

# SUBSCRIPTION ENTREPRENEUR



HOSTED BY ERIC TURNNESSEN, FOUNDER OF [membermouse™](#)

# How Kim Werker Launched A Member Supported Magazine During The Pandemic

## **INTRO:**

You're listening to Kim Werker, my special guest on today's episode of The Subscription Entrepreneur Podcast.

Kim is the co-founder of Digits & Threads.

They're a member-supported online magazine that's solely focused on publishing stories and articles about the Canadian fiber and textile arts industry.

Yep...

She took that whole "pick a niche" thing pretty seriously!

Kim joins me on the show today to share the exciting story of how she and her business partner started Digits & Threads back in May of 2020.

We discuss how the limitations and constraints posed by the pandemic were actually a good thing that helped her make strategic choices that led to meaningful progress.

Plus, Kim shares the exact strategies she used to enroll her first 148 founding members and prove that her idea for a member-supported magazine was also a viable business.

Kim is full of insights, energy, and enthusiasm and I can't wait for you to hear her fresh perspective on memberships and entrepreneurship.

As always, I'm your host Eric Turnnessen and this is Episode 165 of The Subscription Entrepreneur Podcast.

**Eric:** Hey Kim, welcome to the show.

**Kim:** Hi. Thanks so much for having me.

**Eric:** Yeah, it's my pleasure. So, before we dive in, we have a great outline today that we're going to go through and talk all about your business Digits & Threads and how you started this business, especially amidst COVID-19 and everything that was going on all hectic last year. Before we get into the nitty gritty and details of that, can you just tell us a little bit about your background and give our listeners a high level of who you are and what you do?

**Kim:** Sure. So, my name is Kim Werker. I'm joining you today from Vancouver, Canada. And my professional background is in writing and editing in the crafts industry. So, back in 2004, I started a crochet website. It was in like the baby days of the social web, and that website took off. It turned into an online magazine. I ended up working in the industry.

I've written a half dozen crochet books, and I was the editor of a Print Crochet Magazine and was heavily involved in the industry until I super burnt out on crochet and spent a good number of years, trying to figure out what I wanted to be when I grew up and did a bunch of projects related in general to creativity.

I did a project called Mighty Ugly. That's about making ugly things on purpose as a creativity exercise. But all along really my heart within publishing. And it's a tough industry at the best of times in that it's rare to thrive in the publishing industry, but they were the skills I always enjoyed using the most. I always enjoyed working with writers as an editor. And so, that's my professional background is that, as an author and an editor.

**Eric:** Let's take a slight detour here and talk a little bit more about what is the publishing industry like what kind of activities were you doing as part of your professional career?

**Kim:** Sure. So, in addition to authoring books myself and working with craft designers to contribute to those books, as a magazine editor, I was in charge of creating the general editorial vision of a publication and working with contributors to achieve that vision. And I did that at a print magazine that was based out of Colorado. So, I worked remotely from here in Vancouver I would fly in. And through that, I learned about the print publishing workflow, which is extremely different as you might imagine to a digital publishing workflow, which is where I had come from.

So, by the end of that kind of five-year stint doing nothing but work in crochet. I had a very holistic view of what is involved with taking an idea and making it into content, whether in print or online. And I discovered that my heart was online. When you work for a print magazine, it's incredibly satisfying, but you have almost no interaction with your readers.

So, it's as if you're putting these ideas out into the world and you never know if someone is enjoying them or if someone is wants to challenge them. And though you get letters to the editor, there's such a time delay and a formality to it. And eventually I felt that part of what I love about editorial is interacting with the people who enjoy that editorial, or sometimes who don't enjoy the editorial and want to talk about why.

So, my heart was always in online publishing, which is what brought everything together to create Digits & Threads during the pandemic which just happened to be during the ... I guess, no, it didn't just happen to be during the pandemic. It was a big part of it actually because the pandemic disrupted a lot of assumptions that we had.

And so, one of the challenges of publishing is that, especially in a very niche field, I have wanted to create a magazine in the fiber and textile arts for a long time, but I felt that the industry was saturated. It would be very hard to create something new and have it be interesting enough for people to pay attention to it since there's already a ton of interesting information out there. And what changed in the pandemic was that, well, the landscape changed.

People started paying more attention to crafts because they were home, even though they were already paying attention to craft. But also, some of the established businesses in craft publishing really struggled. And that just made me realize, a lot of what motivated me to want to create a new publication anyway, were challenges that I wanted to express to the assumed business model of publishing. And so, suddenly what had seemed like an impossible market seemed instead like an open one to us.

**Eric:** That's really interesting. Going back to something you said about your history of publication, you talked about one of your jobs was creating a vision for the publication and then meeting that vision. And it occurred to me, I'm wondering if there's any crossover between that and in the online publishing world. Because, I know for me personally, when I've approached thinking about editorial, I've done it in a very rudimentary way. And I think about it in terms of nuts and bolts.

I want to write a post on this and I want to write a post on this. And it becomes very piecemeal in terms of how I personally would approach it. I lacking vision. So, can you talk a little bit about for those of us and our listeners who are doing publishing online, the importance of vision and how you actually work towards that?

