

EPISODE 604

[INTRODUCTION]

[0:00:35.1]

FT: You're listening to So Money everyone, welcome, I'm your host Farnoosh Torabi. She hated writing as a student and now has an award-winning blog that's on route to generating 1.5 million dollars this year. She's 27 and she has a goal to retire by 30. Michelle Schroder-Gardner is the founder of Making Sense of Sense. A blog that she launched when she was \$40,000 in debt.

It was like many bloggers, a creative outlet for her while working as a financial analyst. The success of the blog has allowed her to become a solopreneur. She and her husband now travel the country in their RV and on the podcast, Michelle shares how she managed to build a seven-figure blog, how she saves 90% of her income, the dynamics of being the bread winner in her marriage and her plans to retire in just a few years.

Here is Michelle Schroder-Gardner.

[INTERVIEW]

[0:01:36.3]

FT: Michelle, welcome to the show.

[0:01:39.2]

MSG: Thank you so much for having me, looking forward to today.

[0:01:41.2]

FT: Where am I catching you right now? I know that you're kind of a nomad, you and your husband travel all over.

[0:01:46.9]

MSG: Yeah, we actually just arrived at a camp ground near Glacier National Park in Montana just a few days ago. Before that, we were just on a 10-day sailing trip around the British Virgin Islands. For the summer, we just plan on hanging out in the mountains pretty much.

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FT: How do you decide where you're headed? Is it premeditated? You just sort of like decide on the go?

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MSG: It's really a mixture, we like to follow the weather as much as we can but occasionally we'll go home back to Missouri or somewhere in the Midwest for a wedding or some kind of family get together but for the most part, we just follow the weather and just try to stay in the mountains in the summer time and somewhere near the desert or around the desert in the winter time.

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FT: Such is the life when you are self- employed and I want to talk about your financial success, right out of the gate, let's talk about the fact that you made just shy of a million dollars recently in a year and you started out in your career earning around 50 grand a year, you had a little bit of debt as well.

Tell us, how you so quickly escalated your income?

[0:02:53.6]

MSG: Yeah, it all started back in August of 2011, I started Making Sense of Sense. Basically, for myself, I started as a hobby, I didn't even know that blogs or financial blogs can make money back then.

I started it just so I could track my financial progress, join the personal finance community because I noticed how welcoming they were and how everyone else was paying off their debt and doing really well financially.

Around six months after I started my blog, a blogging friend of mine asked me, hey, do you want to make a little bit of money off of advertising something on your blog? Back then, I didn't know that blogs could make money or how they made money.

Sure, yeah, tell me what to do and she helped me along and told me what to do so I could slowly make money blogging. I mean, my first hundred dollars blogging after six months of blogging so there's definitely a lot of work that went into it.

But then, after that, everything quickly grew from there. I think my third year I made \$120,000 for my blog, my fourth year I made 320,000 and then last year, I tripled that to 980,000 and this year, I'll probably make around 1.5 million for my blog and from other blogging related businesses, activities that I do. Yeah, it's a lot of fun, it's definitely grown exponentially over the years.

I'm actually working less than I used to in the beginning, I was working like hundred hour weeks on my blog and right now I'm working anywhere from 10 hours a week to 40 hours a week, it really varies but it's definitely not as much as I used to.

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FT: Would you say that a lot of the strategy is understanding the marketing behind marketing the blog but also marketing your products and your services?

[0:04:41.1]

MSG: Yeah, definitely, over the time, it definitely gets easier I feel like. When you first started out blogging, I mean, blogging is not something that you can exactly learn in school so there's a ton of learning that comes along, you need to learn how to market your blog, how to reach followers, how to write better for your audience and other things like that.

Over time, things have gotten easier and when more people know about your blog, obviously word of mouth is a big thing so that definitely helps over the years as well.

[0:05:09.1]

FT: You're the bread winner in your relationship, you actually gave a nod to when she makes more recently on your blog. How do you find being a female bread winner in your relationship? Was it everything you thought it would be or what are the challenges if any?

[0:05:24.3]

MSG: I don't think there's any challenges between the two of us, I would say it's mainly just what other people perceive. Since we're RVers, the average RVers is a little older than us, you don't really meet too many RVers that aren't retired.

