

The YouTuber's Finance Guide

Turn Your Content
into Cashflow

Catch⁺ |

Ask
Sebby

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As a content creator, you enrich the lives of your viewers with fresh, engaging content that you put hours and hours into making. You know you should be compensated for adding that value, but figuring out just how to monetize your videos can be a challenge. It's time to start thinking about your online presence, including YouTube, as a business and ensuring that you have multiple income streams. It also means getting serious about how you manage your finances. That's easier said than done.

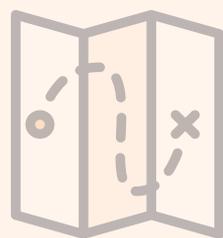
[Catch](#) has served thousands of creators and has crafted a complete, easy-to-use guide in partnership with [AskSebby](#) to help you dramatically increase your earnings and manage those earnings well. Read on for expert tips ranging how you can land affiliates and sponsorships that grow your revenue, to tools that ensure you manage your finances and achieve your goals.

Ready? Let's do this.

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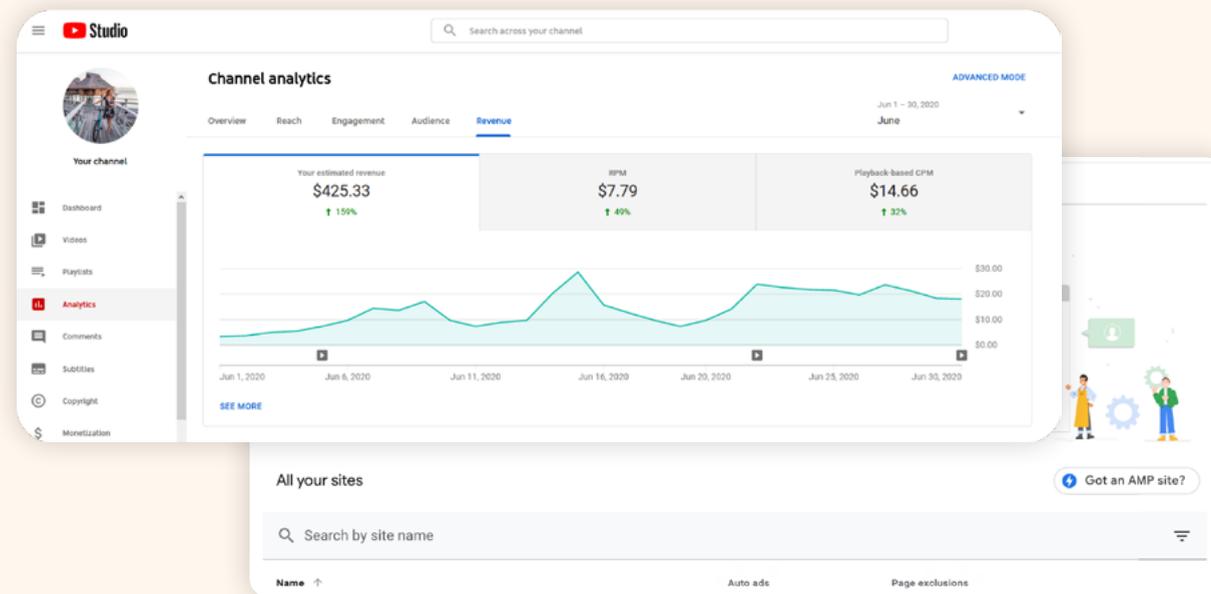
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Monetization Strategies

AdSense

The money you get directly from YouTube will primarily be AdSense revenue. AdSense is Google's advertising platform, and Google pays YouTubers based on how viewers engage with these ADs. Payment can vary greatly, and you won't receive the same amount for each person who sees or clicks on an ad. Learning about your audience, from where they're located to what products interest them, will go a long way in boosting your AdSense earnings. Know your channel's demographics.



To qualify for the YouTube Partner Program:

1. Follow all the [YouTube monetization policies](#)

The YouTube monetization policies are a collection of policies that allow you to monetize on YouTube. If you're a YouTube partner, your agreement including the YouTube partner program policies require compliance with these monetization policies in order to potentially earn money on YouTube.

