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Thank you for downloading Kajabi's inaugural State of the Creator Economy. Our goal is to provide insights and trends related to the creator economy. This report includes both quantitative and qualitative data gathered from Kajabi knowledge creators, as well as industry-wide information. We examine it through several lenses, including COVID-19's impact, monetization trends, marketing tactics, and knowledge creator use-cases and experiences. Kajabi helps creators turn their knowledge into income. Through data-supported insights and anecdotes, we hope to make the path to monetization easier for all knowledge creators.
Kajabi by the Numbers

Total Income Earned by Kajabi Entrepreneurs
Over $3.5B

Total Active Kajabi Knowledge Creators
Over 53,000

Individual Products Created on Kajabi
Over 300,000

Number of Businesses Started on Kajabi
Over 100,000

Countries Kajabi Creators Call Home
Over 140
Top Takes

→ Knowledge creators are thriving: Kajabi customers’ total earnings are up 350% since 2020. They’re on track to make just under $2.0 billion per year, collectively.

→ The most popular and lucrative products for knowledge creators on Kajabi in 2021 were online courses and membership sites.

→ Personal development and health & fitness rank as the top industries for knowledge creators on Kajabi, posting increased earnings of 94% and 101% respectively from 2020 to 2021.

→ On average, knowledge creators on Kajabi earn $30,000 per year from their Kajabi sales alone, and they don’t have to share revenue.

→ Kajabi customers in the academic space increased their earnings by 45% from 2020 to 2021, and that number continues to grow. In January of 2022, this industry saw a 253% increase in earnings from January of 2020.
Defining The Creator Economy + COVID-19’s Impact

From the gradual decentralization of traditional media and the rise of social platforms grew the creator economy — an industry that now includes millions of independent creators who have harnessed the power of the online world to monetize their own skills, hobbies, and knowledge. The creator economy spans independent websites, social media, and dozens of platforms. While the “creator economy” refers to the group of small businesses built by self-employed creators, it also encompasses the numerous companies arising to meet the needs of creators in the development, dissemination, and monetization of their content. From content-creation tools to analytics platforms, these companies are helping creators not only monetize their knowledge but also own their work and audience more directly.

Twenty twenty was a watershed year for the creator economy. The COVID-19 pandemic caused a massive disruption to the world economy, leading many workers to find new ways to earn a living and make ends meet. The ability to earn a living in a non-traditional manner proliferated, with masses of people seeking a means to make income that did not rely on face-to-face interactions.
Simultaneously, the way people consumed content rapidly changed as everything went virtual. This combination of both the demand (willingness to consume online content) and the supply (increase in content creators) accelerated an already swiftly moving trend of online commerce and fundamentally shifted the way business can be conducted.

These fundamental changes in the framework of society led many to realize they could earn more from what they know. From this, the creator economy expanded and sparked the beginnings of what would later come to be known as the Great Resignation - a not-so-subtle societal shift in awareness towards caring more about finding fulfillment in our careers and having control over how we use our time as well as controlling the relationship, and economics, creators have with their customers.

Kajabi saw customer growth surge 269% from 2019 to 2021

To disseminate their knowledge and subsequent content, creators relied on established platforms that have been supporting the industry for years. Kajabi saw customer growth surge 269% from 2019 to 2021, meeting the demand of new knowledge creators around the globe.
How big is the creator economy?

Creators span nearly all digital mediums, so it can be tricky to determine the exact number of independent creators in the creator economy. CBInsights suggests there are 50 million creators participating in the creator economy, and this number grows every month as the Great Resignation evolves and creators continue to discover new ways to monetize their knowledge.