The average RVer definitely has a different view point and they'll point it out jokingly like she's the breadwinner and stuff like that, we have an RVing couple, who, where the woman does all the driving and they're constantly being pointed out like hey, everyone, come over here, look at them, the woman's driving.

[0:05:56.1]

FT: Like they're freaks of nature, yeah.

[0:05:58.0]

MSG: Yeah. I mean, it's a little different since we're in the RVing community but for the most part, everyone's very supportive.

[0:06:05.5]

FT: It seems like there's a generational misunderstanding or a lack of understanding.

[0:06:10.3]

MSG: Yeah, exactly, yeah.

[0:06:11.9]

FT: How did you guys decide to be nomadic? I mean, it's one thing to find someone that you love and you want to partner up with and you get married but it's another to really also both, equally want to travel as part of your life style. Is there any end game here? Do you guys want to settle down at some point? Where would that be?

[0:06:31.1]

MSG: Yeah, well, we used to own a house in near Saint Louis Missouri, we owned that house for about five to six years and towards the last few years of owning the house, we were constantly traveling out of our jeep pretty much so we would go to camp grounds, dog friendly hotels and other places and just living out of the jeep with the dogs was a little more difficult so we eventually got an RV, sold the house and travelling in an RV is definitely a lot easier and more enjoyable because you can bring your whole home with you everywhere you go.

You don't have to worry about forgetting something or not packing something like your suitcase, it's really nice. The amazing views outside of all our windows everyday are great as well. I don't know when we will settle down in a house again and it will probably be a long time from now.

Our next plan is to live on a sail boat after this and then probably some backpacking and bike touring and other things like that. It will probably be at least a decade or two before we officially settle down again.

[0:07:33.3]

FT: Do you save a ton of money with this lifestyle with all this traveling, there's probably expenses that you wouldn't have if you were in a home but at the same time, you don't have a mortgage or rent.

[0:07:46.1]

MSG: Well, it's actually pretty similar, the house that we used to own was really affordable and our RV actually cost three times the amount of the house that we used to own. We definitely don't save money in that area and we're spending more money on food because we like to go to new places and try out like the top restaurant on Trip Advisor in the area or whatever.

I would say that you could do it cheaper but we aren't doing it the cheap way, I guess you would call us more like a luxurious RVer instead of the frugal type.

[0:08:20.3]

FT: Glamping, you guys glamp right?

[0:08:23.7]

MSG: Yeah, we're glampers.

[0:08:25.8]

FT: So, last year you earned 979,000, this year, you're saying approaching one and a half million. When it comes to saving your money, do you have a philosophy? Do you save half? Are you guys trying to "retire" early, how do you look at that income and understand how to stack and how to prioritize it, do you have a spending budget? Like, tell us a little bit about the inner workings of that income?

[0:08:51.4]

MSG: Yeah, we save over 90% of our income. A lot of people think it's weird that we live in an RV. I often get the question, you make over a hundred thousand a month, why would you live in an RV? You'd have to be crazy to do that. No, we love RVing, we love – we're happy even though we're saving over 90% of our income.

We're just saving as much as we can and the plan is to retire before we're 30 if we want to. Basically, the plan is just to have enough saved, just in case anything happens in the future. We just want the stability and the comfort of having enough saved. Especially since we can save it. It just makes sense to.

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FT: Does your partner work with you on the blog or does he have his own income stream?

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MSG: He works with me on the blog a little bit but his main thing is that he does all the RVing stuff, he drives us – he takes care of the RV, cleans, helps out around the house and then the main thing is that he forces me to stop working occasionally because I'm so into my work. He will – he's basically in charge of the fun part of our lives.

[0:10:00.1]

FT: What motivates you? Is it the dollars and cents? In other words, next year you're saying this year you're on track to make one and a half million, is next year's goal to make three million, do you have financial goals for yourself earning goals or are you okay plateauing at some point? This is a lot of money some would say for a couple that doesn't have kids and doesn't have a mortgage.

But, I don't know your goals so tell us what about your financial goals are.

[0:10:26.4]

MSG: Yeah, I actually – I'm not super strict when it comes to financial goals for the business, my financial goal for 2017 for the business was just to earn one million and a lot of people said, well, you made almost one million last year, why would you increase it?

