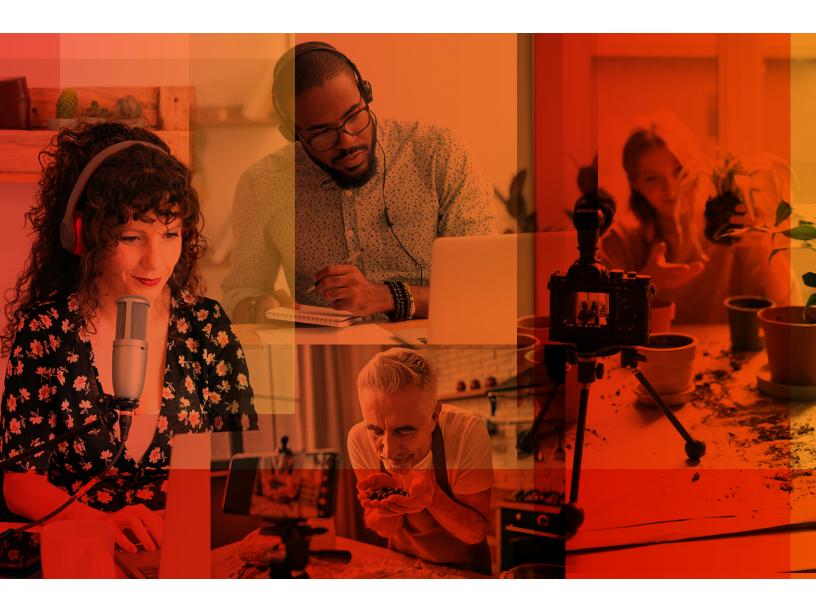
2022

Content Entrepreneur Benchmark Research



THE CREATOR NEXT DOOR

We surveyed over 1,000 content creators across generations and industries to uncover how people build thriving, sustainable, content-fueled businesses. The answers aren't at all what you expect.



RISE OF THE CONTENT ENTREPRENEUR

When creators are profiled in the media, journalists usually focus on one of two extremes: celebrity influencers who gain massive followings on channels like TikTok, and lifestyle creators barely eking out a living.

Our research paints a different picture.

Most full-time content creators fly under the radar, building financially sustaining businesses and fulfilling careers by appealing to smaller, niche audiences.

They *don't* need millions of followers to make money, but they do need expertise in marketing, sales, finance, and social tech ... and, of course, content creation.

Let's call them business owners

Most aren't wealthy (yet), but more than half say their business supports at least one person, and 44% are the primary source of income in their households ... all by monetizing content.

They're *not* primarily motivated by wealth or celebrity. They are driven to achieve independence.

When asked why they chose the content creator career path, one survey taker sums it up: "Freedom from a boss, time constraints, and location constraints. And freedom to pursue my own wealth (financial, health, personal) and not someone else's." For this group, "wealth" is much more than money.

Building a community of content entrepreneurs

Our job is helping content creators scale faster, earn more money, and achieve independence sooner.

Read on for an inside look at the content creator economy, and join us as we continue to build a community for them to learn, earn, and grow.

JOE PULIZZI Founder, The Tilt

RESEARCH COMMITTEE



JOE PULIZZI Founder The Tilt



ANN HANDLEY Founder AnnHandley.com



BRIAN CLARK Founder Unemployable

ANATOMY OF A CONTENT CREATOR

Who are they? Generalizations won't stick to this eclectic group.

The content creators we surveyed span generations, industries, and business types. Some are single-channel *wunderkinds*, while others monetize across multiple channels and products. But there are common themes and experiences among this eclectic group. Here's just some of what we learned about the people we surveyed.

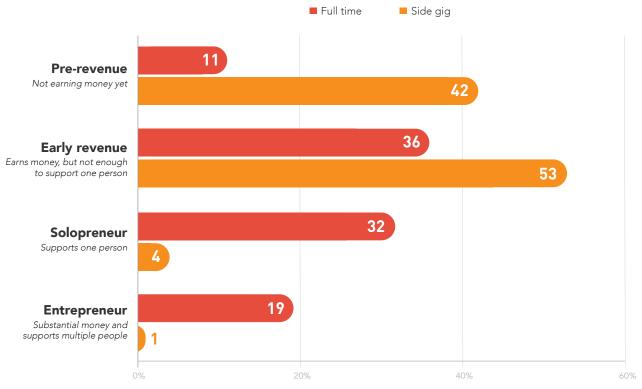
It takes full-time creators 17 months to become self-supporting. Let's break that timeline down a bit more: On average it takes just over six months for a full-time content creator to make their first dollar, then 10+ months to be self-supporting. And our research shows they make their

first hire (i.e., bringing on any type of help) at about the 24-month mark.

