who would buy these kinds of products. Therefore, you might struggle to make a business like this work.

So how about we simplify things for a moment and go back to basics: selling a service.

The good news is that there are a number of ways you can make money from selling a service *and* turn that into a passive source of income. One example was to create the 'SAS' or 'Software As Service', which basically means automating a service you provide. The best example of this comes from Matt Mullenweg, best known as the creator of WordPress. WordPress is a brilliant example of a service being 'productised' where Matt actually took his website creation business and turned it into a simple tool that would cut out the middle man. There were countless ways that WordPress could have been monetized but one option would simply be to charge people to create the site. Similarly, you could easily charge someone for a piece of software that might fix broken video files, or you could charge them to use a piece of software that would churn out images that could be used as stock photos. Another great example of this is 'CopyScape'. CopyScape provides a service by checking to see if there are any duplicate copies of content on the web. This is something that might previously have been handled manually but with CopyScape, it's possible to check countless articles for a few cents.

But if you're not into making software, then this might still seem like a business model that is out of reach. Fortunately, we have another trick up our sleeves...



Reselling Services

Service arbitrage literally means that you are buying something and then selling it on for more. Arbitrage normally refers to the process of buying and selling securities or currency and selling them off *simultaneously* in different markets for a profit.

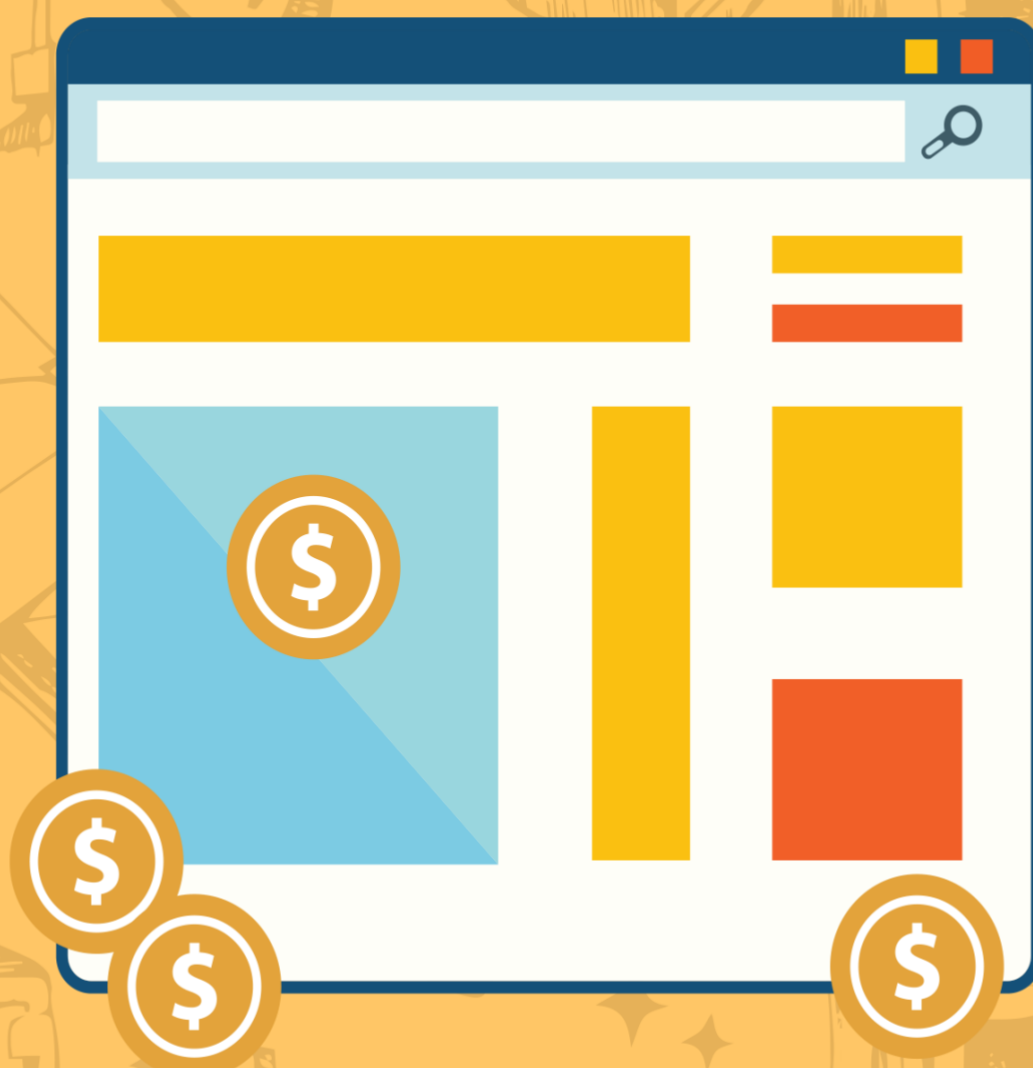
Doing this with services is simple. You find someone who is looking to hire a writer or a web designer for \$30 an hour. Then you find a service that provides writing and web design for \$20 an hour. Then you simply pass the order on from the client, straight to the service provider! This is another example of a near-perfect business model because all you have actually had to do is to refer an email that you received from the client on to the creator. This will take you barely any time, while at the same time allowing you to make a healthy profit!