Well, my main goal for 2017 is to actually improve my work life balance. I didn't want the year to be focused on earning money, I just wanted it to happen. If it happens, it happens if it doesn't it doesn't. My main goal for the year is just to be able to take a break from the blog, like take a full day off, not feel like I have to answer every single email, every single moment it comes in, just to really enjoy the day, that's my main goal.

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FT: Talk about some of the behind the scenes of that work life balance? How are you focused on that?

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MSG: Usually I'll work for a few hours on the morning answering emails, catching up on anything that might need my attention right away and then usually I like to use a good chunk of the daylight hours towards exploring wherever we are, going on a hike, bringing the dogs on a long walk.

Currently, we're in Montana and the sun rises at 5:30 AM and it's light out until about 10:45 PM here so daylight hours definitely aren't a problem so I've just been kind of working throughout the day off and on and then just exploring in the in between times but usually I'll use the daylight hours to explore and then early morning at night time hours to work.

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FT: You're very transparent about your income on your blog. You talk about it, you have the income report, you list how you made the money and I believe I read that – I think it was for an

article about like, this 27-year-old made almost a million dollars and most people you said thought – the person behind that story was a man.

[0:12:15.0]

MSG: Yeah.

[0:12:15.3]

FT: What have you learnt about gender and money and our expectations throughout all of this?

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MSG: I would definitely say like, times are changing and more people are realizing that women can be the breadwinners and lots of women are the bread winners and I recently read a statistic where it said, like 50% of women in relationships are actually the breadwinner.

I definitely think that the amount is increasing. For us, that article is super interesting, a lot of people thought that my name was misspelled on Forbes, a lot of people thought like you meant to write Michael and they weren't just joking, they were actually being real.

Yeah, I don't know, I think it's changing for the better.

[0:13:01.4]

FT: I think so too. I think that we'll look back on this, my hope is that we'll look back on this period in our history where there is paradigm shift, this economic shift really happening and think, you know, we were making much to do about nothing you know?

It's just going to become the norm and it doesn't really matter who makes more in a relationship, you just have to reassign your intentions and your purpose and make everyone feel significant as far as a provider in the relationship because sometimes, let's be honest, sometimes people

attach their self-worth to their net worth or their ability to financially provide and if that's not necessary or required of them.

They can become a little shaken up, right? I don't really know what my purpose is anymore but if you're conscious of it, hopefully you can reroute.

[0:13:50.0]

MSG: Yeah, exactly.

[0:13:52.9]

FT: At what point did you both decide this was the lifestyle you wanted to pursue? Because really, maybe you could have afforded it having a full-time job and if the full-time job, you're tethered to an office so really, this is only the kind of lifestyle that would be manageable as an entrepreneur. At what point did you decide we want to move on and move out and move about?

[0:14:15.8]

MSG: We actually know a lot of people who still have a full-time job while RVing full time. That's actually something that's changing a lot in today's world. For us, I would definitely say, running your own business, makes it easier because you can enjoy every single day instead of working eight to five, Monday through Friday while RVing.

For us, RVing just made sense. Since we were traveling in the jeep which was much more difficult and it was still fun but the RV is definitely more enjoyable. Being able to work from the RV from wherever we are is definitely a lot easier and a lot more fun.

[0:14:50.7]

FT: When people look at your trajectory and how much success you've had in your 20's, do you really think that this can be replicated and if you do, what would be your advice to somebody who says like, I want to be Michelle in three years. Maybe they're not writers, I don't like

blogging, is there something else they can do? They want to essentially get rid of their debt, make a lot of money and have a lifestyle on their own terms.

[0:15:15.6]

MSG: Yeah, definitely. For me, I didn't even know that blogging was for me, I'm sure my English teachers back in school would laugh at the fact that I write for a living now because back then, I hated writing and I definitely did not try very hard, especially when it came to like writing papers and stuff like that.

My first tip would be to just try different things, see what interests you, see what you like, you really won't know if you like something or if it's possible for you unless you jump in and you take little – mostly try at it. That would definitely be my first tip.

[0:15:48.6]

FT: Yeah, just try for something, get outside of your comfort zone, writing was definitely not within your comfort zone.

[0:15:55.2]

MSG: Yeah, exactly.

[0:15:56.0]

FT: But, you have an MBA, I feel like you approach the blogging world with very much a business sense, sensibility, right?

