

LET'S GET DOWN TO THE
NITTY-GRITTY OF EARNING
MONEY FROM SHORT-FORM
CONTENT ON YOUTUBE.

THE LEAP Despite the emergence of other popular social media apps over the years, YouTube is still a great place for creators to build an audience online. And with the release of its short-form section, YouTube Shorts, the platform has become a content powerhouse for all sorts of video creators, including those specialized in bite-sized content.

While creating content is fun and fulfilling, it's even better when you can earn some money from it. So, how can you start monetizing YouTube Shorts? It turns out you don't need a massive following — you just need to create consistently. Let's dive in!

## What are YouTube Shorts?

YouTube Shorts are short-form, vertical videos that are up to 60 seconds long. Shorts are displayed on their own feed on the YouTube app and website. With the Shorts Feed, viewers can explore and watch an endless stream of short videos, similar to how they might scroll through TikToks.

Creators can record and edit Shorts directly on the YouTube app, and use built-in tools to add captions, hashtags, and sounds. Since its global release in 2021, YouTube Shorts has grown in popularity, crossing 50 billion daily views as of early 2023. If you're a creator, especially one who's focused on short-form video content, now is a great time to start making YouTube Shorts part of your



## Why should creators make YouTube Shorts?

For one, Shorts <u>use a different algorithm</u> than that of regular, longer YouTube videos. That means YouTube Shorts could help you pull in new subscribers who might not otherwise get your videos in their recommended feed. Because Shorts are placed in their own feed, and viewers tend to scroll through a bunch of them in one sitting, Shorts could give your channel a better chance of being discovered.

In addition, Shorts are easier to film and edit than longer YouTube videos. Since Shorts can be created with just a smartphone, creators don't have to invest a lot of time and resources in making them. In other words, Shorts are ideal for helping you experiment with new types of content and find new ways to engage with your audience.

But more than that, making YouTube Shorts could also help you earn money online. You could monetize Shorts in a number of ways, similar to how you would with regular YouTube videos. Keep reading to learn how!

## 8 Ways to Monetize YouTube Shorts

- 1. 🏮 Earn advertising revenue
- 2. Earn from YouTube Premium
- 3. Turn on channel memberships
- 4. Sell merch
- 5. Join affiliate programs
- 6. Sell digital products
- 7. Partner with a brand
- 8. Create UGC for brands

# Earn advertising revenue

In February 2023, YouTube <u>updated its ad</u> revenue-sharing model, allowing eligible creators to earn monthly revenue from ads that appear in the Shorts feed.

<u>Here's how it works</u>:

- 1. First, the revenue generated from all ads in the Shorts feed is pooled together.
- 2. Then, the portion going to creators the Creator Pool is calculated.