And like all of our favourite passive income models, this is also highly scalable. Simply find 100 clients that all need work and then 50 service providers capable of offering that work for you!

Another similar option is simply to hire people or to use freelancers and that way to create a 'writing agency' or a 'web design agency'. You'll probably need to do a little admin and a little advertising but the best part is that you can hire people to do that for you as well, simply by funnelling some of your profits back into marketing and managing. You can then sit back and watch as the money rolls in!

Using automated email services, online forms and other tricks can help you to cut down your admin even further, to the point where you never have to send an email until something goes badly wrong!

This type of passive income model is great because it's so simple and it can work with nearly any kind of industry. The only *downside* of this form of business, is that it isn't as self-sustaining. If something goes wrong, then your operations can collapse overnight – which is not the case when you use something like a website that will build up its own momentum.

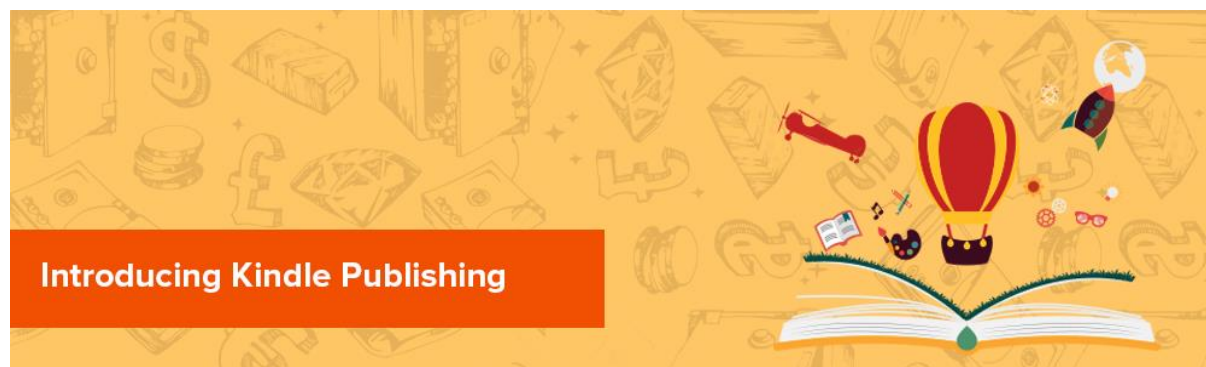


CHAPTER 8

**SELLING ON KINDLE AND
CREATING APPS**

Chapter 8: Selling on Kindle and Creating Apps

Like the sounds of selling a digital product but don't like the sounds of building a landing page and advertising? Then Kindle publishing might be for you! Or how about creating your own mobile app?



Introducing Kindle Publishing

The Kindle is of course the gadget from Amazon that allows people to download ePub format books and then read them on the go. It uses an e-ink display to minimize eyestrain and has a permanent, free connection to Amazon.

The great news is that anyone can create a book and start selling it on Kindle. The even *better* news is that you can do this simply by taking your PDF or Word Doc and uploading it. It costs nothing and it requires absolutely no technical skill.

What Kindle provides though is a platform for selling your products and a way to reach a massive captive audience. People will be browsing Amazon's store for books all the time and being in that store makes it incredibly simple for people to discover your content, buy it and download it.

That means you don't need to create your own sales page, you don't need to create your own checkout process and you don't need to create your own marketing plan. In this case, the Kindle Store is your route to market!

How to Make a Book That Will Sell

As with other forms of selling digital products, selling on Kindle means that you don't have any overheads and you can sell as many books as you like without having to worry about printing costs, storage or delivery. That means this is another great 'set and forget' form of business – but of course you do need to invest a little time and/or money upfront in order to create the book in the first place.