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MSG: Yeah, my MBA definitely did help, it taught me how to not exactly how to market a blog but how to market a business, how to reach an audience, how to appeal to different people, it

taught me how to research blogging better, how to learn about blogging, it definitely helps me a lot.

[0:16:25.4]

FT: Alright Michelle, I ask this with all my guests on the show, what's your financial philosophy? I'm sure you have many thoughts about money, you have a blog, you're very prolific when it comes to sharing your ideas around money. What would you say is your overarching money mantra?

[0:16:40.2]

MSG: One thing I always like to tell people is that for life to be enjoyed, you don't have to spend an arm and a leg, a lot of people think that you have to be rich or have a lot of money in order to enjoy life, however, I just don't think that's true, we spend less than we did when we were younger on entertainment.

In fact, our favorite purchase every year is our \$80 national parks pass that we buy so we can explore different landscapes all over the United States. I just like to always tell people, you can enjoy life on a budget, you don't have to spend all your money, take on debt or anything like that.

You just have to think about what your goals are in life and just realize that you can have fun on a budget.

[0:17:18.3]

FT: You certainly can. What's been the most fun you've had on your RV journey so far? What's been the best place you visited and why?

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MSG: We like pretty much everywhere that we've gone, our favorite states though are Colorado in the mountains, Utah, somewhere in the high desert and then Arizona and the desert as well. Of course, I like the beaches along the west coast.

[0:17:40.4]

FT: Have you ever felt that you failed at something financially? I mean, you have the student loans, I wouldn't call that a failure, in fact, you were able to pay those off very quickly. Is there something that you feel like you know, that wasn't my gold star moment. It was maybe a regret, a financial booboo?

[0:17:58.8]

MSG: See, I would say a part of the student loans for a financial failure of mine just because I wasn't smart with that, I could have, I was working full time off college so I could have put money towards college but instead, I just thought debt was normal that student loan debt was normal so I took out student loans.

I kept reading statistics like the average person has 30 to \$40,000 in student loan debt. I kept thinking, well if everyone else can do it then that must be manageable for me and I thought of debt that way back then and that was definitely a huge mistake when I received my first student loan payment on my student loans, they were very large and very overwhelming and that was definitely a big mistake of mine.

[0:18:40.0]

FT: As I said earlier and you're very transparent about your finances, what's some of the strange feedback you may have gotten over the years as a result of putting it all out there. I imagine there's a lot of support for what you're doing but maybe also some criticism.

What is the reaction that you get when you do this?

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MSG: Well there is definitely a lot of support but occasionally I will receive an email or a comment from someone who thinks it's really odd that I would talk about money on a blog at all. I recently wrote about this on my blog about –

[0:19:13.9]

FT: And yet they found you online on your blog and they're curious about it, what?

[0:19:17.7]

MSG: Yeah, I recently wrote about this on a blog post titled "Why is talking about money more taboo than talking about sex". In there, I talked about how people are seven times more likely to tell someone that they have an STD over telling someone how much money that they make which I think is very, very odd. So, I don't know, that would definitely be the number one thing. People think it's odd that I talk about money.

They think it's really weird that I would publish income reports but for the most part there's been a lot of support. Definitely not that much hate or dislike on the income reports or the open money talks.

[0:19:58.5]

FT: I have gotten occasional remarks where people don't like when I talk about for example how much I spend on things or the fact that I could pay off my car loan if I wanted to. I find that that's really odd that people instead would be excited for you, supportive of you and I do wonder if there is a gender divide on that because most people who are reporting their incomes or their revenue streams online, I know many of them, they're guys and they get high fives over it.

But there's something about women being very pro or outwardly outspoken about money and their success with money is a little harder to hear I think I don't know for some reason and I am generalizing but I've been at the brunt of it as well and I don't think that my male podcasting colleagues probably would get this same kind of grief and so tell us about a financial habit that

you practice, that you and your husband perhaps practice to keep you guys saving 90% of your income, that's incredible.

