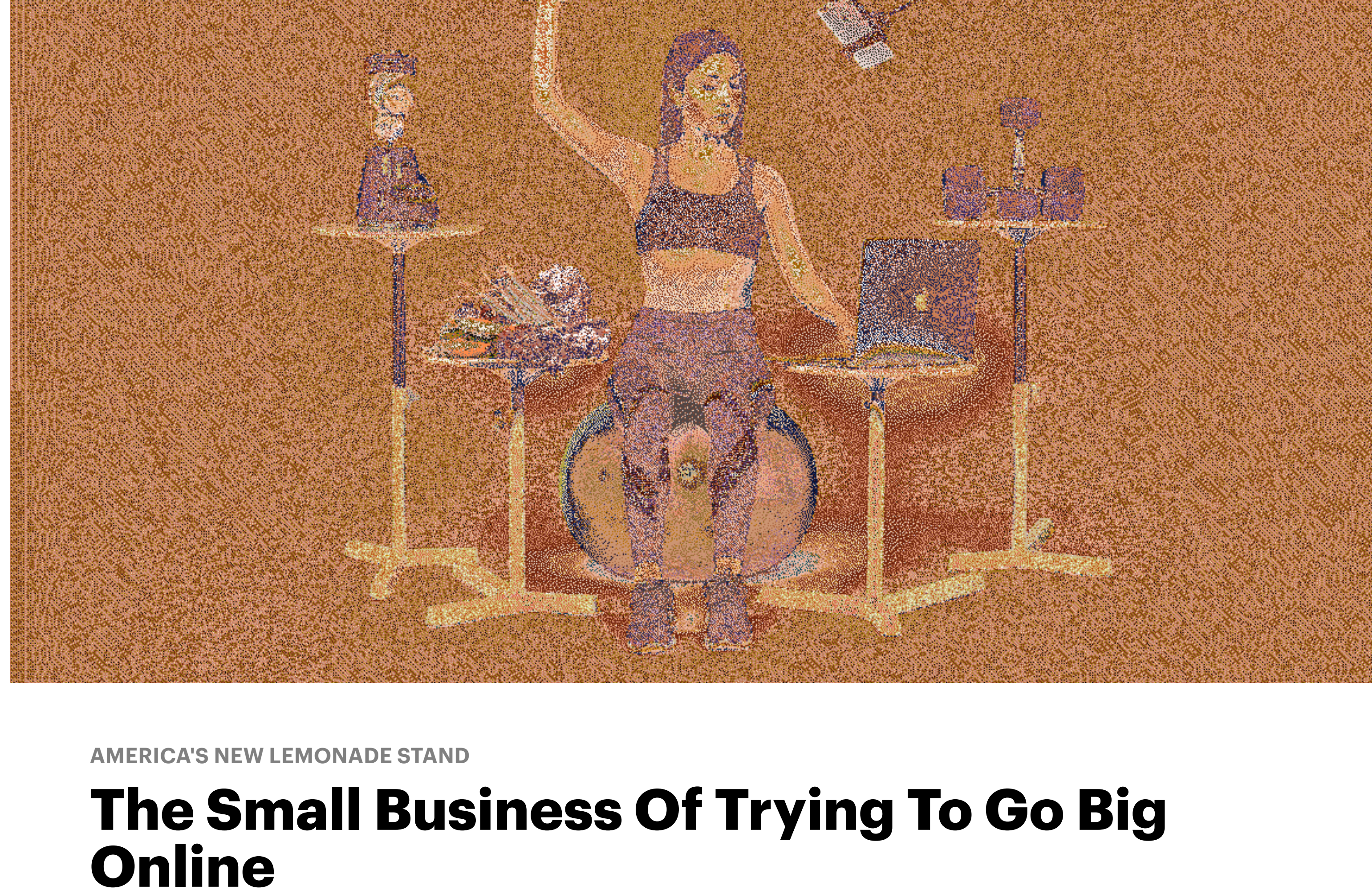


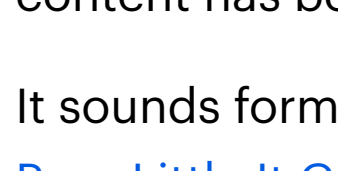
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AMERICA'S NEW LEMONADE STAND

The Small Business Of Trying To Go Big Online

Caitlin Cruz Nov 6, 2017 @14:08 PM · Updated: Jun 27, 2019 @07:58 AM



Every weekday at 3 a.m., a new post goes live on Cathy Anderson's site.