• Few creators are striking it rich, but many are earning enough to support themselves. Just over half (51%) of full-time content creators say they're making enough to at least support themselves. Of that group, 19% support more than one person. Are you surprised that so many are financially viable? We're not. (Keep in mind, this average includes <u>all</u> full-time creators, including those who began last month.)

FINANCIAL MATURITY

More than 50% of full-time content creators are supporting at least one person



Q. Which of the following statements best describes your content business? (Shown as %.) The Tilt | 2022

WHY DO YOU CREATE CONTENT?



LIVING ON MY OWN TERMS, LEARNING HOW TO SCALE MY INCOME WITHOUT MUCH OVERHEAD, LEVERAGING VIDEO TO CHANGE THE LIVES OF OTHERS, GROWING A COMMUNITY OF PEOPLE WHO ARE DOING THE SAME.

• Content creators are not all 20-somethings. Fully 40% of our survey takers are Gen X (that is, people currently in their 40s and 50s). And age plays a big part in the type of content businesses people build. Creators over the age of 40 are significantly more likely to reap the benefits of owned channels — like email newsletters, blogging, and event hosting — while younger creators rely more on social channels.

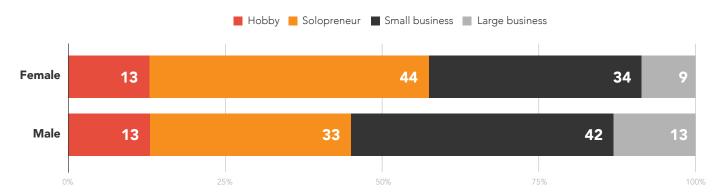
It's not that older content creators don't use social media, but they don't exclusively depend on it. (Social-only businesses depend on Big Tech to reach their audiences, and this type of intermediated relationship presents risks. More on that ahead.)

• Being a creator is only fractionally about producing content. On average, full-time content creators spend about half their time creating content. The other half is spent on business issues like content distribution, promotion, marketing, sales, and administration/operations. As one

successful content creator told us, "People think I spend all my time filming new videos in beautiful places. What they don't see is the sales meetings, social engagement, SEO, constant travel, finances ... all the unglamorous parts of publishing great content."

- Women largely seek out solopreneur content businesses, while men want to scale bigger ventures. Women are more likely to say they want to run singleperson content businesses (44%), while men are more likely to focus on building a small business that supports a few people (42%).
- Just 1% regret their decision to become content creators. Yup, you read that right. Content creators may be the most satisfied workers on the planet. It's not that they don't want more for their business — be it more revenues, more free time, or a bigger audience — but nearly every content creator we surveyed has #NoRegrets.

CONTENT CREATORS' BUSINESS GOALS BY GENDER



Women are less likely than men to pursue content businesses that support more than one person

Q: Which of the following statements best describes your plans for your creator business? (Shown as a %. Totals may not add up to 100 due to rounding.) The Tilt I 2022

DITCH THE UNICORN MINDSET

Success is all about execution.

Successful creators — content entrepreneurs — are <u>not</u> unicorns. They don't need a totally original idea or a patented process. They don't need to be a famous personality or have piles of money. If running a successful content business was largely about being one of a kind, there wouldn't be thousands of successful food-focused content creators out there, for example, and more cooking up that content every single day.

What they <u>do</u> need to achieve financial independence is *runway* (i.e., enough money to fund the lean months), key business skills, and a crap ton of hard work (there's no nice way to say it).