As anticipated, the creator economy’s financial worth is also growing. Influencer Marketing Hub estimates the creator economy is worth over $104 billion dollars. This number has rapidly scaled as investors poured capital into creator platforms - with many of them becoming publicly traded companies. In the graph below, you’ll discover the total funding, valuation, and lead investors associated with several of the most popular creator economy platforms currently available. In May of 2021, Kajabi received a $550 million investment led by Tiger Global Management, at over a $2 billion valuation. Meanwhile, many other platforms also received significant investments or became publicly traded companies:

<table>
<thead>
<tr>
<th>Platform</th>
<th>Total Funding</th>
<th>Valuation</th>
<th>Lead Investor</th>
</tr>
</thead>
<tbody>
<tr>
<td>cameo</td>
<td>$165 million</td>
<td>$1 billion</td>
<td>e.ventures</td>
</tr>
<tr>
<td>Circle</td>
<td>$30 million</td>
<td>$200 million</td>
<td>Tiger Global Management</td>
</tr>
<tr>
<td>gumroad</td>
<td>$18.75 million</td>
<td>$250 million</td>
<td>Crowdfunded</td>
</tr>
<tr>
<td>KAJABI</td>
<td>$550 million</td>
<td>$2.1 billion</td>
<td>Tiger Global Management</td>
</tr>
<tr>
<td>MasterClass</td>
<td>$475 million</td>
<td>$2.75 billion</td>
<td>Fidelity</td>
</tr>
<tr>
<td>PATREON</td>
<td>$410 million</td>
<td>$4 billion</td>
<td>Tiger Global Management</td>
</tr>
<tr>
<td>substack</td>
<td>$82.5 million</td>
<td>$650 million</td>
<td>Andreessen Horowitz</td>
</tr>
</tbody>
</table>

*Data referenced from The Information’s Creator Economy database
Creators vs. Influencers vs. Knowledge Creators

Content and Audience Trends

The creator economy is not a homogenous group. Rather, it consists of several types of individuals with the common interest of creating and sharing knowledge, expertise, or authority online as a primary or secondary source of income. We use the terms “creators,” “knowledge creators,” and “knowledge entrepreneurs” interchangeably, but there are some differences worth noting. Here’s our approach to distinguishing subgroups of individuals who are active in the creator economy:

Creator is a general term that defines someone who creates any type of content across any platform. A popular example is the viral creator MrBeast on Youtube.

Influencers are generally known as individuals who try to sway the buying preference of their audience, whether it be to purchase physical products or achieve certain lifestyle aspirations. Many of them are famous, either from their content creation or for other reasons, allowing them to leverage stardom status to segue into influencing. Examples of influencers include Charli D’Amelio on TikTok and Chiara Ferragni on Instagram.

Knowledge Creators build businesses around selling content based on their expertise, skills, and knowledge. For example, Sophia Amoruso and Cassey Ho of Blogilates are Kajabi customers or, on the platform Masterclass, celebrities like Natalie Portman teach acting and Gordon Ramsey teaches cooking.
Of course, there is overlap between these terms. A content creator can be a knowledge entrepreneur and vice versa. The differences exist mainly in their chosen content distribution channels, and thus, how they earn revenue. Still, the creator economy continues to grow and the lines continue to blur, as easier paths to monetization emerge and the importance of owning your audience is more widely realized.

Creators and influencers usually rely on social media channels for the distribution of their content as well as their earnings, with many participating in the YouTube Partner Program or other similar monetization paths that social media platforms have launched. Influencers specifically depend on sponsored posts or affiliate marketing to generate income instead of selling any products or services of their own creation, which is how knowledge entrepreneurs make income.
While creators and influencers count on pre-established platforms to reach their audiences, knowledge entrepreneurs take content distribution into their own hands. They are more likely to have a website where they can direct traffic and utilize tools, like customer relationship management systems, to own and engage their audience. To monetize their content, knowledge entrepreneurs create online courses, membership communities, digital downloads, coaching programs, newsletters, and podcasts. Ad revenue or affiliate commission is often seen as a bonus revenue stream, not their central focus.

That’s not to say that ad revenue and affiliate marketing commission cannot be fantastic revenue sources. But, relying too heavily on other platforms or companies for income can lead to inconsistent earnings, or worse, a sudden drop. That’s exactly what creators and small businesses experienced during the Facebook and Instagram global outage of 2021. While it lasted only six hours, it led to a major drop in traffic, and ultimately, revenue.

