

EPISODE 113

[INTRODUCTION]

FT: Welcome back to So Money everyone. I'm your host Farnoosh Torabi. Today's guest is Catherine Alford, or Cat for short. She's the founder of budgetblonde.com and a personal finance writer who's been featured in some of the top media outlets including the Huffington Post, US News World and Report and many others. She's got a formal background in American history. And she worked for years as a historian before she began to focus more on her love of blogging, public speaking, and building online businesses. She now coaches other bloggers on how to market themselves online and build legitimate income streams.

A number of takeaways from our interview with Cat - I learned a lot. One, the counterintuitive strategy for making money as an online writer. This I did not realize. Two, the exact amount of money Cat had in her bank account that assured her that she could actually leave her day job and turn to blogging full time. And three, how she juggles being the breadwinner in her marriage, running a full time blog, and being the mom to twins. How does she do it all? Here is the lovely Cat Alford.

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[INTERVIEW]

FT: Cat Alford. Welcome to So Money. Budget Blonde! Do blondes have all the fun?

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CA: Absolutely. [Both laugh] We definitely have the most fun.

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FT: In all seriousness though, you have been at this blogging thing for 5 years which I know in blogging years that's like 80 years, right? Cause there's so much that can change in 5 years.

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CA: It makes us old schooler's I guess.

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FT: Yeah you're an old schooler.

CA: Right. [Chuckles]

FT: But you're also coming out with all this new stuff too, which is great. You're always pumping out new things, new projects. That's how you kind of stay fresh and relevant. Your latest project is a course that just launched this month, in May. 'Get Paid to Write for Blogs' is what it's called. I love that. It's like, you've really optimized that search engine.

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CA: Right. Well I mean so many people have courses on freelance writing, or how to get your writing published in magazines, and my expertise is blogging. And so I wanted to make a course just for that.

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FT: And it's so, getting paid to write for blogs. So you don't have to have necessarily your own blog, but if you're a good writer -

CA: That's right.

FT: Okay, tell me how this works. Because I am a writer, and I will say that it is very hard to get paying jobs. I'll be honest, we're in this world now where people feel as though content is ubiquitous, it's everywhere, why should I have to pay a tall price or anything to have someone write for me when you know, it's good exposures and they're gonna get their byline and that's

pretty much all they really want. But I wanna make money. How do you convince people to pay you?

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CA: Well, and you bring up a really great point. It's one of my biggest pet peeves when people say, "Oh well, we'll pay you with exposure". Well exposure doesn't really pay the bill.

FT: It does not pay the, no. It does not put food on the table.

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CA: [Laughs] So it's like, gee thanks for the exposure, but I have a family to feed. Well I've been doing this a long time, and I think the very first step is to identify the blogs that do pay for people to write for them. They pay for staff writers and they pay for contributors. And I have certain techniques that I'll teach in my class on how to find that. It's much better to find someone who's already paying people than to try to convince someone.

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FT: So who's paying? [Laughs]

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CA: Well, my expertise obviously is in the personal finance niche. So a lot of single personal finance bloggers, people like me who are a one man show, who have so much to do and such big to-do lists. They bring on a staff writer once a week. And actually, personal finance is one of the hottest like competition for staff writers right now. Everybody wants to be a staff writers. People like me, who are sort of vet, like I hire a staff writer. I have 2 of them. Veteran personal finance bloggers, but yeah. Look at the bigger sites. The only people who I have come across who really have no interest in paying are people like Huffington Post and US News, and those are sites that are worth the exposure exchange cause they can lead to other people finding you to pay to write for their blogs.

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FT: Right, right. How much money can you expect to make?

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CA: Oh gosh, I mean I make a full time income from it. When I started I made \$10 a post and I thought that was awesome. And now my highest paying client is around \$400 a post. And that's for a very long, lengthy, journalistic style post. But you can make really good money from it.

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FT: It's time consuming thought. You know, I dunno if people can do this with a full time job can they?

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CA: Oh, well yah. That's how I got started. I had a full time job, I went to graduate school, I worked in academia. I taught at the college level, and I started very slowly at night. You know, I had one client, and then two, and then three, and then it got to be so much and so overwhelming that I just switched to blogging full time.

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FT: So tell us a little about Budget Blonde. Blonde is in the title of your blog and so this is considered an asset for you.

