

**EPISODE 138**

[INTRODUCTION]

[00:00:33]

**FT:** You are listening to So Money. Welcome back everyone. I'm your host Farnoosh Torabi. I've got a fantastic female entrepreneur on the show today, Holly Johnson. She's a blogger extraordinaire, co-founder of 2 websites: a personal finance blog, Club Thrifty, and a frugal travel blog, Travel Blue book. Which, both have become so successful, guess what? Her husband just joined her and quit his 9 to 5 to join her and build this online empire - Gregg is her husband - and build her online empire. Holly is also a staff writer at Get Rich Slowly, The Frugal Dollar, The Frugal Travel Guy, and U.S News and World Report. Her work has been featured everywhere: the Wall Street Journal, Fox, Forbes, Lifehacker, Yahoo, on, and on, and on.

Now Holly's journey started after realizing that even though together as couple, Holly and Greg her husband, even though that together they were making good money, they weren't really saving enough to have the lifestyle they really, really wanted. And I think that's something that a lot of us can relate to. You make money, you spend it, you have the things that you want but there's still more that you wish you had - not more in a sense of stuff, but you have a future to build and you wanna be able to feel confident that you're gonna be able to retire well, send your kids to school, buy that home that you want, and so how do you get there?

So Holly and Greg started tracking their spending, and as a result Club Thrifty, that first blog, was born. To not only encourage themselves, but others as they say, "Stop spending, and start living". It was this little side hustle that eventually turned into an incredibly profitable source of income for them and as I said, it's allowed Greg to quit his job and focus on the business as well.

Three Takeaways from our interview with Holly: Why she thinks that couples should have one again, just one, shared account - and I happen to disagree. One key and simple detail to have on your personal blog for all you bloggers out there, that can help you make money. And Her top

advice for landing online, writing opportunities. If you're interested in getting some side income from freelance writing, you'll wanna hear what she has to say.

So here without further ado, is Holly Johnson.

[INTERVIEW]

**FT:** Holly Johnson, welcome to So Money. Great to have you on the show.

[00:03:00]

**HJ:** Hi. Thanks for having me.

[00:03:01]

**FT:** Your partner in crime is your husband Greg. Although as this podcast works, I try to do just one on one. So, we will channel Greg throughout this interview as I know that he's a very big part of the success that you've created online through Club Thrifty and your travel blog. Actually, Greg just left his nine-to-five to full time, concentrate on your business ventures. Right?

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**HJ:** Yes, Greg did. He just left his job on March 2nd so he's been home for about two months now.

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**FT:** And you have two small kids. So, is it good to be able that all of you be at home, or is it nice to be able to get away sometimes?

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**HJ:** Having both of us at home is honestly a dream come true. When we first started our online site hustle-type stuff several years ago, that was the goal, was to get one of us at home and then hopefully have both of us at home. It's amazing. We put the kids on the bus everyday and obviously we have unlimited vacation. We eat lunch at school with my daughter. It's everything I thought it would be.

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**FT:** Tell us a little bit about Club Thrifty. This is your personal finance blog that was born out of your own journey.

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**HJ:** Yes. Club Thrifty started because we were at a point in our lives several years ago where we are making plenty of money and we weren't really optimizing our income or maximizing the amount of money that we earned. So, we started Club Thrifty while we're in the middle of that journey just to document it and just shared some of the things that we learned as we got better about the money that we earned. It's mainly a frugality blog but I also talk about travel, freelance writing and pretty much anything.

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**FT:** Did you have any outside help as you were climbing out of your financial issues?

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**HJ:** No. To be honest, we didn't have any real issues. We had some car payments and some student loan debt but really for us, it was just about doing better, really getting the most out of the money we earn. We weren't having a big problem or anything, we weren't deep, deep in that. We were working hard at work, Monday thru Friday nine-to-five but we weren't making the most out of it. No, those are all just things we learned through trial and error as we learned to just make better decisions.