For creators of all types, it’s key to diversify income streams and secure a platform where you own both the content and audience relationship. This allows direct monetization of products, services, and content. Creators with this level of diversification and ownership are best positioned for success and endurance, regardless of how the creator economy changes over time.
The existing tech giants are taking notice of the creator economy too. They are beginning to see the true value of creators and their earning potential, and in response, are incentivizing the use of their platforms over competitors. From this competition for creator attention, new options for content monetization have emerged. Long-standing social media channels are going as far as creating new platforms, or at least, new areas of the original platform to provide creators with a means of obtaining revenue. Some newer platforms are even forgoing revenue sharing for the first year of launch to persuade creators to join.

Here are a handful of recent creator-focused launches:

→ Twitter Spaces, a private audio chat function

→ Twitter Super Follows, a subscription for monetizing access to tweets

→ Bulletins from Meta, a subscription email service

→ LinkedIn’s Creator Accelerator Program, a 10-week program designed to foster ideas and an audience

→ Snapchat’s Spotlight, where creators can share videos

→ TikTok’s Creator Next, where video creators get monetary tips and other features

→ Roblox Studio, where developers can build video games

→ Niantic’s Lightship, which offers a developer kit to allow the creation of augmented reality experiences

→ Spotify Podcast Subscriptions, which allow podcasters to offer exclusive content for subscribers
New startups and established companies are vying for creators’ presence on their platforms as well. The dozens of creator economy platforms all promise the same thing: new ways for creators to monetize their content online, and for some, business management. Most of the platforms generate revenue by relying on a take of a creator’s earnings, often on top of a subscription fee. Here is a comparison of current creator economy platforms:

<table>
<thead>
<tr>
<th>Platform</th>
<th>Cost/Take Rate</th>
<th>Main Features</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kajabi</td>
<td>$119, $159, or $319 per month (annual subscription)</td>
<td>An all-in-one platform for online businesses with digital product offerings like online courses and coaching, marketing automation, payment system, website builder, analytics, and email.</td>
</tr>
<tr>
<td>OnlyFans</td>
<td>20% of creator generated income</td>
<td>A social platform that allows content creators of all types to monetize their content while developing authentic relationships with their fanbase.</td>
</tr>
<tr>
<td>Patreon</td>
<td>5%, 8%, or 12% of creator generated income, depending on the subscription tier</td>
<td>A membership platform where creators can distribute content to their fans and followers who pay a monthly subscription for access to the creator’s content.</td>
</tr>
<tr>
<td>Podia</td>
<td>$33, $75, or $166 per month (annual subscription)</td>
<td>An all-in-one platform for online businesses with digital product offerings, marketing, website builder, a page builder, and more.</td>
</tr>
<tr>
<td>Substack</td>
<td>10% of creator generated income</td>
<td>An email newsletter creator for writers where the creator makes money from subscriptions to the newsletter.</td>
</tr>
<tr>
<td>Thinkific</td>
<td>$0, $39, $79, $399 per month (annual subscription)</td>
<td>An online course builder with a simple webpage builder and the ability to host your videos, use coupons, and some student engagement features.</td>
</tr>
<tr>
<td>Udemy</td>
<td>3% for instructor generated sales or 63% for Udemy generated sales</td>
<td>An online course marketplace that lets users create, publish, and sell their courses on the platform.</td>
</tr>
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</table>
The Biggest Challenges Creators Face

While the creator economy always has room for new creators, a creator is not guaranteed financial success by simply creating online content. The economic inequalities present in the greater economy exist within the creator economy as well. Meaning, only the top creators are profiting, while the vast majority earn next to nothing. For example, the top 10 Substack authors earn more than $20 million annually, but the rest of Substack authors make barely above the U.S. federal minimum wage. Additionally, the average YouTube channel receives $18 per 1,000 ad views, which only equates to $3-$5 per 1,000 video views, and on average, YouTube videos only see between 2,300 to 9,800 views based on their category.

