Episode 25:

Invest in Websites and Buy a Job?

A transcript of this episode.

The Professional Website Investor's Podcast

Welcome the Professional Website Investor Podcast, the show where we talk about what it takes to successfully buy, operate, scale, and sell a thriving ecommerce business. When it comes to doing business online, we believe that buying an existing website is far superior to building one from scratch. So, if you're a career professional who's looking to become an ecommerce store owner, listening to this show will give you the knowledge, tools, and community support you need to be successful.

I'm your host, Ryan Cowden, and this week we're joined by Ian Bond from professionalwebsiteinvestors.com. In this episode of the Professional Website Investor Podcast, Ian and I discuss how the next website you buy could become the career change you are looking for. We live in an age where people are dropping out of the traditional workforce all the time. Entrepreneurs and digital nomads are working from home, coffee shops, beaches, anywhere they can find an internet connection. But is it really possible to do this by investing in high ticket drop shipping websites?

Well, it is possible. Today we lay out a simple blueprint to follow on your path to operating your own website. On this episode you'll hear the major issues someone will need to tackle in order to make this career transition. The major obstacles that can derail early investors are a lack of time, lack of money, or lack of specific skills. Next, we'll share the key activities a high ticket drop shipping website owner needs to manage. These include supplier relations, website management, customer service, paid traffic, and search engine optimization (abbreviated as SEO).

Then we'll cover the challenges of managing supplier relations. This is one aspect of the business you never want to outsource. Instead, you should be in regular contact with your suppliers, especially in the early stages of your growth. After that, we'll go over the key factors of website management. The main areas you need to consider are how to update your inventory and how to add new products.

In addition to that, we talk about how to set up a customer service protocol for yourself and any future workers you may hire. It's important to design a system that fits your goals for this aspect of your company. Then we talk about your paid traffic budget. Paid logistics are a great way to drive traffic to your website, and can usually get a good return on investment if you do this right.

Finally, we will tackle SEO content creation. Creating quality content is an organic way to drive traffic to your site, and a way to distance your site from your competitors. If you are truly looking to make a career move into ecommerce websites then you'll want to start here. There's a lot of actionable advice in this episode, so grab something to write with because you're going to want to take notes. As always, I'll be back on the other side to wrap up any loose ends. So, without any further ado, here is my conversation with Ian Bond.

RYAN: All right, Ian Bond, welcome back to the podcast, it's great to see you, man.

IAN: Ryan, it's my pleasure. We've got a great topic today. This is one that I've been thinking about doing for a long time, and I'm happy we're finally getting around to it. And it's something that it takes me way back. And I think it'll be exciting and fun to talk about.

RYAN: Yeah, me to. It's interesting, what we're talking about today is kind of this idea that a lot of people are maybe stuck in a job that they don't like. Maybe they have a boss that they don't like. And they want to maybe travel and become location Independent. And a lot of people think well maybe I can get a website, and that'll turn into an income stream. So, that's pretty similar to your story, is it not?

IAN: Absolutely. Just to refresh anyone who may be new to the podcast, or don't know who Ian Bond and family are, I took a job overseas back in 2014. And my wife and family joined me nine months later. And she quit her job, and we know that this would be our last stop before my ultimate retirement. And rather than have her get a job locally, which is tough when you're overseas, we decided to look at buying a website for my wife to earn income and replace the income that she earned in her day job.

And we never thought, we never had any dream that we would end up where we are today, owning eight revenue producing websites. We just wanted to own one website and have it add to our income. But provide my wife with the opportunity to take the kids to school in the morning, do some work, pick the kids up for their activities, do some work. Put the kids to bed at night, do some work. And earn a decent income. And I'll tell you, Ryan, that the reality is that of all the many, many, many people that I know who own websites, the great bulk of them work on their websites with some very limited amount of outside help. They do it themselves.

So, this is the rule, not the exception. Having a fully outsourced staff and scaling to a business is the exception. That's the 5 or 10%, not the 90 or 95%.

RYAN: Okay. Well, what do you see as the major issue that someone would need to tackle in order to transition to a full-time website owner?