**Kim:** Sure. Well, I'll give you an example in Digits & Threads. So, Digits & Threads is an online magazine focused on Canadian fiber and textile arts, crafts and industry, which seems kind of broad and it seems a little bit like word salad until you start to apply that. So, when we talk to somebody, and we hear from people all the time, like, "Oh, did you see this amazing weaving project that's happening? It turns out that it's not Canadian."

And so, we say, "Oh, that's really super interesting, but that doesn't fit our editorial mandate." And so, what you do with a vision is you create for yourself a foundation on which you'll build, and if something doesn't fit or match that foundation, then you don't put it on top of it, right? You don't add bricks to it that way. Well, I really locked myself into a metaphor here that I'm going to hate myself for establishing.

When I was working in crochet specifically, a lot of what motivated me personally, was a frustration that there was almost no innovation to be seen. That Crochet Magazines were the same kinds of projects and the same sort of like vacant smiles on models over and over and over and over again. And I didn't want to do that. And so, I would approach submissions to my magazine by saying like, "Okay, is this showing the true potential of crochet?"

And if it's not, then I may say, "This is a really solid design and it's a really solid idea, but it doesn't match my editorial mission to change the way we see crochet." And so, this can be applied to anything I'm talking about crochet, but it could be applied to a business context. Is this idea or the angle at which this idea is being explored, adding to our understanding of the overall concept, or is it challenging the status quo in some way that I want to challenge, or is it helping to establish myself or my company as an authority about something, right? There's those central questions.

And I think as business owners, we ask these questions all the time when we're approaching decisions about our business. And it's an analogous thing. When you talk about an editorial vision in a way the editorial creation you're making puts you as in like that CEO role of, is what I'm going to be doing in line with what I want to achieve. And in editorial, obviously what you want to achieve is a hole that is composed of different pieces that all augment that hole.

And in a business, what you're doing is you're looking at all the aspects of your business and hoping that they come together into a hole that state like worth more than the sum of its parts.

**Eric:** And it seems like coming up with that vision is an exercise in and of itself because you had so many qualifier, qualifier, qualifier, whereas a beginner would be like, I want to create editorial on crochet. I want to make it as wide as possible because it'll be as easy as possible, but it seems to go against what people would normally do to create all those qualifications.

**Kim:** When I interviewed for that Print Magazine job, I was very young. I was younger than 30. It was a very well-established brand that was starting a crochet magazine. So, it was like a new-ish publication for an established company. And I'll never forget the woman who ended up being my boss had me at like breakfast in a diner at like 7:30 in the morning. And she asked me about this. She asked me about editorial vision. And I honestly think that the answer I gave her, and I don't remember what it was, is what convinced to hire me.

It's something that I give a lot of thought to for obvious reasons. But also, I think that when you have that North star, that you're aiming for every decision becomes easy. And one of the challenges certainly working in editorial is saying no to people writing and creating is such a personal thing. And when we work up the courage to ask for somebody else's approval of those ideas, we become very raw and sensitive.

And so, one of my jobs in editorial is to reject people with kindness ... not reject people, to reject their ideas. To not leave them a wallowing puddle of despair who will never want to put themselves out there again. And having that North star editorial vision enables you to do that because you can say things like, "I love this idea. It doesn't fit with what we're trying to accomplish, but please think more about this. I'd love to hear from you again."

This is what our editorial mandate is. These are the constraints within which we work. And I think all creative people work really well when given constraints. It's something that certainly from my background, leading workshops about creativity, when we apply constraints, we set

ourselves free to a great extent. When we have a wide-open broad canvas, we're often paralyzed by possibility and we can't proceed from there.

**Eric:** And even if you're not paralyzed, what you end up putting out maybe too broad and disparate for people to get ahold of and develop a following that people want. Why do they want to come to you specifically? And I think people often think that if you're more specific, there's less chance that you'll actually develop a following. So, they try to be more broad, but it actually seems to be the opposite case.

**Kim:** I would hope so. I mean, that's a grand experiment of what we're doing is we launched this with the belief that anyone in the world will be interested in the Canadian stories that we'd be telling, even as we were certain, it's not a question to us at all about whether there are those Canadian stories to tell. The question is, we're telling them appeal enough broadly to make the business thrive. Right?

And so, there's that big assumption and hope that we were having was that people in other parts of the English-speaking world and eventually the French speaking world would find what's happening in Canada to be interesting. And what convinced us about that is our own personal interest in all kinds of textile traditions all over the world, right? Like, so I would happily read a magazine about Scottish textiles. And so, what we're hoping is that Scottish folks will be interested in what's happening in Canada.

But certainly, as well, there isn't something like this in Canada. And so, what we were especially hoping for was that Canadians would be very excited about this because so much of the publishing industry and crafts as with many other things is in the US and the UK. And that sort of overshadows a lot of potential in Canada where a land with a much smaller population. And so, to tell Canadian stories to say, "This is exclusively, what we do."

Has been met with a lot of enthusiasm, which makes us happy because that's where enthusiastic about this as well. Part of why we're doing this is that we always had to work for American companies. And we want to create opportunities for Canadians to work with a Canadian company as well.