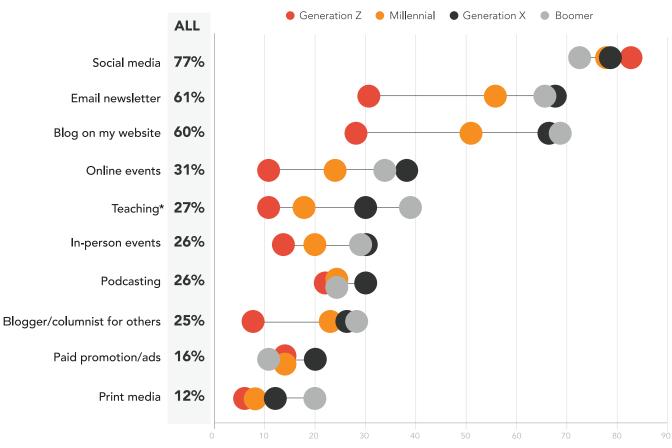
Channels and tactics

How do content creators engage with their audience? Not surprisingly, social media ranks No. 1, followed by email and blogging. Differences by generation may be driven by personal preferences but are also likely due to the industry space each entrepreneur works in. Blogging, for example, is a natural fit for business creators but isn't a first choice for musicians.

Nearly all full-time content creators use multiple channels to engage their audience, and less than 1% rely *exclusively* on social media to reach their audience.

TOP CHANNELS CONTENT CREATORS USE TO REACH THEIR AUDIENCES

Social media is universally popular, but use of other channels varies significantly by generation



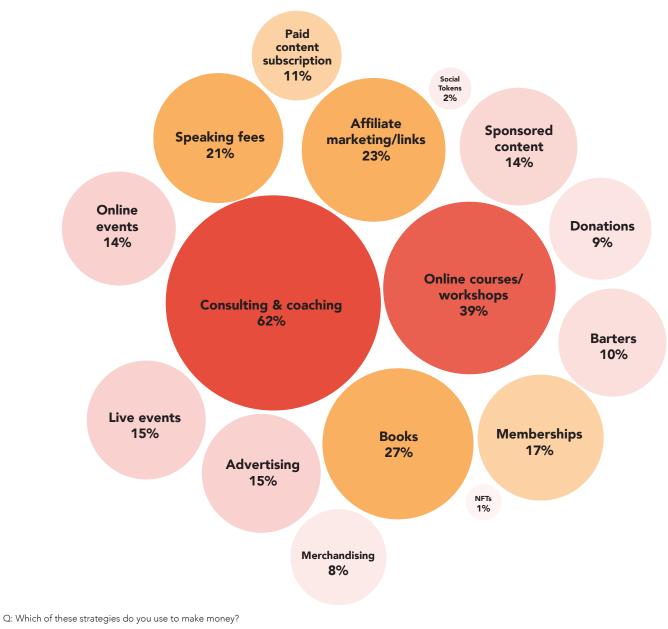
Q: Which of these do you use to reach your audience? The Tilt | 2022

For full-time creators, the most common monetization tactic is consulting and coaching, followed by online courses and workshops. Monetization tactics depend heavily on the creator's niche.

Not surprisingly, content creators are highly interested in improving their monetization strategies. They want to learn more about how to grow their audience (70%) and discover new opportunities to monetize their content (53%). As one survey taker shared, "I have had some success on Twitter and Instagram as an influencer, but I still feel lost about how to identify my audience, so I haven't built out my marketing funnel and figured out how to monetize yet."

MONETIZATION CHANNELS

Consulting, coaching, and online workshops are all top money-making tactics for full-time entrepreneurs



The Tilt | 2022

At The Tilt, we often find that content creators hit a monetization inflection point: They slowly grow their audience with the intent of earning advertising and/or sponsorship income, then realize there are many more avenues by which to monetize their audience. (See the content entrepreneur stages below.) The first six months are focused on understanding the audience, and honing the content sweet spot and tilt — both necessary before gunning the monetization engine.