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CA: Right. It's so funny because for a while when I was paying off debt and being, you know, trying to be a little bit lean financially, I went brunette for a while, and you would not believe like the amount of emails I got. Like, "I'm so confused. Why is your picture brunette, and you're

blonde?" And I only just got like got back to being actually blonde, and switched my photo and everything. They can calm down now. It's blonde.

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FT: [Laughs] But you've been at this for 5 years. What would you say is your biggest lesson learned so that we don't make the same mistake?

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CA: Oh gosh, as a blogger, the best thing anyone who's doing blogging can do is to build a really strong network. I feel like for the first year or two I was kind of doing my own thing, and writing, and my mom was reading - and that was great, but [Both Laugh], you know, until I made connections with other bloggers, and you know, promoted selflessly and helped other people, that's when things really started to pop for sure.

[00:06:36]

FT: Yeah, yes. Yeah you know you're absolutely right. You cannot blog in a vacuum.

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CA: No it's impossible.

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FT: Thanks mom, but you know.

[00:06:43]

CA: Yeah, mom you're great, but you don't send me advertisers you know?

[00:06:47]

FT: Exactly. Well your course sounds great. And it sounds like it is, I mean I'm learning a lot just talking to you now. I didn't realize that, you know, these individual bloggers actually have money to invest in writers. It's kind of counterintuitive because you would think the bigger companies with the bigger expense accounts could afford something like that, but you're actually saying "go small".

[00:07:10]

CA: Right yeah. You should start small and grow. And the great thing is that you can grow with a blog. They might start out small, and then they might get really big. And you've been their staff writer for two years, and now you know, you're getting links from them every week. That's happened to me numerous times.

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FT: Wonderful. Well what's your financial philosophy Cat?

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CA: Well I'm really big on sort of 'finances and freedom' is what I always say. I'm not such a penny pincher that I won't hire help or that, you know, I'm very focused on doing the things that I love and then hiring out help. I'll tell myself no, and I can go a whole year without buying new clothes, but I would never give up certain other things. So I'm all about prioritizing when it comes to finances.

[00:07:56]

FT: A whole year without buying an article of clothing?

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CA: Yeah. Well, you know, I work from home so you know. I mean if I get out the yoga pants, then that's saying something for the day.

[00:08:05]

FT: Amen. [Both laugh] Well what do you like to spend your money on?

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CA: I like to spend my money on really good food and wine [Laughs], things like that. My husband and I are really big on - we will only go out to eat once a month, but we make it really nice.

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FT: Well that's good. I mean, well talk about how you arrived at this awakening. This financial awakening and I tend to think that a lot of us have these moments growing up in childhood that really expose us to the money world, in either a good way or a bad way, but as adults when we reflect on them we realize, "Wow, the way that I think now is not inconsequential," you know? What would you say is your biggest money memory growing up as a kid?

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CA: You know, I have a really weird one for that. And I don't know if it, how much it influenced me, but it made me really aware of money and what a taboo topic it is. And I write all the time about, "We should be open about money. We should talk about it," but in the 6th grade, I was in class and someone found a dollar bill on the floor. And my teacher said, "Oh I found a dollar bill, who's is it?" And I raised my hand and I said, "Oh it's mine," like I was just teasing. And the girl in front of me like whipped her little ponytail around so fast and she said, "Catherine you don't need that dollar, your parents are rich!" And I was totally floored because I had no idea what she was talking about. I had no idea my parents were wealthy, I had no idea other people thought that about them

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FT: Were they?

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CA: I think for the small town we were in, you know, they had really good jobs and were well off. And she must've heard that at her dinner table about my parents, but I hadn't heard it. It sort of opened my eyes, and I remember going home and telling my parents and they were kind of explaining to me that, "this is what jealousy is" and they were so intense about "don't tell anyone we're going on this vacation. Don't tell anyone that you got this for Christmas". They were very, very private with their money. And that moment kind of showed me why, but as I got older I sort of, you know, realized that people do wanna talk about it. And judged by the hundreds and hundreds of personal finance blogs, it's an interesting topic and it's one that's not talked about enough. And I wish my parents would have talked to me about it just a little bit more, and made me a little bit more aware. But they did make me aware of the jealousy thing, which is something I always try to keep in mind.

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FT: Yeah. It's interesting because you don't wanna live your life and hide what you're proud of because you're worried about other people not being accepting of it. That's not way to live.

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CA: Right. Even now, I won't post pictures of vacations of Facebook cause I feel like my dad would be like horrified like I'm showing everybody something. It does stick with you.