**Eric:** Yeah. Speaking of bad metaphors, I'll throw my hat into the ring. I was thinking of different soups. You know, minestrone soup is a particular type of thing, but what makes it unique in terms of whose minestrone soup you like is the spices and the flavorings and the very particular things. I mean, generally broadly speaking, it's the same, but your mom's minestrone and soup is going to be different from the Diner's minestrone and soup, et cetera.

Just like a Canadian niche magazine about textiles is going to be of a different flavor and appeal than one coming from a different place. And I think this theme definitely goes in line with the pandemic situation about people coming back to being more of themselves, being willing to be at, "Look, I don't want to try to be somebody else. I don't want my business to try to be a different business. I don't want publication to try and be some other publication." What would

it be like if we were utterly honest and authentic about who we are, which is great, and also starts with the question of who am I.

**Kim:** Sure does, but that's just went like, way, way north in the philosophy, but you're right. So, I'm working with a business partner. We're equal partners in the business and I'm in Vancouver. She is 4,000 kilometers away in Toronto. And when we started talking about this, the reason I went to her when I was like, "It's time." I described sort of the tipping point for me last may as being in like a fever dream. It was like two months into this wildly uncertain time.

The US border was closed, my whole family's in the US. I was feeling this like kind of craziness. And I sent this email to three colleagues of mine in various places in Canada. And the reason I sent it to them was that I knew we shared a lot of values in terms of how we envisioned the future of the craft industry, the role that craft plays in people's lives. And I re-read the email several months after I sent it. And I mean, it was like a fever dream manifesto. It was like, "We can create something amazing. It's going to be all of these things."

**Eric:** Follow me to the promised land.

**Kim:** Right? I'm so glad I did it because I can be like that. I can be completely manic out there with these ideas. But what I did was I brought them all together. And if I hadn't done that, if I hadn't tipped over the edge into, I just need to say what I really, really want and dream about here, then we never would've made what I have really, really wanted and dreamt about. Right?

And so, the reality of it all came barreling in once that was out of my fever dream and into the world. And that was great because two of the three women, I sent that too are now on our advisory board for the company. The third is my business partner. And we went about forming this business at a time when, if it weren't a pandemic, one of us would have hopped on a plane.

We would have believed that we couldn't get this done without sitting together face to face. And starting the company, would have cost thousands of dollars more than it did. We really started on a shoestring in part, because a lot of things that in previous times we would have believed were necessary. It turned out weren't necessary at all.

And so, since my partner and I have spent every Monday and Thursday morning in a meeting on Google, and that's how we started our business. It took us a few months to find a common like web-based app that works for her brain and for my brain that we could compile everything in. But that's how we do it. We use the tools that are available to us because a lot of things were not available to us. And it turns out we were able to do it.

And so, by establishing that kind of clear communication and partnership, we were ourselves, we had to be ourselves. We had to navigate each of us being able to speak for the company without concern that we were getting it wrong or something like this. And that involved going back to what you said about knowing who we are. I think that 10 years ago, I might have wanted to do this, but I might not have known myself well enough to be able to actually do it

without those levels of stress of what am I trying to do here in some way that reflect who I am as a person? What does that even mean? Right. So...

**Eric:** And looking at your Embrace the Ugly Class that you have on your website, the subtitle, "How to break through, what's holding you back in business." And some of the bullet points here are; Overcome self-doubts, abolish professional perfectionism, dismiss the fear of failure, eliminate irksome business blocks, conquer procrastination. All of which you just referenced as we're naturally taken care of by the situation.

But I think what it reflects is that these things that ultimately, what are they, are they real, or are they imaginary things that we create to keep us from moving forward?

**Kim:** Right on. I never would have thought of that. You're right. I taught that class a very long time ago.

**Eric:** So, continuing around here with the journey Digits & Threads came out of this fever dream. Now, was that what you stated earlier in this conversation that qualifying statement about this is what it's about very specifically?

**Kim:** No.

**Eric:** Oh, okay.

**Kim:** What the fever dream email was about was establishing something in Canada that was driven by, as I said, all of the work that I had done. So, I've worked as a freelance writer and editor as well. I've written for publications. I have edited books as a freelance editor and works with self-publishers. In fact, my business partner had been self-publishing, a book that I was editing, even at the time that we were going into business together.

So, we had these professional relationships, but what I wanted to do at that time was create a project. And I even said in the email, not specifically a publishing company, which is ironic because that's totally what I meant. I just wasn't quite there yet. But that focused on Canadian stories and that was written by and produced by Canadians. And it was thankfully one of the three women that I sent this to as a sheep farmer. And this was May.

And she wrote back saying, "I'd love to talk about this, but it's lambing season. So, I've got lambs being born at all hours of the day, and I need a couple of weeks." And that was the perfect thing because by the time a couple of weeks were over, I was like, no, what I mean is publishing? What I mean is a company that is dedicated to publishing. And what I specifically mean is that our flagship project that we launch with will be an online magazine.

So, by the time lambing season was over, it's hilarious to me that this was actually literally what was happening as we were establishing this fiber-based business. By the time that had happened, I was ready to say, "No, this is what I want." And I had had some conversations with



a woman who ended up becoming my business partner, and we just proceeded from there. I think what I needed to do was just get the really bold visionary thinking out of my head. And then I was able to say the nuts and bolts of it are a publishing company.