the average YouTube channel receives

$18 per 1,000 ad views

which only equates to

$3-$5 per 1,000 video views

YouTube videos only see between

2,300 to 9,800 views based on their category
Although starting a creator business will have its hurdles, the inequalities and challenges can be mitigated. Below, we’ve identified three major challenges creators currently face and how they can work towards overcoming them:

**Standing Out from the Competition**

Creators have to compete for their customers’ attention and dollars. According to our 2021 High Earning Creator Survey, **52% stated that generating new leads was their biggest challenge**. To do so, finding a niche is a must. A niche will help creators connect with potential customers who have a need for the creator’s specific expertise. To help you discover your own niche, we’ve compiled examples of our Kajabi customer niche markets.
Marketing and Operating a Business

Creators need to be prepared to treat their knowledge, content creation, and sales as a true business. Having a structured business plan and budget, plus intentional marketing and customer relations and engagement can increase the chances of success compared to those who have a more passive or less planned approach. It cannot be a “build it and they will come” mentality.

Constantly Changing Revenue - Share Models on Platforms

For creators who are established on platforms with a revenue share model, sudden changes in the payout structure or commission can impact them. For example, Udemy, Vimeo⁸, and Patreon have made recent changes. To safeguard against this, new creators may opt for a platform, like Kajabi, that does not take a cut of creators’ earnings. Whenever revenue-share model changes occur, existing creators often migrate to other platforms, rather than abandoning owned content altogether. This behavior is in line with creators trending away from relying on social media as a main channel for monetization, as they see that they don’t have ownership of their content or audience, and thus, don’t have ownership of their income.

⁸(The Verge, 2022)
How Kajabi Heroes Are Monetizing Their Content

Hear It From Our Heroes

Here at Kajabi, our knowledge entrepreneurs are more than customers - they are our Kajabi Heroes because we know it takes grit and determination to build a business as a solo entrepreneur. Everything we do begins with their stories and ends with their successes, and their successes have become increasingly evident. As of March 2022, the total lifetime earnings of Kajabi Heroes surpassed $3.5 billion and their earnings are up 350% since 2020. They're currently earning at a rate of $1.7 billion per year. We analyzed these numbers through the lens of Kajabi product metrics, like usage rate, plus explored them via qualitative data - testimonials from our users on how to best utilize these digital offerings to build a thriving online business. The product trends discovered within our Kajabi data may be indicative of larger monetization trends playing out in the creator economy.
Online Courses

Online courses consistently remain the product type of choice for Kajabi Heroes. In 2021, online courses made up almost half (41% to be exact) of products created on Kajabi, down slightly from 2020 and 2019 due to the rise of custom digital products and the addition of coaching and podcasting to the Kajabi product-builder. In 2021 alone, Heroes created 127,414 online courses on Kajabi.

Hear it From a Hero

Q: How have your clients reacted to your online courses?

A: “Surprisingly, parents have been giving me loads of good reviews. They actually learn from what I mean to teach. However, it’s important to always update courses and make them easy to understand concepts. You’ll know where you’ll have to tweak when you get the same questions over and over.” - Ming Fung with Agents of Speech
Coaching

In October of 2021, we launched an expanded and upgraded coaching experience on Kajabi. In the last quarter of 2021, Kajabi Heroes launched over 14,000 coaching programs and hosted nearly 150,000 coaching sessions. That’s an average of over 10 sessions per program.

Those who are using Coaching on Kajabi represent a diverse array of business owners. Businesses classified as coaches and entrepreneurs make up the majority. Teachers, creators, freelancers, subject matter experts, authors, influencers, and speakers represent a smaller portion of those who used Coaching on Kajabi in the months after it launched.