On Monday, Tuesday and Thursday, it's her bread and butter: a post about clothes and shopping. Wednesdays are for spotlighting a brand or product she loves. Friday's posts usually are about a trend. The formula for a week's worth of content has been tweaked a bit over the years, but this is what it is now and it's working.

It sounds formulaic when I ask her to describe how blog sausage gets encased, but when you see it on Anderson's blog, [Poor Little It Girl](#), it's packaged into an aspirational aesthetic that makes you forget that this is a job. Each post is titled with song lyrics; the website design is clean and easy to read. In every photo, Anderson looks cute and each outfit is a wearable editorial, but Poor Little It Girl is all about affordability. Anderson specializes in fashion that rings up \$100 for an outfit and she loves a good sale.

Anderson began Poor Little It Girl in July 2010 while she was working in fashion editorial in New York. That fashion background supplied the formula that makes her blog on "petite fashion with a focus on affordability" work. A Florida girl who graduated from [Florida State University](#), she did stints in a few cities before moving back to Atlanta. That's where she was when I called her in August to talk about building a sustainable living online.

She didn't set out to be a blogger or digital influencer, an occupation notoriously difficult to explain or even justify to those of us unfamiliar with #content and all that comes with it. While she moved around the country, working for national and regional magazines and in retail, her blog's audience grew. When she moved to Washington, D.C. with her college sweetheart, the blog was becoming a liability if she wanted to get another fashion editorial job. It was considered a conflict of interest. But she didn't want to stop.

"I was really proud of it. I put it on my resume. This is my baby and I've gotten a lot of opportunities from it." She eventually got a job in retail, and worked her way up to a manager at a bridal boutique, all while still blogging. "I was constantly complaining," she told me with frank honesty. "It was so stressful with the blog. And I felt like I was missing out on a lot of opportunities because I was working full time at the store."

From Etsy creators to that kid in your first college lecture promoting his podcast, the internet is the new lemonade stand.

Anderson knew she was in an unsustainable situation. Could she keep working 40-plus hours a week, blogging at midnight and then waking up at 6 a.m. to do it all over again? Or should she give up the blog to get another editorial job and bypass the conflict of interest it presented to employers? She had built this thing from ground up! It was a tiny operation but it was *her* tiny operation! She had a tough decision to make.

Three years ago, she quit her job and went into business for herself full-time. It's not like it immediately erased stress — entrepreneurship is rarely free of headaches — but she was finally working only one job and was her own boss. She was finally a business of one.

"The three years I've been blogging has been my most successful and lucrative than any of the other ones when I was working full time," she told me. "It really is the more you put into it, the more you get out of it, and I was able to dedicate a lot more time to it."

Anderson doubled down on the promise of an internet-based small business. With another style blogger, Anderson co-founded [The Blog Societies](#), a national networking outfit and annual conference for bloggers around the country. They hosted their fourth major conference earlier this year in Chicago. It was 75 bloggers and dozens of workshop leaders and speakers — and it was all put together by Anderson and her colleague-slash-fellow blogger [Jessica Camerata](#).

She may not be selling you a tangible product, like an Etsy creator, but she's racking up thousands of pageviews and making a comfortable living between advertising, sponsored posts and partnerships like this one with the [Virginia Tourism Corporation](#). "For me, the reason I'm blogging full-time was so my life wasn't so stressful anymore. I'm still making a good living," she said before adding, "But I'm 32 now. I don't have the energy of a 22-year-old."

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In the early stages of the internet, the talk was all about democratization. Information was accessible to all and the world was suddenly our oyster. But as the years passed, we found out that the internet, for all the good it brought into our lives, [definitely isn't free](#).¹ I've written about the democratic marketplace promise of the Internet before — that time it was for [healthcare](#). As a small business owner myself², I find myself now asking if there's space for mid-level earners, what the future of the small business in this America looks like and wondering if a new bubble could be building. After all, we all can't be Tyler Oakley or even a Hadid sister.