**Eric:** Right. So, you made it more concrete through whatever process it was, lambs included. And now that you had a concrete idea, what were the next steps you guys took in order to bring this vision more into reality?

**Kim:** So, my business partner's name is Kate Atherley and she and I started talking a lot. You know, it was one of those situations where no idea was a bad idea. We had worked together enough in an editorial context that we felt very comfortable challenging each other. So, if one of us said something the other would say, "Hmm, not really sure." Or maybe this would become something else.

And so, we did a lot of just brainstorming and what do we want to accomplish, and what form should it take? Who is our audience? What do we want to do? And then we started to run numbers, right? We started to look at things. And I will never forget the fact. So, my family owns a rural property in the interior of BC, about four and a half hours drive from Vancouver. And we were out there in the summer, right?

Like travel restrictions are a bit loosened to being able to be out there, out in the sunlight all summer long. It was wonderful. And my husband is an instructor at a business school and he had brought out a giant whiteboard that was just propped up against the wall of the cabin. And one day I looked at him because Kate and I were discussing, do we launch with a book?

As I said, she had been writing an eBook about knitting at the time, do we launch with an online magazine? How are we going to do this? Maybe launching with some books will help us fund the magazine. And I just suddenly was like, you know what? I don't think that's going to work. And I asked my husband, can I erase what's on this whiteboard? And what came out of my head was a spreadsheet with blue grids and everything.

And it reinforced what I already knew, which is that the margins in book publishing are extremely thin and that we could publish four books and never really be able to count on doing much more than making up our costs. And so, okay. I took a picture of it. I sent it to Kate. I walked her through it and I was like, "We will publish books, but it's the magazine that's going to subsidize the book publishing."

We're going to do books because we love books and we're literary, and we think that they are a tremendous contributor to our collective knowledge, but we can't count on them to be where the margins come in. And so, then we went back to, "Okay, it's not subscriptions." We never looked at a subscription model. We always wanted a membership model. And that goes back to my experience of feeling so disconnected with my readers and when I was working in print.

So, traditional magazine business models rely a lot on display advertising. And what that leads to is a lot of work just in terms of human resources, but also editorial influence that you want to hope and pretend doesn't actually happen, to try to keep those advertiser relationships healthy and darn it. I wanted to be an idealist and say, the relationships I want to keep healthy are actually with our readers. That's why we're doing what we're doing. And that's why I wanted a membership model, not a subscription model. I wanted to invite people in. Yeah.

**Eric:** I want to ask you about that because I read that on your website and it was very interesting how you distinguished between those two things. And I don't think that the way that you do it is the way that everybody would do it. So, can you explain what you think is the difference between subscription and membership?

**Kim:** Sure. It's a very fine line. And I say that as well when I explain this to people. A subscriber in the context of a magazine is often treated as a pair of eyeballs. Subscriber eyeballs sell advertising. The more eyeballs see a publication, the more money you can charge for advertising. And a subscription in that way, possibly simply based on my own experience is quite tarnished in it's ... in the impression I have of it. I don't want eyeballs on what we're doing. I want human beings to engage with what we create.

And I've done a lot of work with community building and membership organizations in person and find that the relationships that can form when people are interested in a similar topic are really outstanding, amazing relationships. They may not be friendships. They may not be right personal relationships, but having a deeply human interaction with someone is very different than having a transactional interaction with them.

And to me in this model, a subscription as a transaction and a membership is a relationship. And so, in many ways, somebody who becomes a member of our publication is subscribing. In one year, they will be recharged in exchange for their membership fees, they have access to our content. So, yeah, it's like a subscription, but what is more like a membership is how we interact with our members.

So, when we launched the magazine, we had no budget. One of the reasons we did this during the pandemic is that both my business partner and I had lost a lot of income earning potential. I had been working as a freelancer. A lot of my clients, I was the first kind of line item that was cut from their budgets when they started to feel the squeeze. Kate does a lot of teaching by traveling.

And obviously all of those things had gone away. And there was quite a bit of time before virtual events started to take the place of in-person ones. And so, we didn't have a lot of money to put into this, but we were willing to pay the legal fees to incorporate between two provinces and all of the accounting fees and that kind of stuff.

But we figured what we would do is launch very lean and invite our community to subscribe and to become a member before we even had a magazine to show them. What we had for

them was a promise. This is what we will be creating. This is why we are doing it this way in terms of the business of it. And if you want to see this, please become a founding member. And that was one of the most satisfying things to write, that invitation, because it got to put all of that professional experience into one thing.

I am frustrated by the fact that magazines are driven by advertising and not telling great stories and providing great content. So, we're not going to have advertising. We're going to have members and we want to hear from you and we want to have a give and take. And we want you to understand that we are human beings. We're not just sitting behind this impenetrable wall shoving information at you. We want to hear from you as well. And it worked.

We had a very modest goal. We charged more money for founding members than we do for our ordinary memberships. And the reason we did that was because we needed the budget to get going. We needed an editorial budget. We did not want to launch a magazine by asking people to write for us for free. That's not an okay thing. And so, what we needed from our founding period was an editorial budget. And that's what we said. One of the values that we have at the heart of our business is transparency.