IAN: I think, Ryan, that the biggest issue for someone listening to this, for a career professional listening to this, is solving for their lack of time. And that's not the case, that wasn't our case, because my wife had time. It's generally lack of time. And the three major things that you have to solve for are time, money, and skills. And in today's example, our hero is probably going to have some time, and then be able to develop the skills that they need to be successful. And probably the piece of equation that's going to be variable is the money piece of the equation, and we can discuss the trade off.

RYAN: Okay, great. Yeah, what are those trade offs? How do you balance time with money and skills? Is there a sweet spot in there that you're kind of looking for balance?

IAN: Yeah. So, let's talk about the major activities that you need to solve when you're owning a high ticket drop shipping site, for you to succeed. And I'll stick a flaming spear in the ground, I think most people will say these are the big buckets. The first, and I'll call this the most important one, is your supplier relationship. Secondly there's the general website management. Third, there's customer service issues. Fourth, there is paid traffic management. And fifth there is the SEO content creation. And like I said, I think these are the big buckets that you've got to think about solving to begin with.

RYAN: Okay, so maybe we can go through that list then, and just kind of break those down.

IAN: Okay.

RYAN: Let's start with supplier relations. What's the main challenge that you're going to confront here?

IAN: All right, so as a website owner, I always recommend that website owners deal directly with the suppliers. These guys are your life and blood, they're the key to your profits. Even if you're going to do nothing else, staying in the industry, you're going to hear things if you keep these relationships. It doesn't take a lot of time to do this, but you need to be in front of them with some relative amount of frequency, so that you can work some kind of an angle where you can impress them on how you're uniquely helping their brand.

We'll put a piece of content up and ping someone and say, "Hey, did you see that we changed your collection page for this? Give us some feedback." They may not spend a lot of time, but just the fact that you're doing that fairly consistently helps a lot.

The only issue that supplier relations has is for true introverts. But the reality is for most people that work in any kind of a career profession, you can get over this pretty quickly. And once you have some kind of product knowledge, conversations are really pretty easy. Suppliers just want to sell more stuff through reliable partners. If you're that reliable partner, they're

delighted to spend some time on you. You're not going to take a lot of time out of their busy day, you make it easy for them.

And so you'll easily solve for this once you gain a little bit of experience, or get a lot of confidence. So, supplier relations is the first big bucket. Hang on to this one and treat it with the utmost care, it's your lifeblood.

RYAN: Okay. And what's a good frequency? Is it every week, is it every month? Does it vary?

IAN: I think it depends. When you're newer in the relationship you spend more time on it. We try to, when we secure a new supplier relationship, we try to put a lot of effort upfront into that relationship by building out beautiful product pages, beautiful collection pages, beautiful brand pages, including creating SEO-related content and pointing it out to people. We try to do that more frequently up front. Once the orders start rolling in, you're gold, don't worry, they know who you are. At that point they know who you are, okay?

RYAN: Okay, yeah, right.

IAN: Remember that particularly one of your main goals is to get on the "where to buy" page. And you don't get on the "where to buy" page until you impress someone that you're really a great partner, because they've got a very valuable real estate, they've only got probably 12 slots where they're going to put logos. And that link juice, and those referrals that come to you from their "where to buy" page, that is gold for you. And so that's what you're aiming for.

RYAN: Okay, great. Let's go to the next factor then, website management. What does that entail?

IAN: Yeah, there are kind of two major areas to this. One is the daily inventory updates, and the other is product uploading. With regards to the inventory updates, we do the vast bulk of inventory updates ourself, and we do that for eight websites. We do that with VA's, there are some tools you can use. It does take a bit of ability with Excel, it just isn't that hard to do inventory updates. So, don't let that be problematic for you.

And if you're in a niche where inventories aren't changing that frequently, or your suppliers aren't running short of inventory, you don't have, let's say, the huge number of variants. We have 9,000 different products on our biggest site. So, things are going out of stock all the time. It's not that big a deal.

The other piece of website management is adding new products that a supplier might add to their repertoire to your website. This is time consuming, but it's really, really important. You want to maximize the SEO contribution of your product descriptions. If you don't have a ton of products to add, say 50 or 100, you can easily do these yourself and get a really great result, if you won't spend a lot of time on it.

Now, if you do bring on a new supplier and you have to upload a whole catalog, the best way to do that and not add anybody, do it yourself, is to just ask them, "What are your top sellers? What's the 80:20 rule? What are the 20% of the products in your catalog that make up 80% of the sales?" It will probably be more like 10% of the products make up 90% of the sales. And then focus your time really on those 10%.