2. Live in a country or region where the [YouTube Partner Program is available](#)
3. Have more than 4,000 valid public watch hours in the last 12 months
4. Have more than 1,000 subscribers
5. Have a linked AdSense account

Pro Tip - AdSense rates are calculated using CPM, which stands for "cost per 1000 impressions." The average CPM ranges from \$0.25 USD - \$4.00 USD. [Here](#) is a breakdown of how a video with 5M out this video made the Youtuber \$41,845.78. You can use [Social Blade's YouTube Calculator](#) to help you calculate how much you could earn.

Many YouTubers observe that AdSense can be an unstable source of revenue. The algorithm that determines how much you'll earn can create a lot of variation in your monthly earnings. Roberto Blake's "[What Nobody Tells You About Being a YouTuber](#)" provides deeper insights on the pros and cons.

Membership

Memberships via YouTube or third party sites enable you to collect recurring monthly payments in exchange for special perks that you offer.

The most popular membership site is [Patreon](#), although some people also use [Subscribestar](#) and [Kofi](#).

With a subscription-style payment model, fans pay their favorite creators a monthly amount of their choice in exchange for exclusive access, extra content, or a closer look into their creative journey. Depending on the plan, pricing ranges from 5%-12% of monthly income you earn on Patreon. Learn about how one guy earned money via Patreon with fewer than 10K channel subscribers [here](#).

For creators looking for a more robust business platform and flat monthly pricing (starting at \$39/month), [Podia](#) is the one-stop-shop to sell membership subscriptions, online courses, digital downloads, and more.

If you want to keep it simple, YouTube offers in-channel memberships where you can enable custom badges and emojis, along with other levels and perks. Creators receive 70% of membership revenue after applicable taxes and fees are deducted.



Courses

Courses are a popular revenue stream of choice for creators who have expertise in a niche.

Whether you cook, sell real estate, or give actionable tutorials on how to start a YouTube channel, your viewers come to you to learn something new. You can enhance this value by offering a course to complement your videos. Why? Because [87% of YouTube](#) users say the site is important for helping them figure out how to do things they haven't done before. Be their teacher. Starting an online course has never been easier with tools like [Teachable](#), [Kajabi](#), and [Podia](#). You can design and sell a course to your viewers in an instant.

Partnerships: Affiliates & Sponsors

Affiliates

One of the fastest growing revenue streams on YouTube – and the internet in general – is affiliate marketing. In an affiliate marketing model, you, the publisher, get paid for every customer you refer to a company. You post a special link on your site (or description box) that sends customers to your partner’s product page. Your partner knows which customers came from that link, and you may be paid for every visit you send, or a percentage of every referred sale. You can either mention a product in your video or devote an entire video to the promotion of a product, with a

link in the description. While you will likely use both at the same time, the revenue from this direct relationship will often be a lot more than what AdSense provides. Finding an affiliate partner can be intimidating, but it’s much easier than it used to be. Large companies like [Amazon](#) have in-house affiliate programs, so you can simply sign up and start linking. There are also affiliate networks, such as [Flexoffers](#) or [Impact Radius](#), which connect businesses with content creators and often pay out higher rates per sale. (Apply for Catch’s [affiliate program here](#).)

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Pro Tip: The FTC has requirements around affiliate marketing on YouTube. Be sure to label links clearly and conspicuously as an affiliate links that you receive commissions from. You can learn more about the [FTC’s guidelines here](#).



Getting the most out of your partnerships

When it comes to visibility and CPM (payment per thousand views), partnership can blow AdSense out of the water. You control this advertising relationship, from how your ADs are presented to the products you recommend to your fans.

A word of caution: make sure your brand aligns with the products you promote! A sense of loyalty to your audience is more important than any one payment. If your viewers feel that you're just peddling something you don't believe in for quick cash, you may lose their trust.

There are many examples of a healthy partnership that doesn't feel forced, or phony. A fitness vlogger who promotes her favorite training shoes, which she actually wears and loves, will bring in more sales while protecting her brand. A surfer who has used the same surf wax since he was twelve, and puts a link to the product in every video, is adding real value to his audience while staying true to himself.



Sponsors

Sponsored videos are usually paid as a flat-fee per video. If you want more predictable income, try to negotiate a sponsorship for a package of videos.