The industries represented in our Kajabi Hero community are wide-ranging, including everyone from first-time creators to seasoned entrepreneurs. We explored all industries to determine who is using the Coaching on Kajabi product. **Personal development was the most popular industry, followed by health and fitness professionals.**

**Hear it From a Hero**

**Q** How have your clients reacted to your group coaching program? What do you like most about group coaching?

**A** “I serve primarily creative, service-based entrepreneurs. About 30% of my audience are brand new business owners who often don’t have the budget to hire other service providers at hundreds of dollars per hour. I love teaching and speaking, so group coaching has been a perfect fit for me. My students and clients love that I provide ample resources and time to really dig into their personal questions.” - Braden Drake, tax lawyer and business coach
Membership Site

In 2021, membership sites made up 11% of new products created on Kajabi, with Heroes creating over 35,000 membership sites. Many Kajabi Heroes have found that the true value of membership sites lies in its business model - recurring revenue. Recurring revenue models sell a service or product in a way that the seller receives a steady stream of income.

To illustrate the power of membership subscriptions, we looked into our own data about the earnings of Kajabi Heroes with and without memberships. We analyzed the average sales dollars across all different payment types for all Heroes between Q2 of 2016 and Q4 of 2021. (We eliminated outlier customers for more accuracy.)

Kajabi Heroes who only offer one transaction type - whether it be multiple payments, one-time transactions, or subscriptions - earn less on average than those who offer two or more transaction types. Notably, subscription transactions had the highest average sales among the Heroes that only offered one type - nearly $500 more than those who opted for one-time transactions only.

Hear it From a Hero

Q
What is your top piece of advice for knowledge entrepreneurs?

A
“The learning curve is steep, but Kajabi has done everything to turn that curve into a staircase. The live webinars, Kajabi University, live chat, and the Kajabi Facebook group. These are the resources that are part of your monthly fee with Kajabi; use them. Get to know people, reach out, and ask lots of questions. And before you spend your time or money on consultants, make sure that Kajabi has not already answered or built a course to answer your question.”
- Kurt Aspland of THE DAILY DRAW Membership community
Podcasts

Podcasts launched in July of 2021. **Kajabi Heroes created over 6,000 podcasts with 134,000 total episodes.** This equates to an average of over 20 episodes per podcast, demonstrating that Kajabi Heroes are committed to this medium.

Kajabi podcasts received 2.3 million total streams when hosted on the Kajabi platform. In addition, Kajabi Podcasts can be distributed to Spotify, Apple Podcasts, and Google Podcasts. However, we cannot access the data about the number of downloads from those external platforms.

We also explored the impact that podcasts have on knowledge entrepreneurs. Our analysis of internal data showed that **Kajabi Heroes who launched podcasts earned 26% more than those without a podcast.** Some use the medium to generate leads which eventually lead to sales of other products, while others directly monetize with a premium podcast.

*Hear it From a Hero*

**Q** What do you like about podcasting?

**A** “I like being able to connect with the people I interview and then connect others with them too. I also love being able to share the knowledge and inspiration from the people I interview with the horse world to hopefully help make their journey easier.” - Molly Sanders with A Learner’s Journey Podcast
The Role of Marketing in the Creator Economy

Kajabi Hero Survey Analysis

Content creators are businesses themselves - whether comprised of a single self-employed creator or a creator who manages several employees - a trend that’s taking off as creators become founders of their own startups. Like any business or brand, to thrive and succeed, creators must strategically market themselves and their digital offerings. To do so, creators everywhere are utilizing traditional and modern marketing practices.

We surveyed a cohort of our Kajabi Hero community to discover potential marketing trends within the greater creator economy. Survey questions covered topics related to audience engagement, budget, lead conversion, and other marketing techniques.
Key Takeaways

78% of Kajabi Heroes reported that regular audience engagement was the most important marketing technique.

88% of creators cite social media as their main source of lead generation.

44% of our Heroes stated they were only somewhat confident in their ability to market themselves.
Many Kajabi Heroes weigh the importance of certain marketing techniques over others in regards to online business success. At 78%, the majority of Heroes surveyed reported that regular audience engagement was the most important marketing technique, with audience segmentation and targeting falling close behind.