So, we talked about the money, we talked about the business model that we were establishing. And now I feel like I've gone quite off track from what your original question was.

**Eric:** No, you've not gone off track. You've gone on to many new tracks, I'm looking at my list here. I'm like, you're answering all the questions that I was going to ask you. So, it's all good. I wanted to go back to something, when you were talking about being at that cabin and you had the whiteboard and you and Kate were talking about a lot about these things.

I wanted to ask you specifically a strategic thing, how you handled this. Because I see a lot of people get into this phase where they're talking a lot about building their business, and ultimately you connect with them a year later, and they're still talking about it. So, were there any techniques that you specifically employed here such that it was more than talk and you actually allowed for the brainstorming, allowed for it to go out in the weeds, but then bring it back and make sure you're going forward with something?

**Kim:** The technique that we used was having a partnership of two people who are very different, which worked so well. So, Kate has a background in project management and mathematics, and I have a background right in editorial visioning. And so, we knew entering into this partnership that we had very different and extremely complimentary skills.

And there were days when Kate said we have to do something here. And it was wonderful because it snapped me out of thinking about more and more possibilities. And maybe we should explore this avenue and let's look under this rock over here and see what's happening. And it made me very nervous, because I was like, "Maybe we're committing too soon maybe or whatever."

But it turned out that we needed to start doing. And many of the things we started doing initially we didn't finish doing, we pulled back, we changed direction. But if we hadn't started, we would've kept talking. And so, what Kate really brought to that initial planning phase was "Yes, yes. Let's plan. Yes, these conversations are very interesting, but they're not productive and we need to start being productive."

And at the same time when we were faced with, "Okay, in order to do the next thing, we need to make a ton of decisions." We took the time to make the decisions right, but not too much time that we never made the decision. So, for example, was it going to be MemberMouse or was it going to be another WordPress membership plugin? This was one of our big decisions and it wasn't just a binary decision there.

It was related to how we wanted to deliver content to our members, and how we wanted to deliver content to prospective members. And how were these tools potentially going to interact with other tools we were going to use? Email marketing and things like that. And so, there was this phase in like August, I think it was, when I just had sticky notes all over the place with different features and different things.

And I was in touch with sales teams asking really detailed questions about taxes and about integrations and things like that. And in the end, I'm so glad that we made the decisions we made, and I'm glad we didn't take any longer than we needed to, to make them, but we made the right ones. So, it was a real tension. And I think that we were able to navigate that because there were two of us.

And when one of us went a little bit off the deep end, the other one grabbed us and pulled us back up and we proceeded that way. Because of the topic that we cover, fiber arts and textiles, the fall is a really big time in those industries. As the weather starts getting cooler, people start thinking of wooly things and sweaters they want to knit and quilts they want to make and things like that.

And so, we knew that if we didn't have our act together to launch in the fall, we would be missing a big window of opportunity. And we could have done it another time, but we wanted to do it then, because we knew from all of our past experience, that that is when people are paying attention and getting excited. And so, we forced ourselves to do it. And again, we launched very lean.

We had no articles up on our website, the day we started asking people to become founders and it was I think a six- or eight-week founding period. And in that time, we did publish things. We did immediately start to show people what we had in mind. We had those things planned in our pipeline, but we got that initial ask out as soon as we could, because we wanted everything to be done before the winter holidays.

**Eric:** Yeah. So, if people are following along at home, the recipe for success here is one, pandemic, two, have an ideal partner who compliments you, three... And I think these second

two are really important. The first one, the pandemic, while it's kind of like tongue in cheek, I think it did help in pushing out a lot of hurdles that we can distract ourselves with and just, "Okay, this isn't even possible. So, let's just keep moving forward."

Ideal partner. We've heard that theme a lot of recently, even in past podcasts. And the deadline one, like having that deadline of the season because yeah, you can endlessly iterate over something and the importance of that particular deadline... Because people can set deadlines and just blow right past them and not have anything to do with it. But the importance of that type of deadline is it actually had some sort of emotional charge to it.

It's like, this is an actual deadline. This is like, if we were driving our car and we're heading towards a cliff, we need to stop before the edge of that cliff, otherwise we're going over, kind of deadline. So, like a deadline with real consequences if you miss it. I want to step back a moment and go back to how you approach your founding members. What was your strategy to get your first founding members?

**Kim:** So, here's what we did. So, Digits & Threads is a publication of our publishing company, which is called Nine Ten Publications. We knew about Nine Ten Publications before we had all the nuts and bolts ready for Digits & Threads. And we set up a newsletter, we set up an email list and essentially just had a landing page Nine Ten Publications, online magazine coming soon, sign up for more.

And one thing that we were very aware of that both Kate and I had and more Kate than I, was an audience already. We had social media followings. We had been working each of us in this industry for 15 years. And so, we knew that what we would do first was invite people who we're already engaged with individually to join this list. So, that's what we started doing was, "Something's coming soon, this is what we're doing, sign up for our newsletter list".

And this was not like this massive kind of thing. And we did not set any thresholds for ourselves. We didn't say, "Okay, we'll launch when we have 10,000 people on our email list," that would have been nuts, we never would have done it. So, I think at the time that we opened up membership for Digits & Threads, we had about 300 people on that general mailing list and we emailed it and we said to people, "This is what we're doing".