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**FT:** You were able to replace your 9-to-5 income in just 11 months?

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**HJ:** Yes.

[00:05:33]

**FT:** How is that possible? A lot of us on the podcast want to become online entrepreneurs and online revenue makers. How are you able to really maximize your exposure online to earn that kind of money?

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**HJ:** Well, when I transitioned from my full time job and I was writing and blogging part time, I was really working two full time jobs. I got up early, I stayed up late, I spent weekends doing it, I put the kids to bed, then ride all night. But for me it's just about making the most out of my time. I'm extremely productive and that really helps me make money because I get more done in a day than most people get done in a week. I just focus.

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**FT:** Having two kids forces that on you. Right? You do not waste any time?

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**HJ:** Yes, exactly.

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**FT:** What's your financial philosophy, Holly? One that maybe is sprinkled throughout Club Thrifty but also in your personal life as something that you really hold true and close to you or the way that you go about your financial decision making?

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**HJ:** I would say that one thing we live by is that debt holds you back from living the life you really want to live. We are that free aside from a small mortgage, we're paying that off as we speak and we just want to move forward without any kind of debt. When you have that, you have to clean your life around it, you have to keep that job you don't want, you have to do lots of things you don't want to do and being that free isn't that so much to us. I can never imagine going back there.

[00:06:42]

**FT:** What about money memories growing up, Holly? Take me down memory lane, paint the picture of you growing up. Where did you grow up? What was life like and specifically, what was your exposure to money growing up?

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**HJ:** My parents, we weren't well off. My mom was a stay-at-home mom until I went to school but one thing I remember is my dad having a job that he didn't like and doing it for 30-some years. I remember him being really stressed out all the time. He was in the insurance and he would wake up in the middle of the night, check the thermostat, pace up and down the hallway, he was always tense and it was so weird because when my dad retired after 30-something years, he turned to a totally different person overnight. I remember that and that stuck with me. I always wanted...

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**FT:** Like he was happier and he was more at peace?

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**HJ:** Yes. I always wanted as an adult to not live that life where I had to go to this job that I didn't like. That definitely stuck with me.

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**FT:** Now, as an adult, how do your parents see your career path and are they proud?

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**HJ:** Yes, they're proud. I don't know if they get it or not.

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**FT:** It is hard, I will say, the older generation. I think our parents raised us to shoot for the stars and have careers that we love but there's this underlying fear of being out on your own. It's something generational because entrepreneurship is getting a lot of publicity and good publicity now. It's great to be your own boss and it's encouraged and yet scary. But I think the parents, our parents, I think it's still something that is unknown.

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**HJ:** Yes. People are always asking us like, "Who gets your health insurance? What about your 401K match and all that stuff?" I'm like, "Whatever." We save for our own retirement, we max out our retirement accounts. I don't need an employer to do that for me.

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**FT:** Going back to when you were saying that you didn't really have any money issues but you felt as though you weren't taking advantage of the money you were making to really saving off and plan well, what was the shift that you made? What were the changes that you made to make sure that you were getting your money more meaning?

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**HJ:** Well, it happened when we got pregnant with our second child. That's when we made the mental shift because we just realized we weren't getting the most out of it. But really, it wasn't anything hard. We cut cable, we tracked our spending and noticed that we were spending a lot of money on groceries, entertainment – things that are easy to cut. It was all low hanging through. We just went after everything that we're spending money on that we didn't need to and we cut it out. Ever since then, we've been happier. We really didn't need all those things.

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**FT:** When did you realize that your money wasn't being spent appropriately? Was it something that you wanted to buy or save for that you realize you don't have enough money for and it was really important to you? I think a lot of us have a lot of low hanging that we could get rid of but the difference is wanting to and feeling mobilized. What was the mobilization point for you?