*Respondents could select more than one option*
When it comes to a marketing budget, 22% of our Kajabi Heroes surveyed spend under $500 annually, 19% spend between the range of $2,000 - $4,999, while the next group - at 17% - spends $10,000+ on their marketing annually. Though these numbers vary wildly, they indicate the importance of a marketing budget that's aligned with the growth stage of a business.
Driving high-quality traffic to a creator’s website is essential to an online business’s success. As you might expect, nearly 90% of creators cite social media as their main source of lead generation. Email marketing followed, with 71% of Heroes reporting it as one of their main sources of driving traffic directly to their website.

*Respondents could select more than one option*
We asked our Kajabi Heroes how confident they are in their ability to market their brand and their business. With nearly half of them reporting that they are only somewhat confident, it’s increasingly important for creator platforms to develop content and tools that support new creators’ marketing endeavors in the beginning stages of their business.
To help us determine how important email marketing is to our Kajabi Heroes, we asked them about the size of their contact list. Nearly one-third of respondents reported that they had curated a list that includes between 1,000 to 4,999 contacts. In comparison, the smallest percentage of Heroes reported having a no-contact list.

Contact lists between 1,000 to 4,999

1/3 of respondents reported they had curated a list that includes between 1,000 to 4,999 contacts.

Still working on building my list

<table>
<thead>
<tr>
<th>Size of List</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1-99</td>
<td>11%</td>
</tr>
<tr>
<td>100-499</td>
<td>21%</td>
</tr>
<tr>
<td>500-999</td>
<td>17%</td>
</tr>
<tr>
<td>1,000-4,999</td>
<td>29%</td>
</tr>
<tr>
<td>5,000-9,999</td>
<td>9%</td>
</tr>
<tr>
<td>10,000 or more</td>
<td>12%</td>
</tr>
</tbody>
</table>
Another important element of successful marketing is contact-nurturing campaigns. In regard to this marketing practice, we surveyed our Heroes on how they build a reputation and create trust with new contacts. Email marketing was the main tool used to nurture the customer relationship, with 66% of Heroes using a welcome email and 62% sending frequent follow-up emails.

*Respondents could select more than one option*
We also surveyed our Heroes on how long they nurture a contact before targeting them for monetization. The vast majority reported waiting between two to four weeks, while a quarter waited one week or less, and another quarter waited anywhere from four weeks to six months. This data could indicate that people are seeing the most success with the two-to-four-week time frame.

<table>
<thead>
<tr>
<th>Waiting Time</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 week or shorter</td>
<td>27%</td>
</tr>
<tr>
<td>2 - 4 weeks</td>
<td>41%</td>
</tr>
<tr>
<td>4+ weeks - 6 months</td>
<td>25%</td>
</tr>
<tr>
<td>6+ months or longer</td>
<td>7%</td>
</tr>
</tbody>
</table>
Great audience engagement helps build brand trust and increase sales, but where you interact with your audience can play a significant role in the efficacy of your engagement strategy. Many of our Heroes engage with their audience via email, Facebook, and Instagram, all of which see user and engagement numbers in the billions.

*Respondents could select more than one option*
Content Creator Platforms

Lead conversion is one of the hardest and most important aspects of marketing. To get leads to purchase their product, our Kajabi Heroes reported using the following marketing approaches:

→ Social media
→ Email offers
→ Free trials
→ Free webinars
→ Course teasers
→ Discovery calls
→ Personal 1:1 outreach

Don’t miss out!
Niche Knowledge

Many Kajabi Heroes find success by monetizing their niche-knowledge expertise that is hyper-specific or narrow to a subject. By honing in on a niche, entrepreneurs can reduce competition with other digital products on the same general topic and reach higher-quality traffic with greater purchase intent. Additionally, by addressing specific needs or use cases, these Heroes can position themselves to best provide for their potential customers’ needs. This can lead to higher customer confidence, and in turn, more digital product sales.