I know a lot of people that are doing exactly this strategy. Anyone hearing this podcast can do this with some very basic training. Once again, most of the people that I know that own websites are doing the bulk of the stuff themselves. And anybody listening to this can replicate that.

RYAN: Okay. Another feature that comes up when I think of website management is just the technology aspects, the specifics of managing a website. Is that something that you recommend outsourcing? Or is that something you can try to figure out on your own?

IAN: You know, Ryan, it is … with Shopify, which is where most of the sites are these days, we own Shopify and BigCommerce sites. It's just so easy to learn. I wouldn't even think twice about it to be honest with you. There are resources all over the internet, including Shopify's own site, BigCommerce's own site. The training that you get if you buy a website from a seller, most of the stuff you can figure out yourself, and God forbid you have a problem. You can spend $25 on Upwork and have somebody solve it. It's just not that hard.

I've said this numerous times on the podcast, when I was 57 years old looking at doing this, the tech fear was my biggest fear. And it just melted away. And it's only getting better, it's just gotten better. It's amazing. So, don't worry about it. Just don't worry about it.

RYAN: Great. Well, let's move on to the customer service piece. And that is something that we've talked about from time to time on this program, but it's always important and it's always there. And I was wondering if we could kind of focus on how do we make this a job that will be an attractive task for us to do? If this is a website that you're kind of running on your own, how do you make this part of your job that you enjoy doing?

IAN: First, that's a really great way to phrase the question. How do you design your job to make it an attractive task for yourself? You actually do need to design your website purchase to your customer service desires. And let me explain, I kind of think of this as a trade-off between low and high logistics requirements. And low and high technical sales requirements. These are two things that are the most complicated part of customer service. The logistics piece and the technical questions and technical service piece. Those are the two biggest deals, okay?

RYAN: Okay.

IAN: For example I know a guy who sells a very … very technical product. The average sale is over $3,000. But he only makes 15 to 20 sales a month. And so he's doing over $50,000 in revenue a month. Once he gets an order, the clients really aren't that demanding in terms of the delivery. So, his shipping logistics just are pretty easy.

Now customer the service issue for him is fielding phone calls with technical questions, which is something that he actually likes. He's kind of a geek about his products, and he doesn't mind getting a call at any odd hour of the day, he's on US hours, and he does that. But what he would hate would be to have people calling him all the time, wondering if they're going to get their product between two and four tomorrow afternoon. And needing constant updates on the product delivery.

And I can tell you, we sell, as you know, a lot of things that people use when they remodel homes. We love the household area. They will tell you that customers are calling us constantly, or emailing us constantly, as they have a contractor waiting to install something and the clock is ticking. And it's just brutal. People have been spoiled by Amazon, and next day or same day shipping. It's a nightmare for us.

And so those two issues, which is kind of the technical question and technical service piece, versus how logistics heavy is what you're doing? It's a good thing to think about in terms of how you design your purchase. What fits you well? And we probably didn't respect that well enough when we got into the game. And we've actually gotten really good at the logistics piece. And now I've forgotten, my wife has a document on the number of times that we touch base our clients between order entry and delivery, and actually after delivery confirming things are in good order. Where we really shine versus the big bots, guys like Home Depot and that, is we're all over the logistics piece of things.

And it drives a huge amount of customer satisfaction. So, there's a way to solve everything.

RYAN: Mm-hmm (affirmative), that's good to hear.

Okay, so about the next factor that you talked about was paid traffic management, which I think is interesting here. What do you mean by paid traffic management? And then what's the big issue there?

IAN: So, you know, in high ticket drop shipping mostly you're going to use Google product listing ads, or PLA's. They're not that hard to learn. It is something that's a specialty. Depending on the niche you're in, it can be nuclear war if it's a huge niche, or it can be one where it's easier. And we're going to talk about SEO in a minute. But between paid traffic and SEO-generated traffic, that's your traffic. And so basically our approach has been to outsource our paid traffic, and use people that are specialists at it. That's because I'm too busy to learn it. I'd love to do that.