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**HJ:** I think it was just hitting 30, honestly. Because it wasn't like we had some big purchase that we wanted to make that we couldn't afford. It was just hitting 30 and thinking, “Oh my gosh, I want to retire someday. I want to retire early. I want to have money to travel with the kids, go on vacations and do fun things. Right now we're just spending it all.” To us it's just like growing up, really.

[00:11:03]

**FT:** Yes, the 30-year crisis, the 30-year itch. Let's call it a 30-year itch.

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**HJ:** Yes, exactly.

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**FT:** What would you say was your greatest failure financially? That may be one that you and your husband both partook in?

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**HJ:** Yes. Our biggest financial failure, I would say just paying minimum payments on things like student loans for so many years. There were so many years where we made plenty of money and we could have just absolutely killed it. We're just trapping along and not really facing reality. Nothing big, I don't say. Just not really making the most of it.

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**FT:** Yes, kind of being in a financial fog.

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**HJ:** Yes, just not really facing reality and not really going for it.

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**FT:** It happens in your 20's.

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**HJ:** Yes, exactly.

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**FT:** Would you say both of you are spenders, or is one of you more of a saver?

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**HJ:** No. Actually I think we're both savers now. It's fun. I like having money for the future, not just today. I think that's one thing we learned. We're responsible for 10 years from now. How do we want it to be?

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**FT:** I think what you desire is something that a lot of us want and it's no surprise that your sites have taken off this desire to live, have a lifestyle, just a life and to have your money really paint a picture of what you want to enjoy out of life, and get out of life, and not just keep the wheels turning, and the lights on, but to actually appreciate and enjoy the excitement that is life. What would you say is your So Money moment as you've been experiencing this journey, building this online empire? What would you say is your proudest financial moment perhaps as a couple?

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**HJ:** Well, my personal moment was when I match my income online that I was making it my full-time job. I told my husband for several months, "As soon as I make as much online as I do at my job, I'm going to quit my job." I did and then a couple of months went by and then I have this really bad day at work and out of nowhere, I put in my one-month notice and quit. That was awesome. That was a very awesome feeling because I had basically what amounted to two full time jobs – one of which I created myself.

I guess our So Money moment as a couple was when my husband was able to quit his job to work online with me earlier this year because now we're totally location-independent, we're making something five or six times our monthly expenses every month, so we're really saving a lot of money and we do everything on our own terms now.

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**FT:** Not to harp on the details but you mentioned earlier that you got rid of cable?

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**HJ:** Yes.

[00:14:02]

**FT:** For a lot of us, especially if you're a family and you're getting the souped up package, that's almost \$200 a month. They can be.

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**HJ:** Yes, definitely. We never had a cable package like that, but still it made a difference.

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**FT:** Did it? What kind of a difference did it make in your entertainment budget? You have kids so how do you watch TV? How do you get entertainment on television, or do you not care about it anymore?

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**HJ:** No. Netflix is \$7.99 a month and actually it's really good for kids because they can just turn it on, pick the show that they want and watch it. There are all kinds of kids shows on there. I don't feel like we're missing out on anything.

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**FT:** I forever have wanted to cut cable, but there's the fall with football. My husband likes to watch that. He's not one of those who sit on the couch and watch football guys, but occasionally we both went to Penn State so we like to watch football but I feel like that is not worth \$100 some a month that we're paying.

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**HJ:** Yes, I agree. I agree with you wholeheartedly.

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**FT:** I think you've inspired me and I think I can have a little chit-chat with Tim tonight on this. Cool. What would you say is your greatest financial habit?

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**HJ:** Every month we create a zero-sum budget, which if your readers aren't familiar with what that is...

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**FT:** What's that?

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**HJ:** Basically you take last month's income and then create your budget for this month with last month's income and you spend every dollar including savings, investments. So, we do that every month. I do it with a pen and paper. Basically, I take the money we made last month and I divvy it all up into bills. I estimate things like groceries, utilities and stuff, and then I put buckets of money for retirement savings, SEP-IRA, Roth IRA, different saving schools that we have and I spend it all, and then we use it up as the month progresses until it's gone and then we start over.