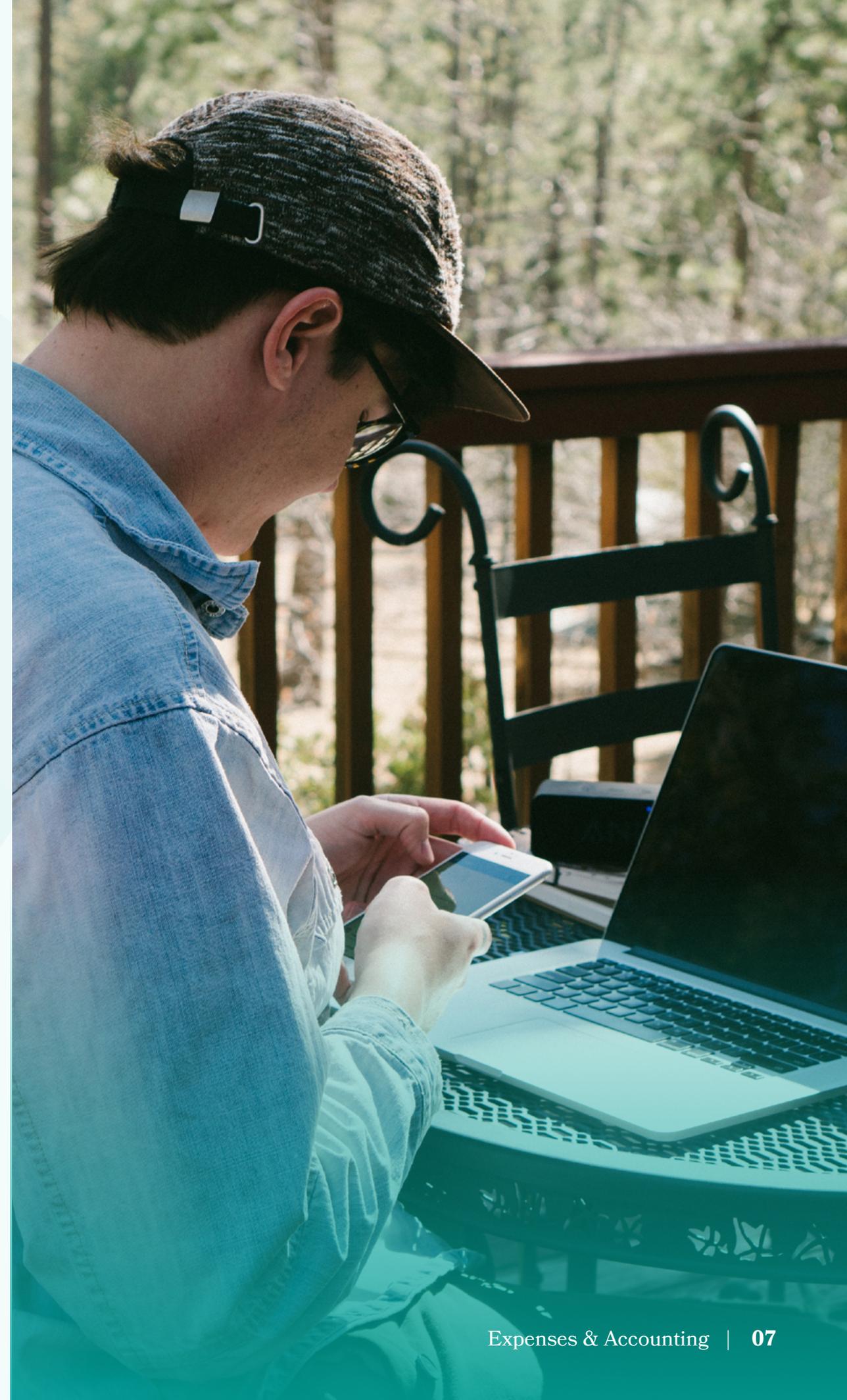
For example, instead of a one-time video sponsorship, you can create a package for mentions in multiple videos over a mutually agreed time frame.

The ideal sponsor is a brand that you truly love, and also resonates with your audience. Taking a sponsorship that doesn't fit your niche or isn't in your audience's best interest can hurt your brand and credibility.