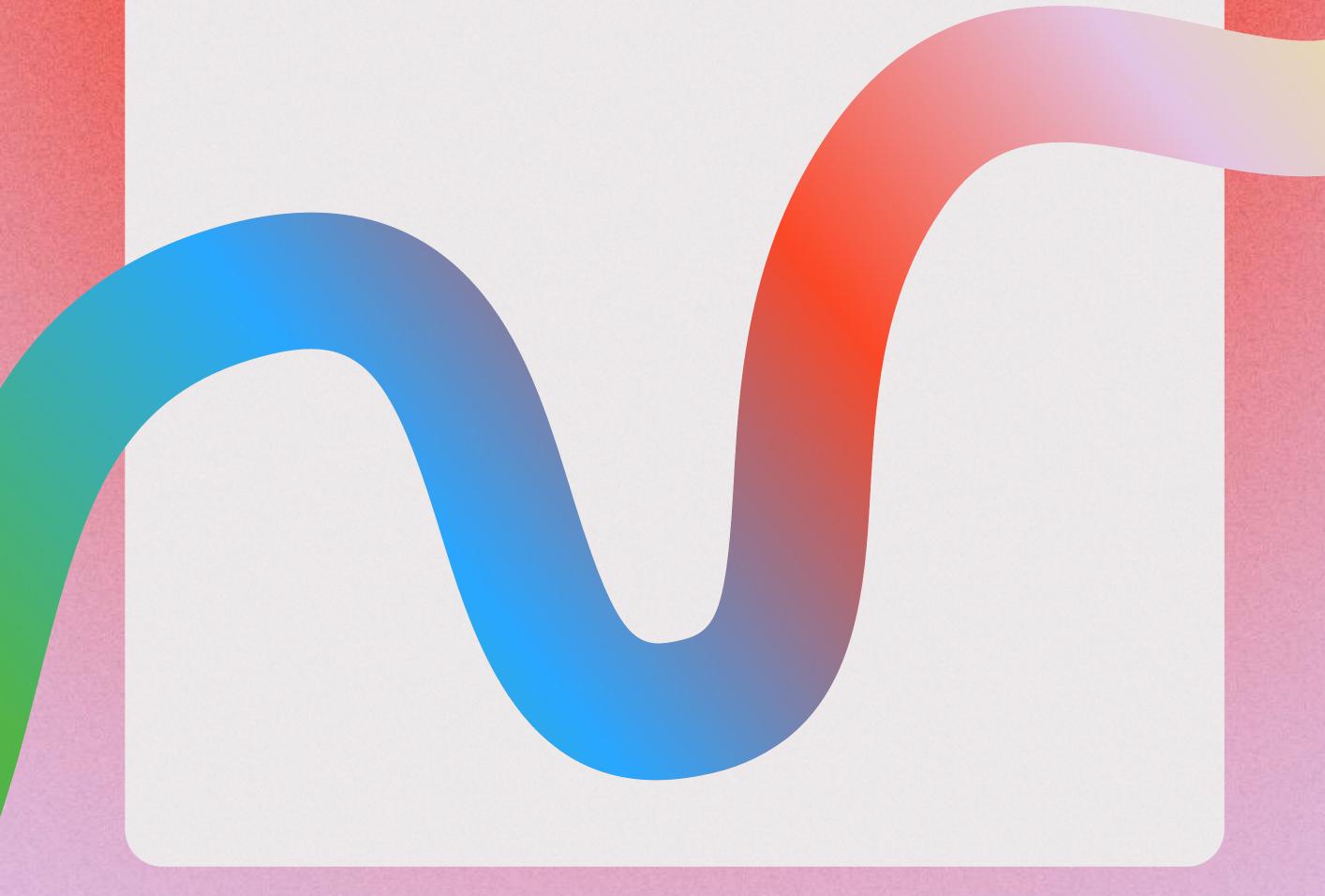
Some of the money from ad revenue will go towards paying for music used in Shorts, and the exact amount depends on the number of songs used in each Short.

For example, if a Short features three different songs, then only a quarter of the ad revenue it generates will go to the Creator Pool — the rest goes to paying for music licensing.

3. The money from the Creator
Pool is allocated to each Shorts
creator, depending on how many
views their Shorts received.

So, if your Shorts made up 2% of the total views for all eligible Shorts, then 2% of the revenue from the Creator Pool will be allocated to you.

4. Finally, the creator's share of that allocated revenue will be given to them. That's right, you're not going to get all the revenue that's allocated to you. Creators will receive only 45% of that amount, while YouTube keeps the rest of it.





### © Confused about the math? Let's try this with some numbers:

Let's say the total revenue from ads in the Shorts feed amounts to \$90,000 in a given month. Imagine every creator in the Creator Pool used one song in their Shorts. That means half of all funds generated from ads will go towards paying for music licensing, and the other half will make up the Creator Pool, leaving us with \$45,000.