Here, we’re sharing Kajabi Heros who have unique and interesting niching... and are making money doing it.

Doulton Wiltshire runs CommAdvantage which supports students pursuing a Bachelor’s of Commerce at Queen’s University in Ontario, Canada. She’s leveraging unique expertise and familiarity with the structure of one specific academic program to provide tutoring for a small audience.

Shobhit Chugh is a career coach - but niches his business by focusing on one specific job. He runs Intentional Product Manager which helps product managers and product leaders become more visible within their organizations. He’s earned his niche knowledge through an MBA degree, experience in a startup and subsequent company sale, and his day job, which happens to be at Google. He’s trained product managers at global companies like Disney, Nike, Pinterest, and CapitalOne.
Alex Ong instructs others with Trade for a Living - but the trading doesn’t refer to the stock market. With Kajabi, he teaches how to earn money trading on Betfair markets, for soccer (as it’s known in the US). He joined Kajabi in 2020 and has earned $650,000 so far. He says, “The sports trading niche is extremely competitive. Fortunately for me, I found Kajabi very early on which allows me to offer a service that is far more professional and polished than most of my competitors. This has the added benefit of giving my clients confidence in what I do before they have even seen the courses.”

Muhammad Al Andalusi offers online courses and a community with the Andalusi Institute. Here, he teaches students Arabic, with a specific goal of helping Muslims understand the Quran in less than two years. With niche knowledge focused on language learning and a method to help people understand key vocabulary for their needs, he connects with a targeted subgroup of people who have a specific goal. He has earned $129,000 since joining Kajabi in 2019.

Molly Sanders started her career as a teacher in 1996 and became a full-time equestrian professional in 2009. During the pandemic, she transitioned to creating virtual events, uniting her niche horsemanship knowledge with her teaching experience. She uses Kajabi to host her virtual clinics, courses, podcast, and website, Shine a Light Productions. Reflecting on her knowledge commerce journey, she said, “I had started working with a variety of horsemanship instructors designing online courses and was loving learning with each of them. I wanted to share that learning with my community and other horse lovers.”
The Great Resignation - The Changing Way We Work

At the end of 2021, a revolution in the workplace began - aptly dubbed the Great Resignation. The combination of a tight demand for labor, high inflation, and changing personal priorities — like realizing the standard 9-to-5 day in a cubicle is an archaic practice — sparked a record-breaking worker exodus. In December 2021, 4.3 million people quit their jobs, only slightly down from the peak of 4.5 million quitting the month before.\(^9\)

In December 2021, 4.3 million people quit their jobs, only slightly down from the peak of 4.5 million quitting the month before.

While some of these workers went on to find jobs in new industries, others started their own businesses. The Wall Street Journal reported that as of October 2021, the percentage of self-employed workers in the United States reached its highest point in 11 years and made up 5.9% of workers.\(^10\) Pew Research Center reported similar data - 16 million of the 150 million workers in the United States are now self-employed.\(^11\)

Prior to the Great Resignation, there were a number of existing tools and platforms to facilitate the creation, marketing, and management of newfound online businesses, including Kajabi. But, even the existing tools will need to address creators’ needs by guiding them through the beginning stages of their entrepreneurial journeys.

How the Creator Economy is Disrupting Higher Education

Higher education, once almost universally seen as the ticket to a successful career and financial security, has experienced a decline in enrollment since 2012 in the United States. The pandemic spurred further enrollment drops of 3.2% for the fall 2021 academic year and 3.4% for the fall 2020 academic year. After gains in the height of the pandemic, even primarily online schools experienced a decline in the fall of 2021.

The rising cost of education and student loan debt is one factor. Another is the high-quality and vastly more affordable educational content coming from independent content creators. With knowledge content, experts can directly sell relevant courses to people who need them. Kajabi Heroes in the academic space increased their income by 45% from 2020 to 2021, and that number continues to grow. In January 2022 alone, this creator niche saw a 253% increase in revenue.