With the right marketing copy and personality buzz, the internet has the ability to make you a star by indulging your hobby. But does it have the ability to grant a middle class living? As Google spiders index more pages and our online profiles merge, the cost of doing business on the internet just may be ourselves.

When we talk about small businesses, there's an older notion of hardware store or the diner, what you see in a politician's I Know The Community Ad. That idea, that a small business can only exist in a brick and mortar locale, is no longer the only path to entrepreneurship. Why wait for Small Business Saturday — a suspect "holiday" on the weekend after Thanksgiving, [trademarked](#) by American Express — when small businesses are making the world run? A [study](#) from Princeton in 2016 found that between 2005 and 2015, "94 percent of the net employment growth... occurred in alternative work", meaning temp workers, independent contractors and freelancers. With more and more people in control of how they make money, voluntarily starting a business or a so-called perma-lancer, the new faces of small businesses in America are found on the internet. From Etsy creators to that kid in your first college lecture promoting his podcast, the internet is the new lemonade stand.

In August, the U.S. Small Business Administration found that self-employment is [ticking upward](#), but hasn't yet reached the heights it reached before the 2008 financial crash. Now, using census data, the office estimates that just over 15 million Americans are self employed. The SBA also reported that in 2013 there were 28.8 million small businesses — that is, a business, or firm, that employs less than 500 employees.³ Which might explain why the U.S. Census Bureau found that small businesses employed 56.8 million people, about 48 percent of the private industries.

While those brick-and-mortars might still be weathering the retail apocalypse, a growing legion of Americans are running small businesses, and sometimes small empires, from behind the glowing blue light of computer monitors in their home offices. I'm talking about the growing legion of bloggers, YouTubers, digital influencers, creators and just about anyone with access to Patreon or PayPal account. There's profiles of [wayward podcasts](#), [shiny YouTubers](#), and the women [selling](#) their nudes, but in the gig economy these things are seen as means to an end in the broader conversation surrounding America's financial economy, rather than the new frontier.

Patreon, alongside more informal systems using PayPal or Venmo, allow small business owners to thrive at the pleasure of their audiences. But if 94 percent of the net employment growth in America occurred in freelance workers, what does that say about the stability of hustling online? Goodwill doesn't last forever.

The new face of a small business is the perpetual freelancer, which means we have to start considering what this means when this entire generation retires — or, more likely, can't afford to. We already worry about how we'll provide for the population as more and more people live longer but are unable to work. If there's a place for mid-level earners on the internet, does that carved-out space include retirement, cheaper preventative health care, assisted living facilities [that aren't garbage](#), and basically anything you'll need when you're not young, healthy and beautiful?

Illustration by No Ideas, Photography by Josh Cohen

Adam Fisher is impressively large. I mean his muscles.

His arms look like they could handily beat anyone in an arm wrestling match and then haul in all of the hay on someone's farm, all without breaking a sweat.⁴ While Chris Hemsworth's approach to muscles may be more physique-oriented⁵, Fisher's results are not that different, at least to me. His selfies and videos clearly communicate: I am a kind person who happens to understand lifting very well, and I can help you get stronger, too.

I'm talking about Fisher's muscles because muscles and exercise are his business. The 27-year-old runs [Gains LLC](#), an online strength training and coaching service.

Fisher's online business-of-one started IRL. After getting his personal training certification in summer of 2012, he got a part-time desk job at a gym and did personal training as his other part-time gig. His first foray into online coaching was in late 2013 or early 2014, he thinks. It was for Fitocracy, a site that specializes in online personal training. "I made one extra hundred dollars a month," he told me. But at the time, he didn't see it as a sustainable path because no one, or no platform, had figured out a good way to convince people that online training was a good idea and could therefore be profitable to the trainers themselves. It's wild how quickly an industry can change in less than five years.