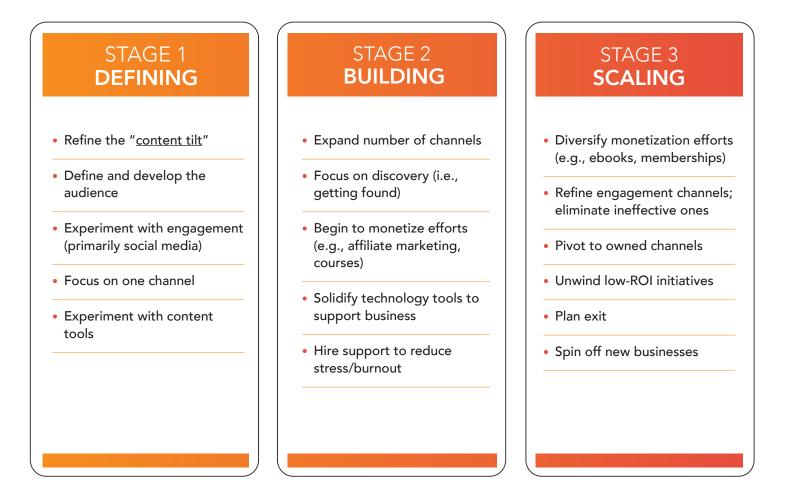


don't need a four-year

college degree

to be successful as a content creator

STAGES OF RUNNING A CONTENT BUSINESS



Challenges and skills gaps

Content creators of all stripes say their biggest challenges are making sure their content gets found (57%) and monetizing it (49%).

Some challenges are unique to those who just launched their business, particularly the work of defining their core audience. Other challenges surface after a creator has been in business for many years. For example, burnout is 70% higher for those who have been in business for seven or more years. To fend off burnout, many entrepreneurs begin hiring help at about the two-year mark — whether a first employee or freelance support for one aspect of the business. CREATORS NEED SUFFICIENT RUNWAY – I.E., ENOUGH MONEY TO FUND THE LEAN MONTHS.

CREATOR CHALLENGES, PART TIME VERSUS FULL TIME

Creators struggle to stand out online and get found 📕 Full time 📒 Part time 54 Making sure my content gets found 60 47 Monetizing my content 40 Marketing my business 39 36 **Publishing regularly** 52 35 **Creating enough content** Largest gaps between parttime and full-33 time creators Burnout 27 Finding my niche/audience 40 23 Handling business operations 40%

Q: What is/are your biggest challenge(s) as a creator? (Shown as %.) The Tilt \mid 2022



WHY DO YOU CREATE CONTENT?

I DON'T WANT TO BE A STAR. I JUST WANT TO DO WHAT I LIKE AND MAKE A LIVING FROM IT. I DON'T NEED TO REACH EVERYONE. I'M JUST HAPPY TO HAVE THE TRUST OF 'MY PEOPLE.'

NOT MAKING A KILLING, BUT MAKING A LIVING

Content creators say wealth is about much more than money, and once they launch their business, they can't imagine doing anything else.

Full-time content creators who are making money expect to generate over \$100K in revenue in 2022. But there's a big caveat: That average accounts for a relatively small number of high flyers who earn handsomely. The *median* (i.e., midpoint) revenue is half that: \$50,000. (Keep in mind, this number describes <u>all</u> full timers who earn money, whether they've worked for six months or six years.)

Understandably, most people surveyed — even those who say they're self-supporting — would like to earn more (on average 1.5x more).

For many creators, "compensation" is not all about money. Other factors like independence, flexibility, and enjoyment are important parts of the compensation equation. This is particularly true for full-time creators. Over 80% of full-timers say enjoyment, flexible work hours, and independence are top benefits of the content creator's life, while just 43% point to "earning more than at a traditional job."

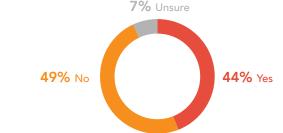
Content businesses are <u>not</u> get-rich-quick schemes for entrepreneurs, but they are a path to making money on one's own terms. And a significant number can't imagine doing anything else.

HOW MUCH DO CREATORS MAKE?

Annual revenues for full-time creators

Average revenue: >\$100,000 Median revenue: \$50,000

"Is your creator business the primary source of income for your family?"



Q1: How much money do you expect your creator business will earn in 2022, not counting expenses (i.e., total revenues)? Q2: Is your creator business the primary source of income for your household? (Showing full-time entrepreneurs only; expressed as a %.)

WHY DO YOU CREATE CONTENT?

THE MONEY IS REALLY NICE, BUT I REALLY VALUE THE INDEPENDENCE, THE CREATIVE OUTLET, AND THE FACT THAT I FEEL LIKE I'M HELPING PEOPLE.