Expenses & Accounting

We've covered the fun part: making money. Generating revenue is a huge first step to a successful brand, but it's only half the battle. As the revenue comes in, you need to keep track of your finances.

Luckily, in 2020 there are a number of apps to help you manage your back office which we will detail below. We do, however, advise that you seek professional help from a tax or financial professional for detailed advice or recommendations.





Accounting

There are several platforms to help you manage your company's finances yourself, or with the help of a trusted bookkeeper.

[QuickBooks](#) is the most well-known, though emerging platforms are giving the champ a run for its money. [Xero](#) and [Wave](#) offer more streamlined services better suited to startups and smaller companies.

Each software has its pros and cons. According to [Pilot.com](#), Wave is great for invoicing and subscriptions, Xero has awesome

inventory management features, and QuickBooks offers the most features overall.

From what we've heard, QuickBooks is more muscle than the average YouTuber needs. Our users have told us that Xero works great for smaller companies who need to track their business' basic activity, such as expenses, revenue, and labor costs.

Benefits for the Self-Employed

Taxes and Health Insurance

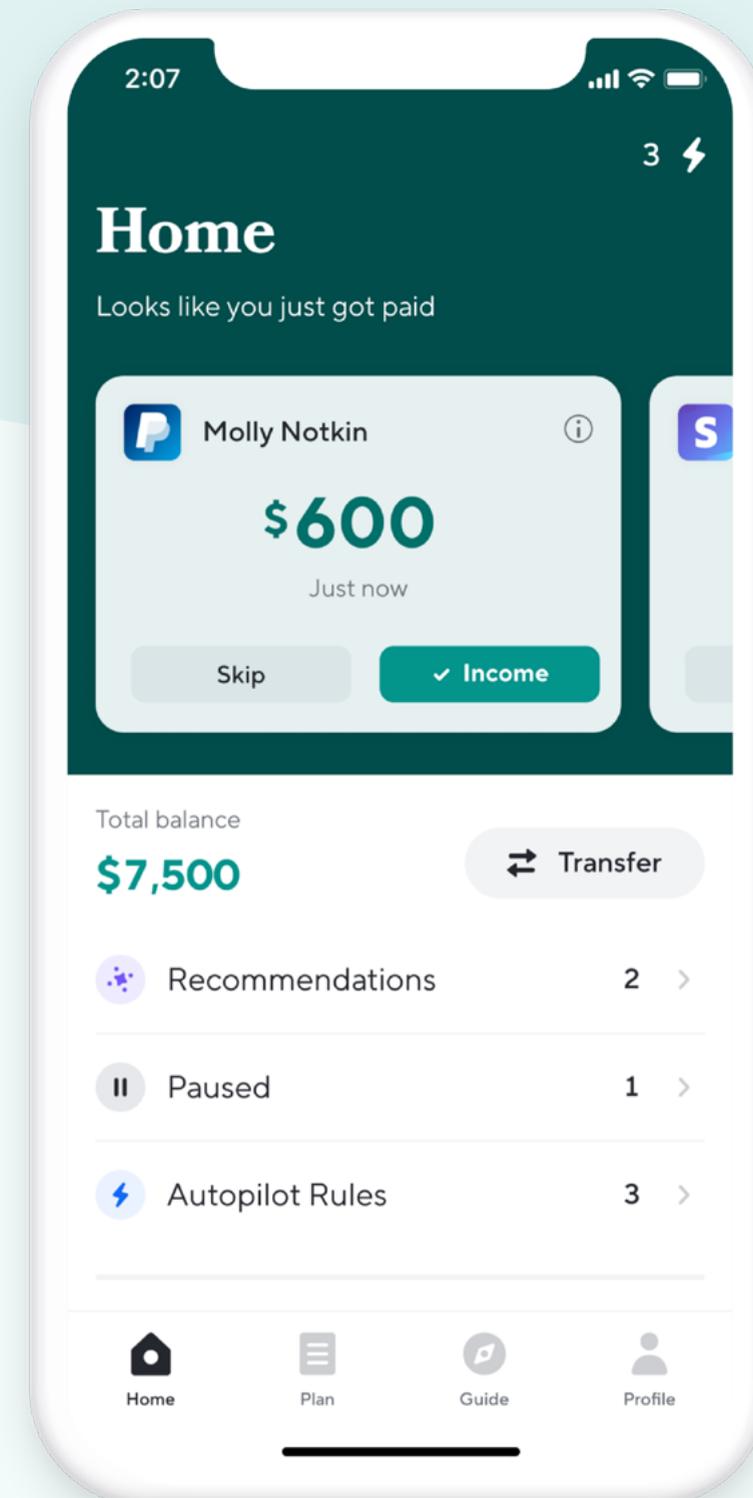
When you started working for yourself, no one told you that taxes would become such a complicated issue. April 15th used to be like a second Christmas, but that yearly return, completed in 20 minutes on [TurboTax](#) and always followed by a nice refund, is now a complicated process that leaves you owing money rather than receiving it. You may finally understand why so many people dread Tax Day.