There was a 253% increase in revenue generated from January of 2022 from the academic space.
For a student who is looking for direct training rather than the full cost and requirements of obtaining a degree, engaging in the knowledge economy can help them quickly get what they seek. This sort of online learning is much more flexible and accessible to those seeking to uplevel their skills and enter the workforce without a mountain of debt.

As the creator economy grows, it will exert more pressure on higher education to conform to not only what students want to learn but how students want to learn, and even who students want to learn from. This has the power to set in motion a shift towards self-paced learning options and lower tuition rates. Whatever happens will likely take years to reveal itself, but what's clear is the creator economy may have widespread effects on higher education, possibly moving us toward a more accessible future of learning.
The Creator Economy Forecast

What pandemic trends will stay? What trends will go?

As a result of the pandemic, the world suddenly and rapidly adapted to virtual entertainment, connection, and learning. Even though the world has now begun to resume in-person events, virtual events will continue in some capacity. Summits, trade shows, conferences, and events will no longer be exclusively in-person; instead, they will have a digital or virtual element to expand their reach.

The combination of in-person and virtual elements has become known as a hybrid model, and it isn’t only being implemented for events. Throughout the pandemic, hybrid work environments have become the norm.\(^\text{14}\) The attitude that has come with the freedom of performing a job in any location of one’s choosing has spread to other areas of voluntary consumption. Now, people expect to have the ability to consume content from wherever they desire.
The hybrid model is working (and will continue to work) for workplaces, events, and experiences. Why? By maintaining a virtual option alongside an in-person experience, everyone from employers to event organizers can reach a wider audience and maximize revenue. At Kajabi, we believe the hybrid model works because it provides people greater ownership of their time, and ultimately, their lives - one of the very reasons our knowledge creators thrive.

As for what trends will go, it’s important to consider the shift in demand. During the pandemic, people craved content they could consume from home. But as the world slowly reopens, a full two years after the beginning of the pandemic, people have and will increasingly resume spending their time and money on in-person experiences. However, the pandemic has fundamentally shifted the way we work and consume content, which means the hybrid model, and as a result, the need for digital content is not fading anytime soon.
Methodology

Marketing Experience Survey Data

Run date: 12/2/21 - 12/13/21
Sample: Active Kajabi customers
Number of responses: 578 qualified complete responses (95% confidence interval, 5% margin of error)
“The purpose of the Marketing Experience Survey was to understand the breadth and depth of Kajabi customers’ marketing knowledge and experience. We also wanted to know what channels Kajabi customers were using and their marketing performance. We sought to understand this so we can support our customers in advancing their marketing skills. The survey was conducted from 12/2/21 to 12/13/21 by the Kajabi Research Team.”

2021 High Hero Tier Gross GMV Survey
Run date: 8/17/21 - 8/26/21
Sample: Active Kajabi customers with lifetime earnings of $250,000 or more
Number of responses: 204 qualified complete responses (95% confidence interval, 6.5% margin of error)
We aimed to understand the primary challenges this customer group faces, the perceived barriers to growing revenue, and the role of macroeconomic forces in revenue growth.

Internal data
Run date: 1/1/2021 - 12/31/2021
Sample: All Kajabi customers. The number of customers fluctuates throughout each month due to signups and cancellations, but for 2021 we ended the year with 53,519; 2020 ended with 38,964 customers, and 2019 ended with 22,852. The data was pulled by the Kajabi Data Analytics team.
Please note we cannot access email data from customers using an alternative email marketing service, and we cannot capture revenue numbers for any transactions or revenue processed outside of the Kajabi platform. Certain graphs and data points have additional criteria that narrowed the pool of customers included, and those have been noted where relevant.

All data is for general analytical use only. Individual responses are confidential, and we do not share the identity publicly or with third parties.

For access to data or to discuss a collaboration, please email media@kajabi.com.

References