And frankly, you can get good results for a very reasonable fee. And so you kind of have to pick your battles. This is fairly specialized, it's fairly

quantitative. I know many, many, many people who've learned this, and they do it very well. You can always also if you choose to do it yourself, get an expert to give you some part-time advice, so you don't have to employ somebody full-time. And I'm not saying that mastering Google, Ryan, is easy. But it's doable if you choose to focus on it. And as I just described it, being fairly quantitative and fairly specialized, you sort of know who you are, just like the people that are introvert versus extrovert might have different views of the customer service piece.

But, again, the vast bulk of people I know have solved for this through some combination of the things I've said. They've either outsourced it, they've done it themselves, they've done it themselves with some educational help from someone.

RYAN: Okay, great. And then let's wrap it up with SEO content creation, what's the main focus?

IAN: Yeah, so the other piece of driving traffic to your site, and once place where I think an owner with some time on their hands can add an enormous amount of value to their website, is through SEO-related content creation. Ryan, I just have to tell you that this is easily the biggest value add that any owner can make to their high ticket drop shipping site. And I'm not going to go into all of the different things. We've had one SEO-related episode that we've done, we should probably do another couple.

But this opportunity kind of dwarfs everything. And so it's some place that you can really add value. What do I mean by SEO-related content? We have said, I've said that it's our strategy to have the best pages on the internet, with the most helpful content. And your highest priority are your product pages. And this is where you ask your suppliers what the best selling products are, and you focus on those product pages.

From there you go a level up to the collection pages. That might be all the products of the same size, through all of your different brands. Or it might just be one brand that has a similar style. But we call those collections.

And then the next level up would be your brand pages. So, when somebody's searching for a specific brand, if you've got the best looking

brand page, Google's going to end up ranking you. These are your money pages, and they have to exceed what are on your competitor's sites, for you to rank well on Google.

Now, when you add into this mix things like buying guides, instillation guides, and blog posts, to get folks to your site, this is your SEO-content related strategy. Let me give you an example. On a small site that we've been working on for about a year, we drove 46% of all of our site visits, and 32% of all of our transactions through organic traffic in March of 2019. That was zero a year ago.

RYAN: Wow.

IAN: And one piece alone, an instillation guide that's a spectacular piece of work that the woman we bought the site from put together, that drove 20% of all of the traffic to our site.

RYAN: Wow.

IAN: Now, it has the benefit of being probably, I don't know, 18 months old or something like that. So, the older it gets, the better it gets. We also updated it. But you know, you built it once, and it's driving nearly 1,000 visits to our small site a month on one piece of content, Ryan. I mean that's how … I'll stop my rant now, but let's make a pact that we'll do another SEO-strategy related or focused episode to kind of compliment that SEO intro that we did. I think that's podcast episode number 18.

RYAN: Yeah, right.

IAN: And we'll go deeper into that. But those are the things that I think that if you invest in a website, the things that you have to solve.

RYAN: Okay, all right. Well, I think that's all we planned on talking about. Just to kind of wrap it up, what's your mindset going into this? We are looking to get a job from this website, so, how do we walk away from this episode?

IAN: Look, as I mentioned at the get go, it was our intention to buy a website, run it ourselves, learn all of these things. And we had my wife replace her corporate income, and do it with a lifestyle that worked for our family. And we were able to do that with some modest outsourcing and learning some things. We had the opportunity to scale things and build a mini empire, it's certainly not a major empire, but build a mini empire. And we've gone that route. The vast majority of people that I know that are doing this, if you are sitting and thinking, "Can you do this?" The answer is absolutely yes you can.

RYAN: Okay, great. Ian, this is fantastic, thank you so much, and we'll see you next week on a new episode.

IAN: Great, Ryan, great talking to you. Look forward to catching up with you, man. Have a good time.

RYAN: You too, thanks.

All right, folks, there you have it. That wraps up my conversation with Ian Bond of Professional Website Investors. He shared a ton of valuable insights and advice today on how to turn your next web investment into your next job. We also shared some tools and resources which will all be linked up in the show notes at professionalwebsiteinvestors.com. I hope you enjoyed our conversation. Please consider subscribing, sharing with a friend, or leaving us a review in your favorite Podcast directory. Until next time, best of luck in all that you do, and we'll look forward to seeing you on the next episode of the Professional Website Investor Podcast.

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