There is nothing worse than being surprised by how much you owe when you file your taxes, or not being able to pay that amount. Additionally, when receiving income throughout the year, you

may be required to make quarterly estimated tax payments to [avoid late payment penalties and interest](#). Because there is no employer to withhold taxes for you, you must make these payments to the IRS yourself. These estimated tax payments are made four times a year on the 15th of April, June, September and January each year.

[Catch takes](#) the guesswork out of financial planning for the self-employed by operating on a percentage base system and doing the work for you. With [Catch you can:](#)

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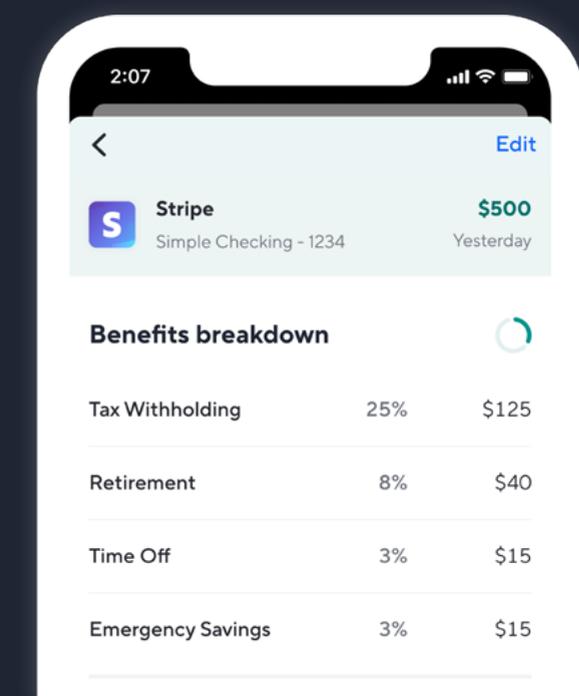
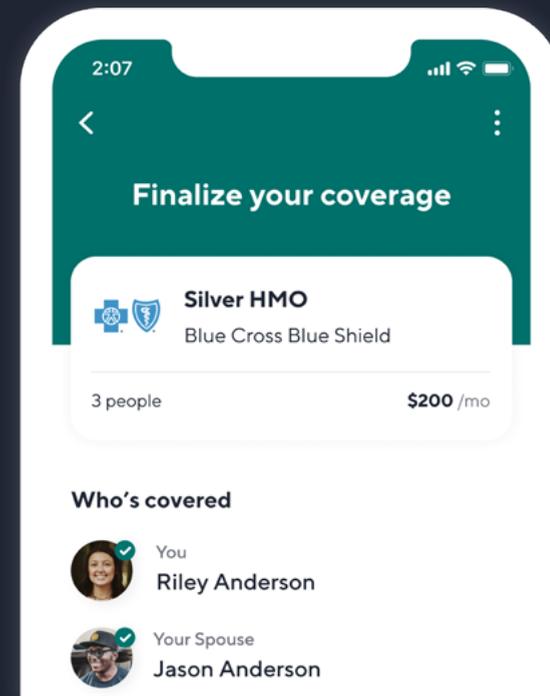
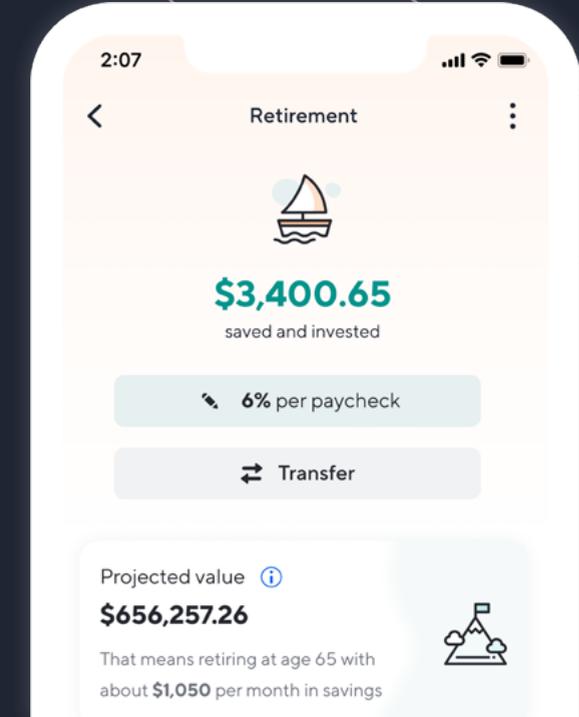
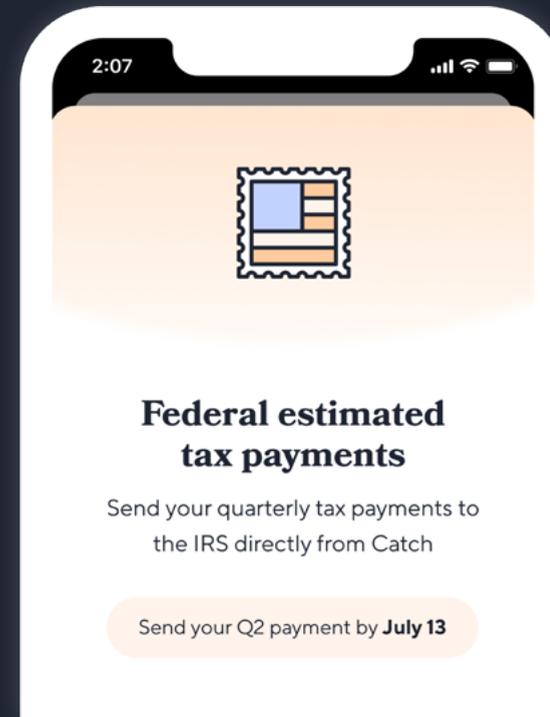
Benefits for the Self-Employed