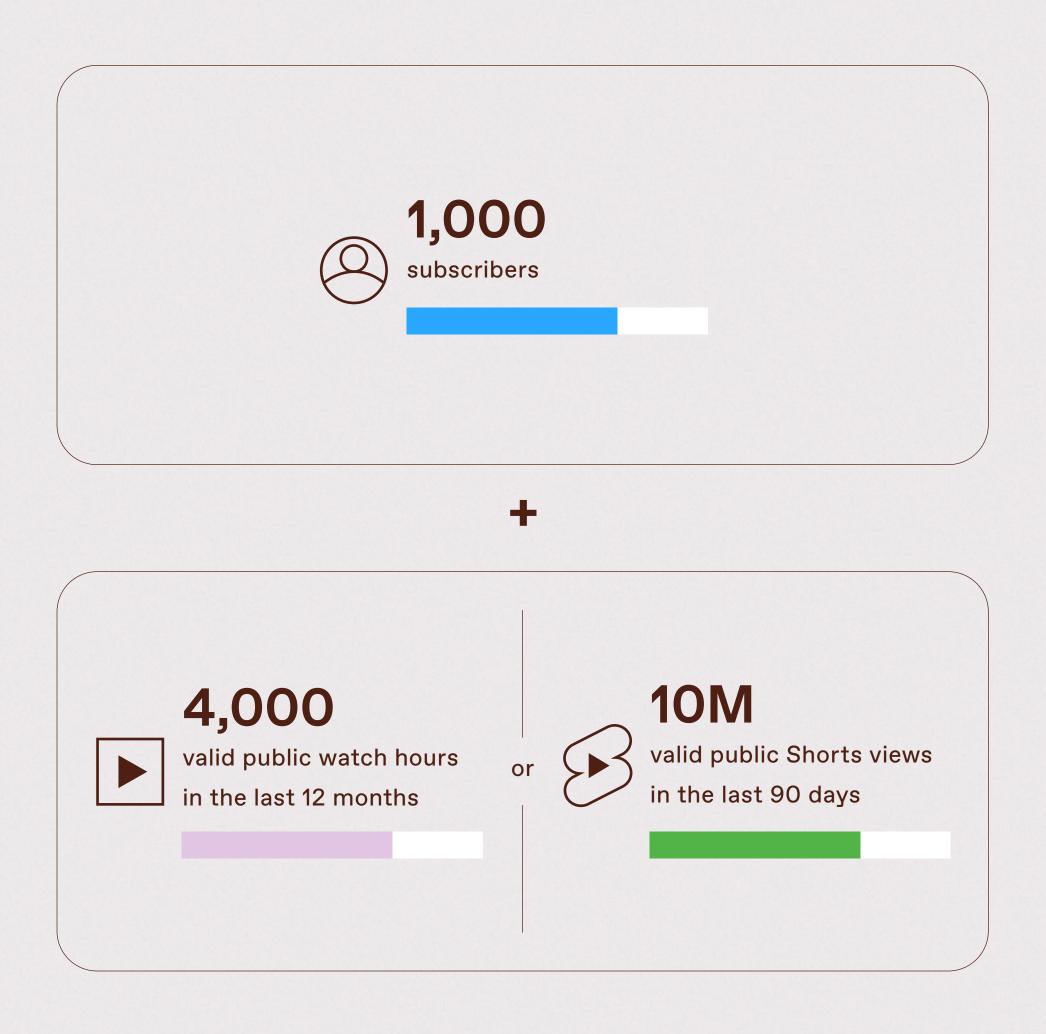
Now, if your Shorts made up 2% of all eligible views in the Creator Pool, then you're allocated 2% of \$45,000 (i.e. \$900).

Finally, apply the revenue share (45% of \$900). You'd essentially earn \$405 from this program this month.

### So, who's eligible for this ad revenuesharing program?

To start earning ad revenue on YouTube, you'll first need to join the YouTube Partner Program. With Shorts specifically, the minimum requirement to apply for the program is to have 1,000 subscribers and 10 million public Shorts views in the last 90 days. That means even if your focus is short-form video, you can still earn money on YouTube.

#### YouTube Partner Program Eligibility



### There are a few other eligibility requirements to keep in mind. You must:

- Comply with <u>YouTube's channel</u> monetization policies.
- Live in a region where the YouTube Partner Program is available.
   Here's the full list.
- Have no <u>Community Guidelines strikes</u> on your channel.
- Have <u>2-step verification</u> turned on for your Google account.
- Have an <u>active AdSense account</u>.



### How to apply for the YouTube Partner Program

If you meet the eligibility requirements, you can join the YouTube Partner Program to start earning ad revenue and unlock other ways to make money on YouTube. Follow these steps to apply:

- Sign in to YouTube on a computer (alternatively, you could apply on the YouTube Studio app).
- 2. Click your profile picture at the top right, then click YouTube Studio.
- 3. In the left menu, click **Earn**, then select **Apply**.
- 4. Click **Start** to review and **Accept** the base terms.
- 5. Click Start to set up an AdSense account, or link an existing active one. You should then see In Progress in the Get Reviewed step.