After an internship at the "Strongest Gym In The World" and a move to Seattle, he started focusing on building his blog and an online client base. His online clients started to grow because he had been an in-person trainer in so many other cities; clients still wanted to work with *him*. Fisher was witnessing a sea change. Clients were starting to be interested in working with someone they knew, but wasn't capable of being present for the actual lifting. He was still doing in-person training, but he found that IRL training isn't always as cost effective. "It really does take a lot of time," he said. "If I simply write the program and hand it to them, it takes maybe 15 minutes, versus if I go do an hour-long session with them."

Now Gains LLC is fully online and he runs it from Denmark, where he moved early this year. His typical workload is about 30 clients from 10-15 countries, mostly in North America, Europe, and the Middle East. (He says the maximum client load would probably be 40.)

"I've positioned you expert," he told me from Ireland.⁶

[Patreon](#) is also more conducive to how Fisher writes. "Patreon is a landing page to show off who you are. I certainly have a landing page on my site, but I get attention on my Patreon separately," he added.

How much of yourself to do you have to give to reach a modicum of digital success?

Patreon is one of the latest platforms in the crowdfunding universe. "CREATORS: COME GET PAID" its homepage declares. Founded in 2013, it pulls from the ethos of a couple of similar places: the flexible funding option of Indiegogo, the "get stuff for your donation" of Kickstarter and the recurring donations of GoFundMe and YouCaring. Think PayPal or Venmo, but with structure on both ends for creators (runners of the campaigns) and patrons (those donating). The platform, largely marketed toward creative types and hugely popular with podcasts, is intended as a long-haul income stream. As the founder Jack Conte says in an introductory video, "Let's get you paid." Unlike the mixture of page clicks, sponsored posts and ads that Anderson relies on, it's a direct patronage for business owners.

An estimated third of his income comes from Patreon clients, a little less than \$1,200 a month, who pay for various tiers of service from \$1 each month for an introductory package to \$125 monthly strength training package.

"I think the awesome thing about Patreon is that it makes it easy to get lots of small donations on a monthly basis," he said, which end up being pretty sustainable month-to-month. "Setting it up on PayPal would be a larger transaction. PayPal is greater for larger transfers, but not repeated smaller transactions."

One of the reasons I wanted to talk to Fisher is because he posts his monthly income. While business owners seem to be universally proud of their accomplishment of driving a business forward, people clam up when you ask about specifics. Not Fisher. He's an anomaly. In 2015, Fidelity [found](#) that 8 in 10 women refrain from having conversations about money. That same year, Ally Bank [found](#) that 70 percent of respondents thought it's "rude" to talk about finances in a social setting. T. Rowe Price [found](#) that while "half of parents say they strongly encourage their children to talk to them about money, but only one in five kids thinks that's really the case."

Money and earnings remain fraught subjects in America. Claiming to be middle class is as American as apple pie and John Mellencamp. Even the rich want to look less rich, as one [New York Times](#) column from early September exposed the many ways wealthy people are uncomfortable with their wealth.

Running a small business takes dedication and an incredible mixture of drive and self-reliance. But I was curious because the internet is all about oversharing. In this financial regard, he seems to be the only one doing it. Sure, people will say *I make income from X and Y*. But they never say *I made \$250 from X and \$3,000 from Y*. We tie our incomes to our self worth — bootstrapping is a holdover from the '80s and '90s and also maybe recession recovery — so people become surprisingly coy when asked. Could this be hiding how sustaining and plausible self-employment online truly is?

Maura Church, a member of the data science team at Patreon, told me it's never been more possible to create things and share them with the world. "There's this large group of people that are this creative class that is coming out because of the technology," she said. "And we're on a mission: If you do that, if you make amazing stuff and put it out into the world, we believe you should be paid for making that stuff."

Patreon has more than 50,000 creators making money on their platform with more than 1 million patrons paying monthly. Creators are receiving an average of \$12 per paying member per month. "We are on a mission to fund the emerging creative class," Church told me. In 2017 alone they will pay out \$150 million to creators.

Like all fundraising platforms, there are of course outliers making very little and those making [more](#). So what is the middle ground look like on Patreon? "We tend to think about middle-income creators as making around \$500 a month," Church told me. "We don't publicly share the breakdowns of those creators or how many creators are in that bucket."