[0:21:04.8]

MSG: Yeah, so one thing I do, I don't know if I'd say it's healthy or unhealthy, sometimes it could be unhealthy would be I like to look at my finances a lot. So, I will look at my net worth more than once a month. So that might be a little bit unhealthy but I like to see how I'm doing, making sure that I am aware of how the financial situation is going, see what needs to be fixed. I'm always just trying to better myself and better our financial habits. So, by looking at it, I can see what I've done wrong and correct it right away.

[0:21:34.6]

FT: That's great. I think that that's amazing just think about people who want to lose weight, right? We get really obsessive with the scale.

[0:21:41.6]

MSG: Yeah.

[0:21:42.0]

FT: Get on that scale, we figure out how much do we need to lose, how was the weekend, did we gain weight, did we lose weight, can I have that piece of cake today if not? I feel like we need some sort of metric and if you are constantly looking at that metric that benchmark, if anything it's going to just make you more aware and awareness is very productive. Let's do some So Money fill in the blanks. This is when I start a sentence and then you finish it first thing that comes to mind okay?

[0:22:09.9]

MSG: Yeah.

[0:22:11.0]

FT: If I won the lottery, you don't play at the lottery, do you?

[0:22:14.5]

MSG: No.

[0:22:15.6]

FT: No, if you did win, let's say maybe not the lottery but someone just gave you like a Publisher's Clearing House check for \$25 million, what would you do? Would you change anything about your lifestyle? What would be the first thing you would do?

[0:22:31.2]

MSG: I don't think I would change anything. Honestly, I would be really boring and I'd probably save a lot of it and I'd probably find ways to responsibly help like friends and family members around me but I'd probably be pretty boring with it because life is pretty good right now.

[0:22:45.8]

FT: Yeah, I mean have family and friends come out of the woodwork and been asking for money, I feel like that's – it happens to people. If it's perceived to be a lot of money by anyone they may come and ask you for something.

[0:22:59.5]

MSG: Yeah, it's happened that's why responsibly helping others is what I would really enunciate there.

[0:23:06.5]

FT: Yeah, one thing I spend on that makes my life easier or better is _____.

[0:23:10.6]

MSG: RVing.

[0:23:12.4]

FT: Did you grew up wanting to do this?

[0:23:16.7]

MSG: No, I actually did not up until – so we started our RVing almost two years ago. It will be two years and five days or something. Before then I had actually had never been in an RV so yeah, definitely wasn't something that was on my mind.

[0:23:31.2]

FT: You've probably gotten really good at downsizing and making your life efficient because you don't have a lot of room.

[0:23:38.7]

MSG: Yeah, exactly. We don't spend as much as we used to because we have to think about, "Oh well where's that going to go?" So...

[0:23:45.2]

FT: Exactly which makes it easier to save 90% because you can't – you don't have room for stuff.

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MSG: Yeah, if we get something then we have to get rid of something so.

[0:23:54.2]

FT: One thing I splurge on – so what's a good splurge? You guys like to eat out, try out all sorts of top restaurants but something else?

[0:24:03.3]

MSG: So yeah, those would definitely be two splurges. Another one would probably be our Jeep. We spend a lot of money on our Jeep so we can go off-roading it and camp further away as well.

[0:24:14.5]

FT: One thing I wish I had learned about money growing up – we didn't even talk about your childhood but I'm curious to know what your experience with money was as a kid?

[0:24:24.4]

MSG: So I didn't learn a ton about money as a kid mainly just through watching my parents handle money. My mom isn't the greatest with money and my dad was actually really good with money. So, watching that dynamic play out definitely influenced my money behaviors. I would say that one thing I wish I had known about money when I was growing up was to not let money control you. I saw how money controlled everyone around me.

I think that's why I'm so obsessive about checking my finances it's because it's controlling me so that's definitely one of the thing I'm still working on like me controlling money instead of money controlling me.

[0:25:02.4]

FT: Right and last but not the least, I'm Michelle Schroder-Gardner, I'm So Money because
_____.

[0:25:08.4]

MSG: Because I paid off \$40,000 in debt in seven months. I now have a business that I love, I can retire whenever I want and I RV full-time.

[0:25:18.2]

FT: I love it. I am looking forward to catching you maybe in a year from now and see how things have gone, all the places you've been, maybe any pivots you've made in your business. Congratulations Michelle, high five.

[0:25:29.6]

MSG: Yeah, thank you so much.

[0:25:31.3]

FT: Alright, drive safely.

[END]