You should hear from YouTube within one month after it's reviewed your channel. If your application was unsuccessful, don't worry — you can reapply after 30 days!

### Figure 12 Page 12 Page 12 Page 13 Page 14 Page

Once you've joined the YouTube Partner Program, there are a few more things you need to do in order to start earning ad revenue from your Shorts:

- 1. Sign in to YouTube Studio.
- 2. In the left menu, select Earn.
- 3. Click **Get Started** for each optional Module to review and accept their terms. To monetize Shorts specifically, accept the **Base Terms** and the **Shorts Monetization Module**.

Once you start earning from the Shorts revenue-sharing program, you can always check in on how much you've made through YouTube Analytics. For reference, some creators have said they're earning \$0.04 to \$0.06 per 1,000 views.



### **HOT TIPS**

To earn as much ad revenue as you can, you need to get lots of views from your Shorts. Here are a few tips for achieving that.

Experiment with your content: Whether you're making Shorts from scratch, or you're repurposing longer videos and editing them into clips, keep trying and creating until you find something that resonates with viewers — then do more of that.

Optimize your Shorts for search: In the context of YouTube Shorts, SEO (search engine optimization) is about making it easier for viewers to discover your Shorts. Research popular keywords that describe the content you're creating, and use them in your Shorts, descriptions, and hashtags.

Create consistently: If you're only posting a single Short every other week, it's unlikely you'll see success. Shorts are easy to make, so create and publish a bunch of them!

### 2

### Earn from YouTube Premium

YouTube Premium offers viewers an ad-free viewing experience, but it also serves as a revenue stream for creators. Since YouTube Premium subscribers don't see ads, when they watch your Shorts, YouTube will send a portion of the fee that they pay for Premium to you!

Basically, if you have viewers who pay for YouTube Premium, you can earn some of that subscription fee with your Shorts.

### **HOT TIPS**

Create scroll-stopping content: The more of your Shorts people watch, the more of their Premium subscription fee goes to you. Focus on creating original content — and interesting hooks — to catch viewers' attention instantly.

Encourage your audience to get YouTube Premium: If you want more of that sweet YouTube Premium money, you could try and mention it in your Shorts. Maybe even get it yourself and show off the benefits to your viewers.

## Turn on channel memberships

With YouTube channel memberships, your subscribers can show their support to you through recurring monthly payments, while getting access to members-only content and other perks. As long as you have joined the YouTube Partner Program and meet other eligibility requirements, you can start raking it in through this way.



Offer premium content: Your channel members are some of your most dedicated followers, so be sure to create exclusive, valuable content for them. For example, you can host a members-only livestream where you answer fan questions submitted in the live chat.

Invite subscribers to become channel members: Once your channel is approved for memberships, make sure your subscribers and viewers are aware of them. Promote your memberships and encourage sign-ups in your free content by including a sneak peek at the exclusive perks you offer.



### Sell merch

Did you know that you can promote your merch on YouTube? Sure, you can simply mention it in your videos, but YouTube has inapp features built specifically for this purpose.

YouTube Shopping has a suite of features that let you set up your own store on YouTube, and plug your products everywhere on YouTube — that includes tagging products in your Shorts. This means you can essentially turn your Shorts into advertisements for your merchandise.

Better yet, viewers can purchase products as they scroll through Shorts, meaning it's that much easier to get them from your content to a checkout screen.

### **Hang tight**

YouTube is currently <u>testing shopping</u>
<u>features on Shorts</u> in select regions like
the U.S. If they aren't available to you yet,
don't fret — the platform is planning to
roll them out to more creators and places
in the future.

### **HOT TIPS**

Sell merch with broad appeal: While you could make decent money by making super-niche merch for a super-niche crowd, typically, merch with more general appeal is easier to sell.