So what does "making it" look like online? Monetary success means different things to different creators. Two-hundred dollars a month might be great for one creator and feel like failure for another. "We've try not to say once you hit this mark you are successful because what we learned talking with creators is creators have very different goals when they launch a Patreon," she said, before adding that there's no category without a creator making over \$500 a month.

Fisher, though, remained as candid when talking about his income as he did when talking about the depression and anxiety that got him into strength training in the first place. "I just started [sharing my income]," he told me. "I do monthly self-improvement progress reports. It's a way to say *hey, how did you do this month? Did you do everything you wanted to accomplish? What can you do better?*" In August, for example, he reported income of \$3,983.11. He broke it down by Patreon clients, non-Patreon clients, other income, affiliate income and product income. This breakdown is a part of a refreshingly brutal honest summary of how the eighth month of 2017 has gone down.⁷ The most successful people on the internet tend to thrive because of their authenticity, or at least a version of it. For Fisher, authenticity means transparency for his self-improvement.

He's thought about his coaching as a business since the beginning because personal training in America is already such a hustle. "Most people are already working and getting all of their income on a client-to-client basis," he said. So his monthly income check-ins are a part of being honest about said hustle. Fisher has positioned himself as a coach all about self-improvement and if he isn't honest about how healthy (or not) his business is, he loses that credibility. "Because I'm all about self-improvement, I think it helps to be very honest about the ups and downs. It's a way I can externalize all the work I'm putting into myself," he said.

Illustration by No Ideas, Photography by Josh Cohen

There's no roadmap or guidebook for how these internet-based businesses will play out. Platforms are notoriously fickle. What one allowed yesterday can change with an edit of the Terms of Service, and just like that, a revenue stream is gone. Recently, a change in Patreon's community guidelines effectively put [scores of adult content creators out of business](#).

The internet is the present and the list of your subscribers (and patrons) and can you take it with you? Can you [game a social media platform's algorithm](#) to your (monetary) benefit? Are [brother-fronted](#) shows the only thing too big to digitally fail? How will platforms [arbitrate content](#)? Regardless of what kind of business you're responsible for, you're beholden to platforms for some kind of distribution. How much of yourself to do you have to give to reach a modicum of digital success?

"I'm terribly lucky that my small business has so little overhead," Fisher told me when I asked about the sustainability of his business. Fisher may not stay in personal training forever. He moved to Europe because of his partner's job opportunity, and as his monthly assessments show, Fisher has really varied interests. Europe could be the place to branch out as more than just a small business owner.

When I asked Anderson about the future, she's reluctant to conjecture what might happen. After all, there's no set formula for what comes after blogging. She does have a retirement account, though. Anderson is an older blogger both in age (she's 32) and in terms of the industry (remember she's been blogging since 2010). She's seen the landscape evolve for entrepreneurs like herself and the women she helps at [The Blog Societies](#).

"This industry is still so very here it's not like you can be like *This person went and now they do this!* I think for Poor Little It Girl, I can't sit here and be like *What happens if this doesn't work out?*" she told me.

It's the thinking of small business owners everywhere. I mean, if you're trying to build an empire, or even just a small thing of your own, do you have time to question your own success? It's still just onward and upward.

"The reality is a lot of people do fail, even though they did put the best that they could have," Fisher told me near the end of our conversation. "Because I'm in this position, why not put as much effort into it and keep doing it?"

The internet may be full of young creatives carving out a living on new platforms, but we must start looking forward to the future to know if this trend can be something workers can envision for themselves, or if we're just overlooking the cliff. There's no telling when someone might just pull the plug.

¹ I mean, the federal government is questioning if some of the biggest sites on the internet [have or have not influenced](#) last year's election →

² Shout out to freelance reporters out there! →

³ This was the latest data, despite the document being dated in June 2016. →

⁴ I admittedly might not understand how sweat works. →

⁵ Because of the camera, duh. →

⁶ Another perk of moving to Europe from America was the easy traveling. →

⁷ He doesn't share just what he made; he shares what books he read and shows he watched, how his language classes are going, how his work outs, well, worked out. →

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