Helping content creators shorten the runway

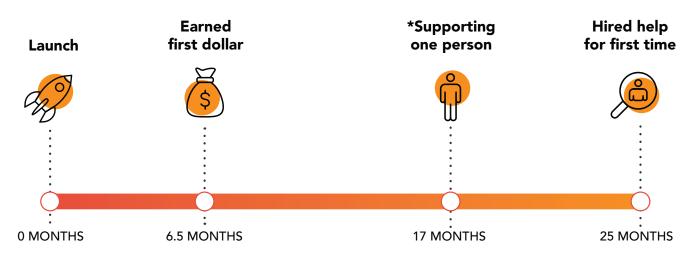
One of the most important factors in any business' success is how long an entrepreneur can wait until the business is financially viable. No matter what people say about low barriers to entry for creators, the 17-month runway may be the single biggest stumbling block. Do they have enough capital (usually savings, for creators) to survive the 17-month runway? Remember: It takes over six months for a full-time creator to make their first dollar, then another 10+ months to be self-supporting.

According to the U.S. Bureau of Labor Statistics, 20% of U.S. small businesses fail within the first year, and 50% fail by the five-year mark. We suspect content businesses are no different. But what if content entrepreneurs could shorten the runway? What if they could accelerate toward profitability by avoiding common mistakes and learning key skills early in their journey?

88% are pursuing financial freedom

on their own terms

HOW LONG DOES IT TAKE TO BUILD A SUCCESSFUL CONTENT BUSINESS?



*Supporting one person, usually the content entrepreneur

#NOREGRETS, #NOBOSS

This eclectic group of creatives, entrepreneurs, teachers, and performers love what they do and can't imagine another way of life.

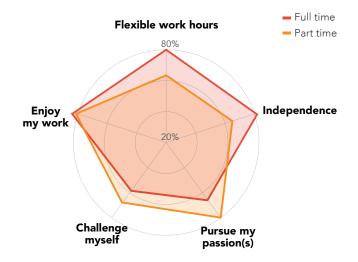
They're not raking in millions, but these creators are deeply satisfied with their path in life. Just 1% regret their decision. That's an astounding figure. We'd be hardpressed to find any other profession with the same degree of optimism.

Content creators overwhelmingly say they enjoy their work (85% for full timers), plus they value the flexible work hours and independence a content business affords (80%, 82%).

Part-time content creators are much more likely to say they are pursuing their passions — understandable, as a greater proportion are creating content related to personal hobbies.

WHAT MOTIVATES CREATORS?

Part-time creators are chasing a passion, but full-time creators seek independence and flexibility



Q: What are the benefits of running a content creator business? (Shown as %.) The Tilt \mid 2022

WHY DO YOU CREATE CONTENT?

SETTING MY OWN HOURS, DOING THINGS THAT INTEREST ME, AND HELPING OTHERS FULFILL THEIR DREAMS ... FREEDOM TO PURSUE MY OWN WEALTH (FINANCIAL, HEALTH, PERSONAL) AND NOT SOMEONE ELSE'S.



And as we found last year, content creators are fierce independents. Ninety percent agree they are inspired to create to achieve "financial freedom on their own terms." They're not easily giving up and heading back to the bossled rat race.

Many tell us they simply want more control. Control over their schedules, hours worked, location, and type of work. And when they work hard, they want to be the primary beneficiaries of that effort. As one creator shared, "I've done content for others, and it's time to do it for myself. I want to produce work that will improve the world."

Just 6% believe a college degree is required to succeed as a content creator. Given the degree to which college tuition is outpacing inflation in the US, it's no surprise that more and more are questioning the value of higher education. You say Great Resignation. We say Great Adaptation.

85%

of full-time content creators

say they enjoy their work

WHY DO YOU

CREATE CONTENT?

I'M GOOD AT IT. I'VE DONE CONTENT FOR OTHERS, AND IT'S TIME TO DO IT FOR MYSELF. I WANT TO PRODUCE WORK THAT WILL IMPROVE THE WORLD.



OWNING (VS. RENTING) IN THE WEB3 CREATOR SPACE

Content creators are independent spirits, but they still depend too much on Big Tech.

Over 15 years ago, the possibilities for independent content creators — people reaching audiences without permission from media companies — grew exponentially. Anyone could start a YouTube channel, publish a podcast, or create a Facebook group and slowly build a loyal audience. In doing so, they became their own small media company.