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FT: I think we all have traces of that in our lives. You know, whether it's because we don't post pictures or we don't talk about our excess because we're worried about people feeling jealous, or in some cases making other people feel bad or inadequate. And I think that that's very human nature, and I think it's hard to combat that. So thanks for sharing.

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CA: Sure.

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FT: Alright, let's talk failure Cat. I mean, we've all been there, right? And I think you don't arrive at financial blogging [Both laugh] without some failure that brought you to this desire to chronicle your financial life. So what would you say is your biggest financial failure?

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CA: Oh gosh. Yeah I mean, I certainly have not always been good with money, and it's definitely something that's come just in the last few years. But I bought a massive TV with a store credit card. Probably one the like dumbest things ever because my husband and I, we moved into our first place as a married couple, and lucky for us, the previous tenant left this massive bracket on the wall, where their giant TV was. So naturally, instead of taking the bracket down, you should get your own TV, right, to replace it. So I did that. And of course, 0% store card - this is something I would never do now. And it's so funny because we moved, we sold the TV, and we've been TV free for 4 years now. [Laughs] So you know, I learned something from it for sure.

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FT: 0% APR?

CA: Oh yeah.

FT: That's like candy when you don't know anything about credit. [Laughs]

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CA: No it's like, "gee thanks. Thanks for the free loan."

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FT: I know, I mean there's one thing if you can pay off your balance within that introductory period, but when you're just starting out and you're not educated, that deadline can slip.

[00:12:35]

CA: Yeah. Or if you do it with multiple things - TV, bed, you know, furniture.

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FT: [Laughs] Furnish your whole life.

CA: Right, right.

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FT: Well, let's flip it. Let's talk success. What would you say is your So Money moment?

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CA: That's a really good question. You know, I think the moment I realized that I could be self-employed was a really good moment. You know, every month I'd sit there and I'd do my little accounting for my blog - it was just side business. And I remember, it was June of 2013, I remember doing it and just having the realization that I had made more money from that than from teaching at a university. And it was, I hadn't even thought about it before, but it was that moment that it sort of clicked. Like, "You could maybe do this full time, you know, and work for yourself". And 6 months later I did.

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FT: 6 months? Did you, what was that transition like? Cause I think that we always say, "Don't quit your day job until you're pretty sure that you can do your passion full time comfortably". How much money did you have in the bank? Let's just get at it. Let's just answer that question.

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CA: I saved around 20 grand in cash during those 6 months as a backup. And you know, in general, part of that was allocated because about 2 months into that I found out I was pregnant with twins.

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FT: Oh my goodness!

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CA: Yeah. So in June I realized I could do it, in August I was pregnant with the twins. And so then I started really thinking like, "If I can do this then maybe I could stay home with the twins. Maybe I could write at night. Maybe I can do this all together and not have to go to work, to a normal day job." So they really gave me that extra push. At the same time, I know you have a son who's close in age to my twins, so I was like hugely pregnant, like teaching, you know, blogging at night so exhausted. Like I don't even remember it. But I was just so, I was so motivated I really wanted to be self-employed. But once I knew I had those twins.

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FT: And when you, are you the breadwinner in your marriage?

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CA: I am.

FT: See, okay. Why didn't I know that? Okay because when you have children, it's like we talk about this a lot on the show - it's like the baby effect. You know, people say that they became parents and suddenly they became immensely motivated to take their lives from good to great. And not only financially, but from a security standpoint too. Like I wanna follow my passion, make more money, but I wanna have my ducks in a row. And especially if you're a female

breadwinner, trying to juggle parenthood, and making money, and doing what you love. It's such a, it is a lot.

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CA: Yeah absolutely. And you wanna have it all and you really can't, you know. Some things have to give on certain days, but they constantly keep me motivated. Even though like, when they've screamed at me all day and I still have to write 3 blog posts that night, you know? It's still motivating. [Laughs]

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FT: How do you do it?

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CA: Well I have awesome help. You know, I have a really amazing nanny who comes 3 days a week who's wonderful with them, and I write furiously while she plays with them, and then I take care of them on the other days. Yeah it's taken me a while get into a rhythm, but yeah.

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FT: Good for you. Okay let's talk habits. What is your number one financial habit?

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CA: My husband and I have a lot of money dates. We really do.

[00:16:00]

FT: Money dates? Okay, how often?

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CA: I would say that they started out once a month, but now we kinda do it on the 1st and the 15th, cause I like to do it halfway through to see how good or how bad we've been, so I know how to treat the last half of the month.