It was not a quick email. It was like, "Here's what we want to accomplish. Here's why we think that we are well-suited to accomplish this. And here's the role we would like to invite you to play in helping us to accomplish this. Here is what your founding membership fees will help us do. And without this, we won't be able to do it." Right?

One of the things that Kate and I had spent a lot of time talking about were the values at the heart of our company. Before our launch, my business instructor, her husband was like, "I'm so excited. I'm going to run you through a business model canvas." And I hated it every single second of it. And I know that it's a super popular, almost ubiquitous kind of tool. And in the end, I was in this... And I finally sorted out what it was.

And it was that none of the little boxes he had put on this whiteboard was values. And until I had that at the center, I was like, all of the rest of these questions are both unanswerable and undesirable. And so, I scratched it all out and here are our values. We want our publication to be feminist. We want our publication to work toward justice. We want our publication to have sustainability at the heart of it, both in terms of the sustainability of the business and of our ability to run it and of the earth and things like this.

And so, now that we've established these values, I can talk to you about who our ideal members are and what our content focus is and all of these other kinds of things that the business model is. But without starting from there, we couldn't do it. And that's where we started from, with our membership drive, which was, "Here's what we want to accomplish. What we want to accomplish will be different from things."

I think we all can relate to being in professional circumstances, where we felt that we were asked to compromise our values in some way. What we're establishing here is a company where our values are actually at the heart of it, and we won't be compromising them. They are an asset, not a liability. So, we laid it all out and we invited people to come on. And what we did not anticipate was that they would straight away and it was quite lovely.

I mean like, yes, my mom joined and my best friend joined, and it was very lovely. But we started hearing from people and the people that we were so excited to hear from were Canadians, who were like, "I didn't know that I wanted this until I saw that you were making it". And this is so exciting to me. And so, we set a very modest goal. We said, if we can bring on a 100-founding members, then that will provide our editorial budget going well into the second quarter of 2021. And this was right. This was in the fall of 2020.

And we ended up finishing our founding drive with 148 founding members. So, it was almost a 50% exceeding of our goal. And what it enabled us to do... And this was again, we launched lean. And so, in those eight weeks we had tech issues. And so, we got to apply that value of transparency a lot. During our founding period we sent weekly updates to people and told them about conversations we were having behind the scenes.

Decisions we were making and why. What topics we were looking forward to covering. And the tech support that we were getting from a variety of sources as things were not working the way we wanted them to. And that did what we had hoped it would do, which was establish a trusting relationship between us and our founding members.

And so, that was kind of the nuts and bolts of it was we launched to a very small list, but brought more broadly through our own personal sort of followings and told people the story as we went. We had a last chance, kind of thing. And I think at the very last couple of days of the founding period, 20 new founding members came on. So, it was exciting.

At that point, we had some articles to show and we had more of the website fleshed out. And now we have this very different challenge, which is "Okay, now we just have to keep the business going". And it's a very different ask and it's a very different... It's not a different relationship that we're building, but it's a different kind, right? When somebody comes on as a founder of something, they feel that ownership of it and our newer members coming on may not feel that ownership. So, it's a challenge to us to establish that warm, fuzzy feeling.

**Eric:** Right? Why did they want to engage? Because it's an engagement challenge and everyone including our moms literally, probably have done something during the pandemic thing. They start something, they invite people to come and be a part of. So, there's a lot of options out there for how people are going to use their time in a digital sense. And I think the approach that you have was an amazing solution to that challenge.

I mean, like you're saying as part of your values, people aren't just eyeballs. We want people to come and be a part of this community, which is ultimately what people are looking for right now. So, that being a main part of your offering in a way, it reflects I think that the success you had in terms of why people were so willing to sign up for that, at least one of the aspects.

But yeah, it's a completely different thing in terms of people who just come to your site and read your material and then decide whether the price point is correct for them to be a part of it. So, you've been hard at work on this project for almost a year now, I think, right?

**Kim:** About nine months.

**Eric:** Okay. In other times we might say it's almost a year, but in this time, three months is a long time. So, it's been nine months. So, what are some of the biggest lessons you've learned so far in this process?

**Kim:** So, something that we just did was, I re-read our welcome email to new paying members. And it said that we publish about two to three times a month and something that... Editorially, I think in some way's editors are quite similar to lawyers. We really appreciate the power of intentional vagueness, because it allows us to work within a framework without being too tied into a particular kind of rigidity.

And yet, we were on such a roll during our founding period, which then went right up to the holidays. That we've been publishing every week and that's been wonderful, but also, it's still just the two of us. And I had this growing list of just stuff I needed to do outside of editorial, like tweak the navigation on our website so that it was way better and easier to find and all of those kinds of things.

And I looked at Kate last week and I said, "I think we need to not publish next week". And guess what? It's not even going against what we've promised our members to do it. Because we have to be able to take care of everything else as well. So, something that we've been keenly aware

of all along is that we're starting out just two people and we have the skills, we need to be able to do all of this.

But time is our biggest constraint, and we need to allow ourselves to pull back on certain things so that we can pay attention to others and that kind of thing. I think that it hadn't even occurred to me over the previous five or six weeks where we were kind of constantly in this scramble. We publish on Wednesdays and some Wednesdays, I would have dinner with my family and then sit and continue to sort things out until 9:00 PM. And I was like, "This is not why we did this".