To make your book, you can either write it yourself, or you can hire someone to write it for you. It *does* need to be good. Not only because that's the moral thing to do, but also because readers can

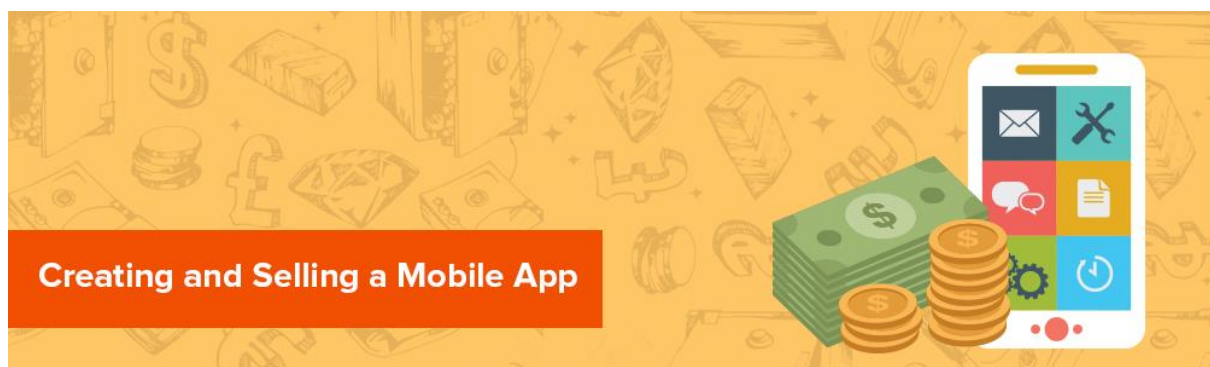
read excerpts of books before choosing to buy them or not. What's more is that a good book will have lots of high star ratings and this will help it to rank higher.

Try to think of the Kindle Store/Amazon Store like a search engine. To get to the top of the search results, your book needs to choose the right niche that isn't too crowded but that *does* get a lot of hits. At the same time, it needs to be designed with an outstanding cover and the name/description should have keywords in them that people are going to search for.

Think about what's hot right now, what's up and coming and what the world needs more of. Think about how you can anticipate an upcoming trend and make a splash with a great book before anyone else does!

Again, if you make a book on 'Building Muscle', you are going to have an almost impossible task rising to the top of the heap. Conversely though, if you write a book on 'Building Muscle for Students', then it might be a little easier. Especially if you can combine that title and niche with a great cover image, a great sales pitch in the description and some good reviews. Try dropping your price occasionally too to help your product climb up the ladder by getting plenty of downloads!

The great thing is that even if you only make a few sales a week of your book, there's nothing to stop you making *hundreds* of books over the course of a couple of years. A few sales of *hundreds of books* is going to mean a lot of money! And especially seeing as one or two of them is *bound* to take off...



Creating and Selling a Mobile App

Or you can create and sell a mobile app. Once again, this will allow you to create a steady income stream without any overheads and this can sustain you for a long time to come.

The mistake so many people make here is to try and change the world with 'the next Facebook' or some other life-changing app. The most successful apps often aren't the ones that aim to change people's lives though but rather the throwaway games or the handy tools. Again, it's about knowing what's people right now and what people will search for.

Try and make an app that has a social element, or that requires the involvement of third parties, or that is highly technical and you have given yourself an almost impossible up-hill struggle. But if you try and make an app that is simple to make and has a single purpose, you'll be able to do it in a few weeks and start making a small amount of income.

Use the 'fail fast' approach – that means building things quickly to see if they're profitable, rather than spending months and years on a project that might never take off! Of course there are plenty of tolls that can help you with the code (Basic4Android, Unity) or you can hire someone to do that for you.

Conclusions

Now you have a *ton* of different options for creating business models that will generate passive income for you. The question is: where do you start?

The answer is to think about what you are passionate and excited about. Which of these models and which industry would you be willing to put the most time and work into?

At the same time, ask which projects are likely to have the greatest yield while requiring the smallest amount of time. Try to avoid massive projects for now and instead focus on quickly setting up easy business models that you know will work. That might mean creating a small ebook and selling it on Kindle, or it might mean buying a PLR site or a website that's already doing quite well. Over time, these revenue streams will start to add up and eventually, you'll be able to earn BIG money while you're sailing around the world, snoozing in bed or working on the things that you truly care about.

It's about getting inside your buyers' heads, it's about understanding the psychology of selling and it's about knowing *where* you can safely cut corners. It comes down to working SMART rather than working HARD.

That 'smart' part is really what's important.