Fast forward to the 2020s, and their media companies are threatened. Giant social media and other creator-focused tech companies face revenue challenges. Now, they want to use their power as audience gatekeepers even more — threatening the independence and livelihoods of creators worldwide.

Many creators now fully appreciate that those "free" platforms came with an enormous catch: The intermediaries (Meta and Google looming largest among them) hold the purse strings and control the access to their audiences.

All it takes is an algorithm change, policy modification, platform shutdown (remember Vine?), or fraudulent takeover to shut down the revenue stream and cause a legion of loyal followers to vanish. And the content creator doesn't even know why.

Our research shows content creators are very aware of the problem, even if they haven't found a way around it. Three in four say creators are too dependent on Big Tech.

Sure, platforms like Patreon, Substack, Medium, Cameo, etc., give content creators more control over their audiences and opportunities to earn revenue. But they too are intermediaries, carrying many of the same risks as traditional social channels. 75% say creators are too dependent on Big Tech

SOCIAL PLATFORMS CAN SHIFT AT ANY MOMENT. AND WE JUST HAVE TO PLAN FOR THAT. THAT'S A PART OF THE GAME THAT WE'RE PLAYING."

- SAMIR CHAUDRY, ONE HALF OF CREATOR DUO <u>COLIN AND SAMIR</u>¹ In a Web3 world, content creators gain control by *owning* the channel(s) that connect their audience to their business (i.e., revenue streams). These creators can:

- Launch email newsletters for which they own and control the contact lists
- Turn their audience into a community, activated by using social token reward systems
- Use NFTs to sell their content or event admissions, which also gives them an opportunity to stay connected to the buyer long after the purchase

In this new era, creators use intermediary platforms like TikTok, Instagram, YouTube, etc., to market their

content businesses — to find and grow their audiences and, ultimately, move them into their owned channels. By using the blockchain to build owned communities, not just followers, creators can derisk their investment.

While more creators are building in a Web3 world, understanding of that term is limited among those we surveyed.

Just 29% say they understand the term. Another 49% have heard of Web3 but could not describe it well. Among women, Web3 is even less understood. Only 19% of women told us they know what it is (compared to 42% of men who did).

HOW CREATORS ARE TAKING BACK CONTROL OF THEIR AUDIENCES

By owning their content channels and using Web3 tactics, creators derisk their business investment

Understanding of Web3 still low, particularly among women

Do you know what Web3 is? (%)

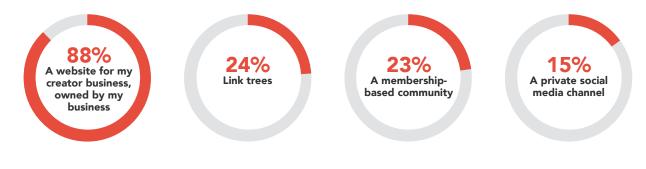
Know what Web3 is	19	42
Know the term but can't explain it	52	46
Don't know the term	30	12

3 in 4

creators who have a membership community are monetizing it

Full-time creators use these owned channels

Do you use any of these as part of your creator business?



Q1: Do you know what Web3 is? Q2: Do you use any of these as part of your creator business? The Tilt | 2022

ADVICE FOR CONTENT CREATORS AND WOULD-BE CREATORS

We believe successful content creators have a shared blueprint that drives their success. This blueprint holds lessons for future content creators, as well as the tech companies that want to support content businesses and help them thrive.

- **Build an entrepreneur's mindset:** Many creators view content as a passion project. In our experience and according to the research successful content creators are also effective business owners. These content entrepreneurs are savvy about finances, operations, sales, negotiations, and even time management. Are you willing to learn quickly and devote at least half your time to these tasks?
- **Plan your runway:** It will take roughly 17 months to become self-sufficient as a content entrepreneur. Do you have the support you need to weather that period?
- 3 Moderate your financial expectations: Do you want to become a content creator to get rich? Are you aiming for the million-dollar lifestyle? Or do you see the creator journey as a path to build a well-rounded life and satisfying career? Those who stick with the content creator path are not motivated primarily by money, but by the thrill of independence and control. Wealth isn't off the table of course; 19% of full-time content entrepreneurs tell us they earn substantial money and support multiple people.
- 4 **Take a master class in monetization:** The content creator's ability to monetize is the single biggest factor determining longevity and success. There are dozens of ways to monetize your efforts. Consider joining a class or community to supercharge your tactics.
- 5 Embrace Web3 channels and strategies: Content creators must build channels they own to ensure all their invested time and money cannot be pulled away overnight. This is a mission-critical activity for all creators regardless of longevity, profitability, or industry.