Taxes and Health Insurance

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- Automatically set aside for your tax payments and pay the IRS through the same platform
- Set aside money and invest in a retirement account without worrying about transferring it yourself
- Shop for individual health coverage in a robust marketplace with the help of the Catch team to answer any questions you have
- Make paid time off, saving for a video editor, or a rainy day less of a headache with Catch's Autopilot feature that helps you save each time you earn so you don't have to think about it.

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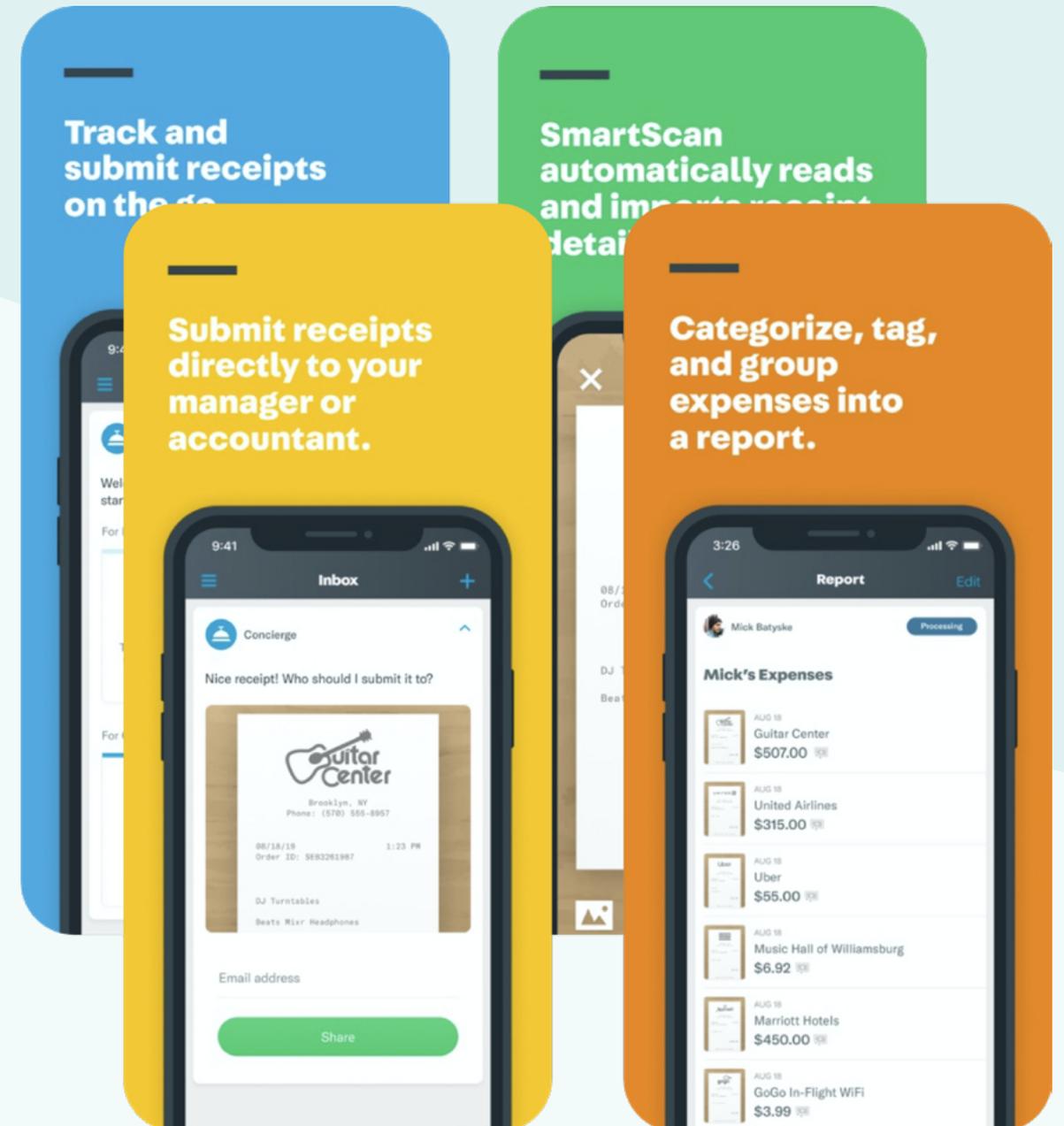
Tracking Expenses

As your platform grows, you're going to take on some expenses, from channel-related travel to development costs for your videos. This is a good thing; it means you're outgrowing a casual hobby. It also means that it's time to track your expenses.

It can seem tedious or overwhelming to track every single business-related expense, but it's a necessary ingredient when you're self-employed. It becomes doubly necessary to have a centralized platform for expense tracking when you take on employees. Apps like [Expensify](#) and [Digits](#) enable users to upload receipts and maintain expense

reports, so that you can reliably recognize and compensate business-related costs.

Once revenue starts pouring in, or even before that happens, it's easy to start spending. A good expense management platform lets you see just how much you're spending on different things, and which expenses aren't moving you towards your goals or adding value to the company. Additionally, it helps to make sure you're paying what you really owe by knowing how much money your business is making. Remember that if you're self-employed, you have a lot more tax deductions than most people, such as health [insurance and expenses](#).





Payroll

If you're still on the path to fully monetizing your channel, you probably don't need to worry about managing a large staff. Still, it's never too early to learn to manage your pay-roll. The accounting systems we've discussed almost all have a payroll management feature. Quickbooks actually has a dedicated [Payroll platform](#), as does [Square](#). One of the top-rated payroll solutions is [Gusto](#). Gusto is currently the most feature-rich, attractive platform on the market. Its software offers payroll management, compliance, benefits, and administration features. The software is tailored to small businesses, and has a built-in HR support system to help centralize staff support.

Tracking your payroll expenses will help you to understand which parts of your business are truly adding value, and which are just dragging you down. You also don't want to miss out on the [tax savings](#) that come with payroll expenses. Lastly, you'll have problems if you don't take care of the legal necessities of contracting or hiring workers, from taxes to benefits.