[00:16:16]

FT: That's smart. And what are you talking this month about?

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CA: We just had one a few weeks ago, just because my income is so variable from being self-employed. Like, we do a lot of projections. So we say, "Okay well, if things happen this way, we're good until Christmas, or we're good until June, or we have enough savings to last us to this". And the last time we talked, you know, we were trying to see if we could fit in a vacation. It's been a long time since we've gone somewhere. And so yeah, these are the things that we chat about. And normally we're always over our food budget, and I say, "Well we should eat what's in the kitchen for the next 2 weeks," and that never works out. [Both laugh] That's always our issue.

[00:16:54]

FT: Well you've got a lot of mouths to feed in your household.

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CA: I know right? And they eat so much, the kids.

[00:17:00]

FT: Are they boys or girls?

[00:17:00]

CA: I have one of each.

[00:17:02]

FT: Oh my! Okay.

[00:17:03]

CA: And they just, they eat like big people. It's amazing.

[00:17:06]

FT: Awh, that's just the best.

CA: It is.

[00:17:08]

FT: Alright, ready for some So Money Fill in the Blanks?

[00:17:13]

CA: Sure.

[00:17:14]

FT: Okay. Well, I was gonna ask you any even if you weren't ready!

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CA: [Laughs] I'm ready.

FT: If I won the lottery tomorrow, let's say \$100 million, the first thing I would do is _____.

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CA: I would do just what I'm doing right now. Honestly, I really would.

[00:17:29]

FT: You wouldn't buy anything? [Laughs]

[00:17:31]

CA: I mean, I might move to a bigger apartment. Ours is pretty tight cause we are in just outside of New York City. I'm not far from you actually. Yeah. I'd probably get a new place. But I'd probably hang out in my car for a while too. I'm okay. [Laughs] I like what I do, I'd probably hire some more help. I'd hire a housekeeper every single day, I'd probably hire some more help with my blog and things like that. Yeah, kind of just keep on keepin on I think.

[00:17:57]

FT: Alright. The one thing that I spend my money on that makes my life easier or better is _____.

[00:18:03]

CA: I would just say help. I have an awesome nanny, I have a housekeeper who comes and deep cleans once a month. That really helps us stay, you know, on track. Those are the kind of things that some people in the personal finance community would look down on.

[00:18:19]

FT: Oh whatever.

CA: But I enjoy it.

[00:18:20]

FT: I'm big on outsourcing. Don't even argue with me.

CA: Yeah I am as well.

[00:18:24]

FT: My biggest guilty pleasure that I spend a lot of money on is _____.

[00:18:29]

CA: Probably my hair. My blonde hair. It takes a while to keep your hair blonde.

[00:18:35]

FT: You know what, it's branding. Business expense.

[00:18:37]

CA: You know, I was about to say. I keep meaning to ask my accountant, "Could I count this as a business expense?"

FT: Probably. I dunno. Don't quote me on that.

CA: I know right? I'll ask her, don't worry.

[00:18:47]

FT: One thing I wish I'd known about money growing up is _____.

[00:18:50]

CA: Gosh, I just wish I knew a lot more about investing growing up. I would've started in college, I would've started with my side jobs in college. I wouldn't have started at 25, I would've started at 18 for sure, if not sooner.

[00:19:04]

FT: When I donate money, I like to give to _____ because _____.

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CA: You know I donate money to my high school, LSMSA. It's actually a really unique school. It's a state-funded boarding school but it's not a boarding school for wealthy kids, it's just a boarding school for high achieving kids. And they often have to, they get budget cuts and things like that. I don't donate money to my college, I still owe them money. So I always give to my high school. [Chuckles]

[00:19:31]

FT: Right? I think that's a good market. Like, "I'm not giving you any of my money until I'm done paying off my student loans. Stop calling me.

CA: Yeah I know, it's like, "I'm good". [Both chuckle]

[00:19:41]

FT: And finally, I'm Cat Alford, Budget Blonde. I'm So Money because _____.

[00:19:46]

CA: Because I help other people learn how to make money so they can take care of their families.

[00:19:51]

FT: Well thank you so much for shedding all this wisdom on this show. Congratulations with your course, teaching people something that is so important and so valuable and how they can make money blogging. I think that's fantastic.

[00:20:05]

CA: Thank you.

[00:20:06]

FT: And have a wonderful rest of the year!

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CA: Alright, thank you so much Farnoosh.

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FT: Thanks Cat.

[END]