### Show off your merch in your Shorts:

You don't necessarily have to make your Shorts all about your merch. If you're selling a logo sweatshirt, for example, even just wearing it or displaying it in the background is enough to remind your audience that it's available



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## Join affiliate programs

Affiliate marketing refers to advertising a brand's products in your content, and getting a kickback whenever a customer makes a purchase. It's a great way to monetize YouTube Shorts, because you aren't limited in what products you can advertise — from clothes and beauty products, to tech gadgets and furniture.

To maximize your income, you can join a mix of affiliate programs. <u>Amazon</u>
<u>Associates</u> and <u>ShareASale</u> are just some of the most popular options out there.

### • Keep your eyes peeled

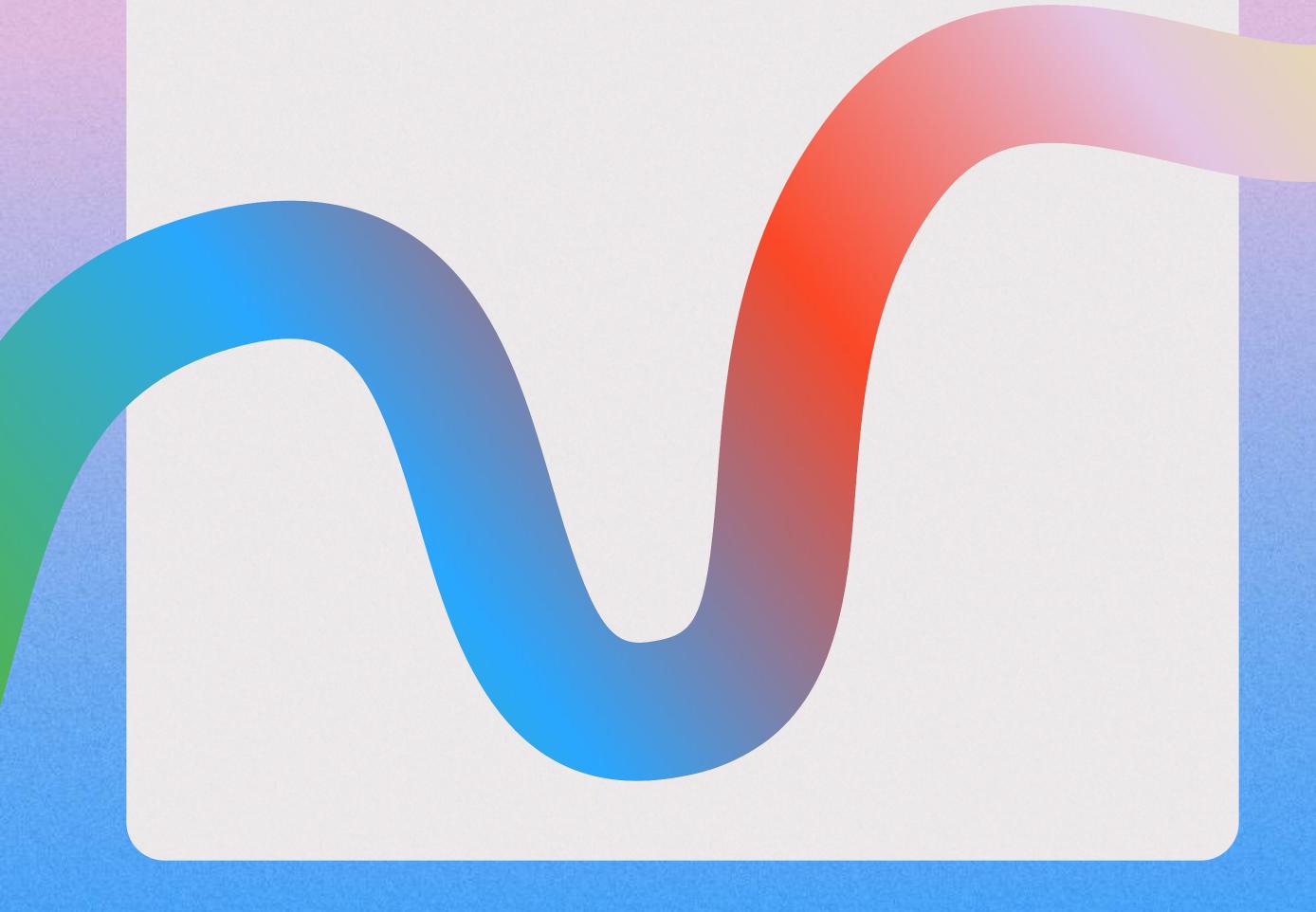
YouTube is experimenting with <u>its</u> own affiliate program, and is now letting select U.S.-based creators earn commissions through purchases of recommended products in their Shorts. Watch this space!