Join a community of creators. The best place to learn about growing your content business is from other creators like you who are on a similar path, facing similar challenges.

Sign up for the newsletter at <u>TheTilt.com</u>.

And join us in our community at www.TheTilt.com/TiltDiscord.

Methodology:

The Creator Next Door is published by The Tilt, in partnership with Ann Handley and Further. Thank you also to our distributing partners: You Are the Media, Josh Spector, Idea Economy and Matthew Biggar.

The survey was fielded from February to April 2022. In total, 1,058 people completed the survey; of those, 803 are currently content entrepreneurs and 255 hope to become content entrepreneurs. Survey results are not weighted.

GENDER

Female	57%
Male	43%
Nonbinary	<1%

GENERATIONS

Generation Z	5%
Millennial	35%
Generation X	40%
Boomer	20%

INDUSTRIES (TOP 10)

Marketing	20%
Business	19%
Education	7%
Health & fitness	7%
Entertainment	6%
Lifestyle	6%
Arts, crafts, DIY	5%
Science & tech	5%
Cooking & food	2%
Travel & events	2%

YEARS SINCE CONTENT BUSINESS LAUNCH

Less than 1 year	22%
1 - 3 years	36%
4 - 6 years	16%
7 or more years	26%

RESEARCH COMMITTEE:

Joe Pulizzi is the founder of the The Tilt and the Content Marketing Institute, and the Amazon bestselling author of Content Inc.

Ann Handley is a Wall Street Journal bestselling author, publisher of the Total Annarchy newsletter, and Chief Content Officer of MarketingProfs.

Brian Clark is a serial digital entrepreneur and the founder of Copyblogger, Unemployable, and Further.

NOTES:

¹ Shopify Blog: "Creators, It's Time to Protect Your Independence," September 2021.

WHAT TYPE OF CONTENT CREATOR? OUR SURVEY TAKERS RUN THE GAMUT.

CRAFTS:

"I create and distribute art quilt patterns. I utilize content creation to reach new clients and build my community. I love being able to share my passions with viewers. I scale my live streaming content into videos and clips to maximize what I get out of my time."

FINANCIAL:

"My personal motto is that if you are blessed with something, it is your responsibility to share it. My knowledge in advanced insurance planning for estate and business transfers ... It's my duty to share."

MARKETING:

"I have consulted and done digital marketing for 10 years now. I'm tired of all the benefits of my creative output going to other people. I want more freedom over my schedule, and to be able to focus on the things I enjoy ... and outsource the rest."

CAREGIVING:

"I want my podcast to educate listeners, help caregivers and care workers feel less alone/ isolated in their experience, and potentially mobilize them to act (on a personal, social, or political level)."

LEGAL:

" I love breaking down overly complicated and intimidating topics (legal for online business owners and creators) in a welcoming way, making it accessible and doable for all."

RURAL DEVELOPMENT:

"I work with rural people, teaching/sharing things that are outside the traditional economic development box. Get rid of the red tape, take small steps, get everyone participating, create the place you want to live. The majority of money is from speaking/onsite visits."

COOKING

"I'm a cookbook author and mainly make money from events teaching others how to reduce food waste in their own home."

TRAVEL:

"I inspire adventure travel for women over 50 and generate passive income through affiliate links and collaborations. Plus some fun travel on the side!"

<u>The Tilt</u> believes that successful content entrepreneurs are the key to the creator economy. It publishes a free twice-weekly newsletter with practical advice and inspiring creator spotlights. The Tilt also hosts free and paid mini and full-length online courses, multiple content creation podcasts, plus the annual in-person Creator Economy Expo (CEX). Get over 30 CEX 2022 sessions for free <u>here</u>.

Operating in a Web3 world, The Tilt community gathers on a Discord server to share, learn, and connect. \$TILT coin is its social token used to reward contributors and referrals as well as for coin holders to pay for Tilt merch and more.

Learn more at <u>www.TheTilt.com</u> and join the community on <u>Discord</u>.

Support The Tilt today by sponsoring an educational product.