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**FT:** Do you guys believe that couples should have one account?

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**HJ:** Yes, definitely.

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**FT:** Interesting. I don't agree with that, by the way.

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**HJ:** You don't? Oh my gosh. I can't imagine why we would have separate accounts.

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**FT:** No, I don't agree with separate accounts entirely either. I think it's important to have a shared account for shared expenses but financial autonomy is still really important even when you're married and I think having your own bank account, like I say, it doesn't have to be a banking account that's in Switzerland. It's just a bank account that has your name on it, that you don't have to explain how you're spending that money. Of course you're not doing devious things with it but occasionally when you get a haircut, or buy yourself something pretty, and your husband wants to go to dinner with his friends, and that money is just there for you to spend freely and not have to have a conversation about it. In my experience it works, in other couples that I help with, I think it really goes a long way. I don't know. What do you think about that?

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**HJ:** I think that I have plenty of autonomy. I can buy anything I want, so can my husband and we have all joined accounts. We never argue about money. We've been together for over 10 years and are married for 10 years. Maybe it's just our particular relationship, but we share house and kids. I can't imagine having anything separate.

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**FT:** But you were married young. Correct? Younger?

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**HJ:** Well, we're 35. So we got married about 25. That is probably kind of young these days.

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**FT:** I think it is and I think that the separate accounts works really well especially for couples that are marrying later in life where you have spent, say, your entire 20s spending into the beat of your own drum, saving to the beat of your own drum and making financial decisions independently. This idea of suddenly sharing all your financials with someone else even though of course it's like, "I love this person. You trust this person." But money as we know is very emotional and having that silo for you to spend at your will, I think it helps for sure. It doesn't mean that you're not as committed as a couple that's got a shared account but I think you're right. It really just depends on your relationship.

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**HJ:** Yes. We had no money when we got married so that's probably part of it. It's not like we both had our own little nest egg or anything. We had nothing. It kind of grew together and that's probably why we kept it that way. I think honestly if you can create a situation where you're saving plenty of money and not arguing about it, you should stick with it no matter what that is. For us it happens to be – if it's not broke, don't fix it.

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**FT:** Yes. I can see that. I can see that when you're young and you're making your money together and now you're in business together. So, there are advantages. Before we wrap and before we get to our So Money fill in the blanks, a couple more questions for you just to tap your expertise before we go, it will be a mis-opportunity if I didn't ask you this questions. But what's your advice for those of us who want to find online writing opportunities and get our foot in this

online content space? Not just having your own blog but really writing for other places to make extra money?

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**HJ:** People ask me that all time. I would say I did a lot of blind pitching at the beginning and I would just email people and it will be like, “Hey, here are some topic ideas. I can write this today. I can write this tomorrow.” I remember one of my first big jobs I ever got was Get Rich Slowly. I sent them something like 10 guest posts and stalked them about it and they kept publishing them. Then eventually I was like, “Hey, if you want to hire me, I'm available.” They were like, “Okay.” Honestly, that's how it happened. You just have to go for it and not be pushy but there are other people who want it as much, if not more than you, so you have to stand out somehow.

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**FT:** Yes, for sure. Even in this day, in this competitive market, blind pitching might work.

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**HJ:** Sure. If you're there at the right moment where they just happen to be looking for someone, you might be that person.

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**FT:** Now for those of us who have our own blogs and we want to be successful, your advice? I understand you've never taken a creative writing class. It's not about being creative, apparently.

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**HJ:** No. I would put up a “hire me” page if you already have a website. I have a “hire me” page. I get all kinds of work from that and I don't even try. Honestly, I have so much work now I can't take anything else. I have people contact me through my “hire me” page and I have to tell them I

can't write anymore right now. That really goes a long way. If you already have a website, why not put up a "hire me" page and let people know what you're available to do.

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**FT:** That's so smart. Yes, "hire me." I like that. I have a "work with me" tab.