We did not want to be working at all hours. I did that when I was in my mid-20s and I didn't know any better, but I know better now. So, to just take that pause and say, "Okay, hold on". It's not just about putting ideas we have on a someday maybe list, it's also about saying maybe these things that we've been prioritizing above everything else can also move to the back burner for a short time, so that we can take care of these other things.

And in the end, these other things will help us do those first things better anyway. So, that was a big lesson, I think that we've learned and it's gone great. I've been way less stressed this week, because I've been able to attend to a lot of things that were just weighing on me. I was carrying them around with me without being able to address them.

Another thing I think that we're learning is what is appealing to our prospective members. When we formulated what our offerings would be. We have two-page tiers of membership. It was a shot in the dark. We had done a bit of survey research with our founding members, but we also understood that our founding members are very different from our ordinary members who are going to be coming on.

They were the ones who were the biggest super fans of what we were doing, and probably had some kind of a relationship with us in terms of being familiar with our work. They knew us well enough to trust us, to create something new. Whereas our new members might not know us at all. And so, we thought, "Okay, the value proposition that we're offering our first paid tier of membership, which we call an armchair membership, is access to all of our written content".

This is where you pull it up on your tablet and you sit down with a blanket and a cup of tea, and you enjoy reading about this topic that you love so much. And our studio membership is for folks who are interested in yes, reading all of that stuff, but also in doing and making. And so, studio memberships include any craft patterns that we publish and also a monthly live virtual studio hours we're calling them.

And what we were hoping was that, that would be enough difference to differentiate them, that people would automatically see where they will get the most for themselves out of this offering. And something that we've learned is that those studio hours are a big draw. And that was really good to know. Because again, you were saying people especially in pandemic times are looking for connection.



What we didn't know in offering this was if the opposite was also going to happen. Like, "Oh, not another zoom meeting," right? Like, "Oh, if I have to spend one more evening staring at my computer screen." Right. So, what we offered there also comes from our experience. Like I've run events via Zoom. I had the technical expertise to say, "We're going to have breakout rooms too."

Because if we have 50 people on a Zoom, that's not hanging out. That's just staring at a big grid. But if we break people out, then they have a chance to get to know each other. So, that's what we did in our first one. In our second one, we actually had two of our writers in conversation. So, it was directly tied to content that we'd been producing. We paid our writers to spend an hour with us. They did, they talked about their work.

One of them is an indigenous bead artist. She had examples. She was showing there was Q&A. And so, what we're learning is what is attracting people to this? What is new for them? What is uninteresting to them? So, that as we advance in tweaking our marketing, it will rely more on what we're learning, from how people are relating to what we do.

**Eric:** Yeah. And one of the things you shared, the first lesson you learned about organizing your time. I definitely resonate with that. I experienced the same thing starting MemberMouse. It was as a do-er, as a creator using my experience as a developer to build something. And this is, I think something that most people run into when they have success in their business.

You do it, you start it for one reason, and then when you have success, all these other things come along with it that you didn't necessarily could have anticipated. So, it's a major aspect of running a business over time, this balance between what can I actually do? When do I have to relinquish control and bring other team members on to handle things that I'm not the best at handling and B, maybe I can't even handle?

And if I were to write a book at some point, it might be titled Reluctant CEO. Because I think as creators, there's something we like to do in creating, in that the tangible... Something about you sit down to accomplish something, and at the end you know when you're done and you don't get that satisfaction when you're running a business. It's like, unless you consciously build habits to say, "No, I'm not staying up tonight to do this," then it won't happen. Because there's endless stuff to do in business.

**Kim:** Yeah. And honestly, this is as well for us where the pandemic really allowed us to establish those values, too. Right? So, I have a 10-year-old. Kate has parents and care homes, and there was a lot of when the phone rang, that's it? The meeting's over, phone's ringing. It's the school calling. It's the home calling, something's happening. And we didn't need to establish how important that call was because everything, right?

Everything is happening right now, and everybody understands these kinds of things. When it was very much in line with one day, we hope definitely to hire some folks. What we would like

to establish is that understanding that you are a whole person, we do not expect you to stay up until 10:00 PM doing a task. We just need to be kept abreast of what's happening and how that's happening, and I don't feel guilty.

Something that Kate and I have worked on is not apologizing to the other. I experienced credit card fraud a couple of weeks ago. and that was it. That was my whole afternoon on the phone with the bank and everything. And I just didn't feel guilty about it. I was like, "That's life. This is my company. I believe in this, I love the work we're doing. I will make it up. And if it means that things are running now a day behind, so be it."

But I think a lot of what we learned working in editorial as well is the value of buffer timing. We had our deadline of the fall. We initially wanted to launch on October 1st and we did not launch I think until closer to the end of October. So, we had that little bit of wiggle room where we were like, "It's okay. It's okay. If we have to push a week, we push a week." And we did that twice or possibly three times.

And within reason that's a healthy thing to do. It gives you the breathing space. And certainly, that bled out into... Bled out, that's a horrible way of putting it. That has seeped into the rest of my world as well. Is that working in editorial for as long as I have, I think of making commitments in terms of making sure there's enough buffer as well.