A Note On Budgeting & Expenses

One fatal error that many entrepreneurs make is blending their personal and professional finances. Keep your audio equipment and your audio book purchases separate! Blending your finances can create big problems further down the line, and blur your understanding of how your company's really doing.

Think of yourself as an employee (maybe the only employee) of a business you own. Pay yourself a consistent amount, and keep the rest of the money in your business. It's tempting to just spend money as it comes in, but keeping a disciplined separation between your money and your company's will pay off in the long run.

Pro Tip: If it's too early to worry about paying contractors or employees, don't rush it! However, from the first moment you pay someone to work on your business, you should get your payroll management right.

Creative Cashflows, Financial Freedom

This guide puts you on the right track to not only pursuing a full time career as a YouTuber, but creating a powerful brand with consistent revenue streams. There are many ways to add more value to your fans, from an online course to finding a sponsor.

Just as important as earning money, though, is making sure it keeps working for you. While you're a natural at reaching your audience with awesome content, financial management is the skill that every great business needs. Track your expenses, keep your personal and private expenses separate, and learn to budget!

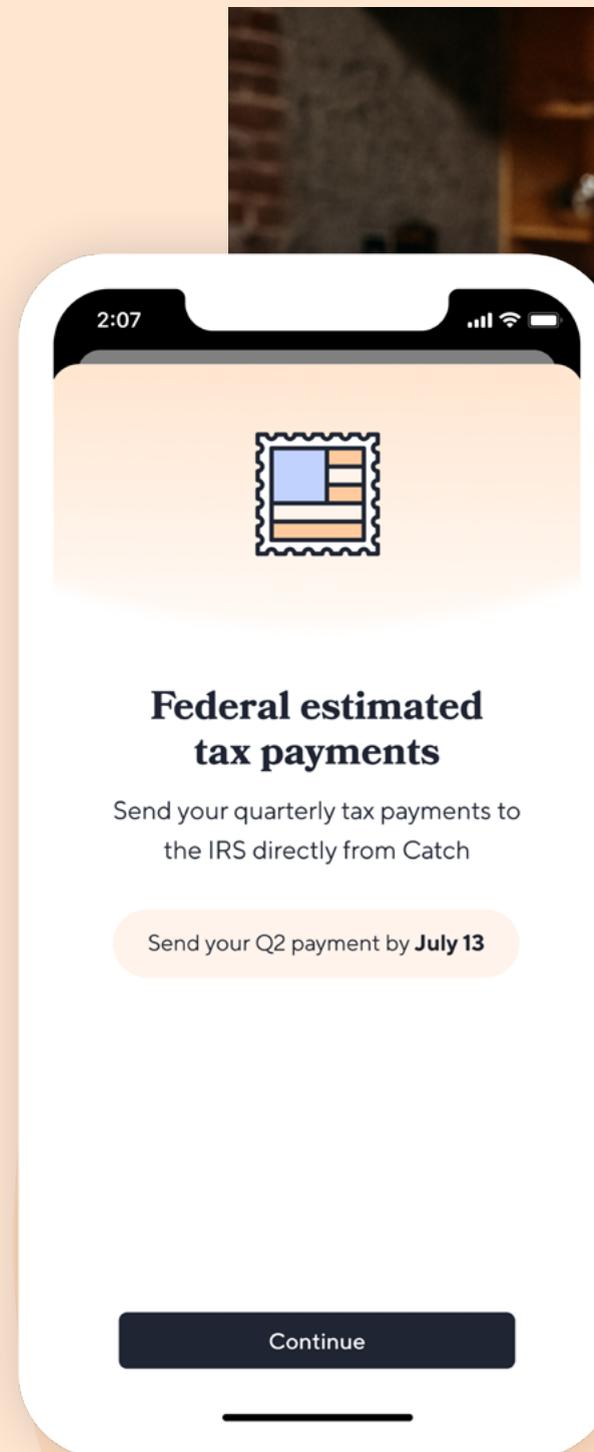
If you're looking for support on your road to financial empowerment, Catch and AskSebby can help get you there.

Have a tool or tip that we missed?

Send your suggestions to partners@catch.co.

Special thanks to Moriarty from [CryMor Gaming](#).

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