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**HJ:** Yes, it's the same thing.

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**FT:** Yes, it's great. Okay, Holly, are you ready for some So Money fill in the blanks?

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**HJ:** Yes.

[00:20:54]

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

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**HJ:** Disappear for a while.

[00:21:01]

**FT:** Disappear?

[00:21:01]

**HJ:** Yes. I'd go on a trip with my family or something.

[00:21:03]

**FT:** Oh, you wouldn't disappear from your family?

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**HJ:** No.

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**FT:** "Where is mom?"

[00:21:07]

**HJ:** I'll take them with me.

[00:21:12]

**FT:** I love that. Okay, yes. Have some down time with you and your family. One thing that I spend my money on that makes my life easier or better is \_\_\_\_\_.

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**HJ:** My housekeeper. I have a housekeeper and it's awesome.

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**FT:** Yes, I echo that.

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**HJ:** She cleans the mini-blinds.

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**FT:** Mine is here right now because I'm podcasting in a different room. My biggest guilty pleasure that I spend a lot of money on, maybe even a little too much is \_\_\_\_\_.

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**HJ:** Travel for sure.

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**FT:** Where were the last place you went?

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**HJ:** We just went to Jamaica last month.

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**FT:** Nice. I've never been. Should I go?

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**HJ:** Yes, for spring break. It was fun. We took the kids and we went all inclusive so we didn't have to go out to dinner, make everything a big hassle.

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**FT:** How is the food? I always feel like the foods in there were going to be good in an all-inclusive place.

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**HJ:** It wasn't. It wasn't good.

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**FT:** That's important. If you're there for a week, I don't know. I want to have at least one or two good meals.

[00:22:06]

**HJ:** Yes, there are a couple of winners but the rest was just okay.

[00:22:09]

**FT:** Bummer. Well, there are perks. One thing I wish I had known about money growing up is

\_\_\_\_\_.

[00:22:18]

**HJ:** I wish that I knew that I could be wealthy if I tried hard enough. It never crossed my mind that I would have money when I was little.

[00:22:27]

**FT:** For as much as my parents taught me to work hard, and save, and open up the 401(k), negotiate my salary, taught me all this great stuff – I never was encouraged. They didn't think I was able to and I want to relate to you here. It was never like, "You can make millions of dollars. You're capable and here is how. Be entrepreneurial." It just was not part of the dialog. I don't

think it's because they intentionally didn't want to, it wasn't just part of the consciousness back then perhaps.

[00:23:02]

**HJ:** Yes. To be honest I was kind of a troubled teenager. I was a big party-er and I think my parents were just happy to get me to adulthood within one pieces, honestly. I was never encouraged to really go for my dreams but I don't blame that on them because I think they were just so worried about me. But I found my way somehow.

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**FT:** That's a whole other show, Holly.

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**HJ:** Yes, it is.

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**FT:** I'm really curious now to hearing more about you as an adolescent.

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**HJ:** Yes.

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**FT:** Well, almost wrapped here. When I donate money, I like to give to \_\_\_\_\_ because \_\_\_\_\_.

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**HJ:** I like to think of the animals because I love the animals.

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**FT:** So, ASPCA?

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**HJ:** Yes, sure. The humane society or whatever.

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**FT:** And I'm So Money because \_\_\_\_\_.

[00:23:49]

**HJ:** Because I'm creating my own destiny through self-employment and hard work.

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**FT:** You are and you're taking your family with you. That's great.

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**HJ:** That's right.

[00:23:57]

**FT:** Your husband is joining you now. I think that's fantastic. Very, very inspiring. Holly, thank you so much. Everyone, check out [Clubthrifty.com](http://Clubthrifty.com), [Travelbluebook.com](http://Travelbluebook.com) and she is on Twitter at @Clubthrifty. Thanks so much, Holly.

[00:24:11]

**HJ:** Thank you.

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[END]