I can't book up my social time too much, because I'll spend half my time canceling things. If something unavoidable comes up, right? It's that aspect of allowing space and flexibility so that things can breathe around you. They need to expand and contract without bursting or straining or cracking or breaking. Again, I just went off on a whole tangent.

**Eric:** Well it's like when I set my alarm for 6:00 AM in the morning, but I got up at 7:00 every day.

**Kim:** Everyday.

**Eric:** Sometimes I get up at 4:30, but that has nothing to do with the alarm. It's like that buffer room. There's something that's part of the waking up process of hitting the snooze button every 15 minutes.

**Kim:** Well, that's it. I truly believe that there is value in letting certain things go. That we don't serve ourselves by accomplishing every single task we set out to accomplish. There is a lot to be gained by identifying the ones to just let go. Like strategic quitting, really big fan of it. Because I think it provides us the opportunity to again, revisit what our values and our goals are and to let go of things that are just weighing us down and that's okay.

And when there's a good reason to let something go, let it go. And if you feel you need to explain it, explain it, but don't apologize for it. Because we're all human. This is what we need

to do. Some days we say I'm going to get up at 6:00, but we have to get up at 7:00 and that's fine. It doesn't make us a failure of a human being.

It doesn't mean that, that book we read about what morning people do, it makes us less of a person giving ourselves that break and saying, "Oh, maybe actually that shouldn't be a goal at all," I think it's a really good and healthy thing to do.

**Eric:** Yeah. Having that appropriate balance because it goes back again to the ideal partners, right? But in this case, dealing with these things, sometimes we're both sides of the partnership. Because we do have to push ourselves, and also, we have to give ourselves a break. Because if you go off in any one direction for too far, it means bad things.

So, the last question I want to ask you is if we imagine that someone is where you are or where you were a year ago, what advice would you offer them to help them get started and gain momentum?

**Kim:** I would say to establish a really clear vision of what you want to accomplish. Where it doesn't necessarily need to be this detailed, bulleted list of this many members and this offerings and this whatever, but just a clear vision of what you want to accomplish. How people will feel, when they interact with what you're offering. What the business landscape will be like when you're done with it, things like that.

And also, on the more detailed end of that, get really, really comfortable with your numbers. Make a spreadsheet your playground. Because without really understanding what your expenses and your potential revenue streams are, you can't navigate the decisions you need to navigate.

And so, I think it's something that can be very scary, because maybe that's not something you've ever done before, or it can be scary because you're afraid that what that spreadsheet will tell you is that your idea is not viable. But I think the reality of it is what that spreadsheet does is provide you a tool for tweaking your idea so that it becomes the best it can be.

And when the spreadsheet tells you that something's not going to be profitable, it doesn't mean it's a bad idea. It means that the way you're laying out the business of it might not be the best plan. And you should tweak the way you're doing that. And so, getting really, really comfortable with your numbers and how they relate to each other, when something goes up, what goes down, when something goes down, what goes up, enables you to navigate all of the different kinds of things.

Because opportunities will always come up, new ideas will come up. You need to be able to say, "Yes, I want to spend \$400 on that new software to help me do this," or "No, I don't want to have \$400 to spend on that, because that would impact things down the road, in this particular way". And that's power. That's sitting and knowing what your potential is.

Knowing what your goals can be and enabling you to navigate all of the decisions that you're going to have to navigate with your eye on that vision and your feet on your spreadsheet. That's the metaphor I'm going to go with.

**Eric:** Yeah, that's great. That's a great tagline. And it kind of like sums up everything that you've said about your whole journey, because we do have ideas and the ideas and the visions are abstract, and we do need that there's more concrete and stable and practical things to help ground us sometimes. The balance between the two things is ultimately what allows us to walk the path.

So, yeah, that's beautiful. That's trademarked everybody by the way. Or I don't know, whatever trademark is in Canada, I don't know if it's the same thing.

**Kim:** It's trademarked too.

**Eric:** Okay, cool. Well, this has been really fun, Kim. It's been great having you on. I really appreciate your energy and enthusiasm. I have no doubt that that plays a lot into why your project is also successful. So, the last thing is where can our listeners learn more about you?

**Kim:** Oh, thank you! Digitsandthreads.ca is the Digits & Threads website. Our publishing company is nineteenpublications.ca and we're on social media. You can find it all on those websites. Thank you so much for having me. It's been really fun to talk about all this.

**Eric:** Awesome. It's been my pleasure and yes, we'll put all the links to those things in the show notes for people. And we'll hopefully talk to you soon, Kim.

**Kim:** Thanks so much.

## **OUTRO:**

Thank you so much for listening to my entire conversation with Kim.

I sincerely hope you enjoyed it and are walking away feeling excited and optimistic about what you can achieve in your business.

Many thanks to Kim for coming on the show and sharing her energy, enthusiasm, and experience.

To get links to all the resources we mentioned in this episode, you can head on over to [SubscriptionEntrepreneur.com/165](https://SubscriptionEntrepreneur.com/165).

There you'll also find the complete show notes and a downloadable transcript of our conversation.

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Thanks for being here and we'll see you next time.