### **HOT TIPS**

### Sign up for multiple affiliate programs:

While a program like Amazon Associates can cover different product categories, you should hedge your bets and maximize your earning potential by joining multiple affiliate programs.

Always add affiliate links in your Shorts' descriptions: Even if your content isn't about any specific product, you can still include affiliate links in your video description. For example, you can insert affiliate links in your Shorts description for the gear you've used for filming the content, or the clothing items you're seen wearing in the video.



### 6

# Sell digital products

As a creator, selling digital products is one of the easiest and most sustainable ways to monetize your audience. Why? One big reason is that digital products are independent from platforms like YouTube — meaning a change in the YouTube Partner Program, for instance, won't affect how much money you can make from your products.



#### But wait, what are digital products?

Digital products are anything you can sell online that don't require manufacturing, shipping, or inventory space. If you can make it, sell it, and use it on a device (like a phone or computer), it's probably a digital product. Here are just some examples:

- Templates: No matter your niche, you can create some kind of fill-in-the-blanks solution for a common problem.
   From CV samples to expense-tracking spreadsheets, templates are hugely valuable as they can help people save time in their daily lives.
- Ebooks: Like print books, ebooks can certainly take some time to write.
   However, if you've got some kind of expertise or knowledge to share, and you know that's something people would be willing to pay for, consider publishing an ebook.
- Online courses: Whether your content is focused on fitness, personal finance, career advice, or content creation itself, you can transform your knowledge into courses for those eager to learn from you.
- Digital downloads and tools: Think
   pricing calculators, sound effects, and
   Photoshop brushes basically anything
   that's instantly downloadable and can
   help people perform their tasks.

## So, why should creators sell digital products?

There are many benefits to selling digital products, especially when compared to selling physical goods like merch. Here's why you should consider selling your own digital products:

### They're cheap to make.

Producing physical goods can require lots of effort and costs, especially when you have to account for manufacturing, inventory, and delivery. With digital products, however, you only need to create them once, and can then sell them over and over online. Not only are you saving money, but also your precious time!

### They can be delivered to customers easily.

Physical products need an entire logistical infrastructure to go from a concept to an actual product sitting on a customer's porch. For digital products, that infrastructure is replaced with a single download or streaming link. Easy peasy.

### They can help you earn passive income.

Since they only need to be produced once and can be sold repeatedly, digital products are a great source of passive income. Once a digital product is created and uploaded to your online storefront, there's little work that you need to do besides marketing it to your audience. So, create a great product, and watch the cash roll in!

### You're adding value to others.

No matter what niche you're in, there's a whole range of digital products you can create to help solve common problems.

Online courses, downloadable templates, PDF guides, and printable worksheets are all examples of digital products you can make to help customers meet their needs.



# How to sell digital products on YouTube Shorts

Have an amazing idea of a digital product you want to create and sell? Follow these steps to get started, and learn how to leverage YouTube Shorts to generate sales.

### 1. Do some research and create your product

Before you start building your digital product, you need to know if it has the potential to sell. Poll or survey your audience to find out what's something they need. Do some keyword research by using a tool like <u>Google Trends</u>. Finally, scope out the competition and see what's already available on the market, and figure out how you can make a better product.

### 2. Set up your online storefront

After you've created your digital product, you'll need to find a way to sell it. You can use a website builder like <u>Squarespace</u> to build your own web store. Alternatively, you can upload your product to an online marketplace like <u>Gumroad</u> or <u>Etsy</u>.

#### 3. Promote your product with content

Be sure to mention your product in your content whenever appropriate. Let's say you created a PDF guide on how to prepare for job interviews. You can easily promote your product by posting Shorts about "the best tips for a successful interview" to attract potential customers. To leverage your Shorts to make more sales, don't forget to add a link to purchase your digital product to your video descriptions.

## We're building a tool to help you make money

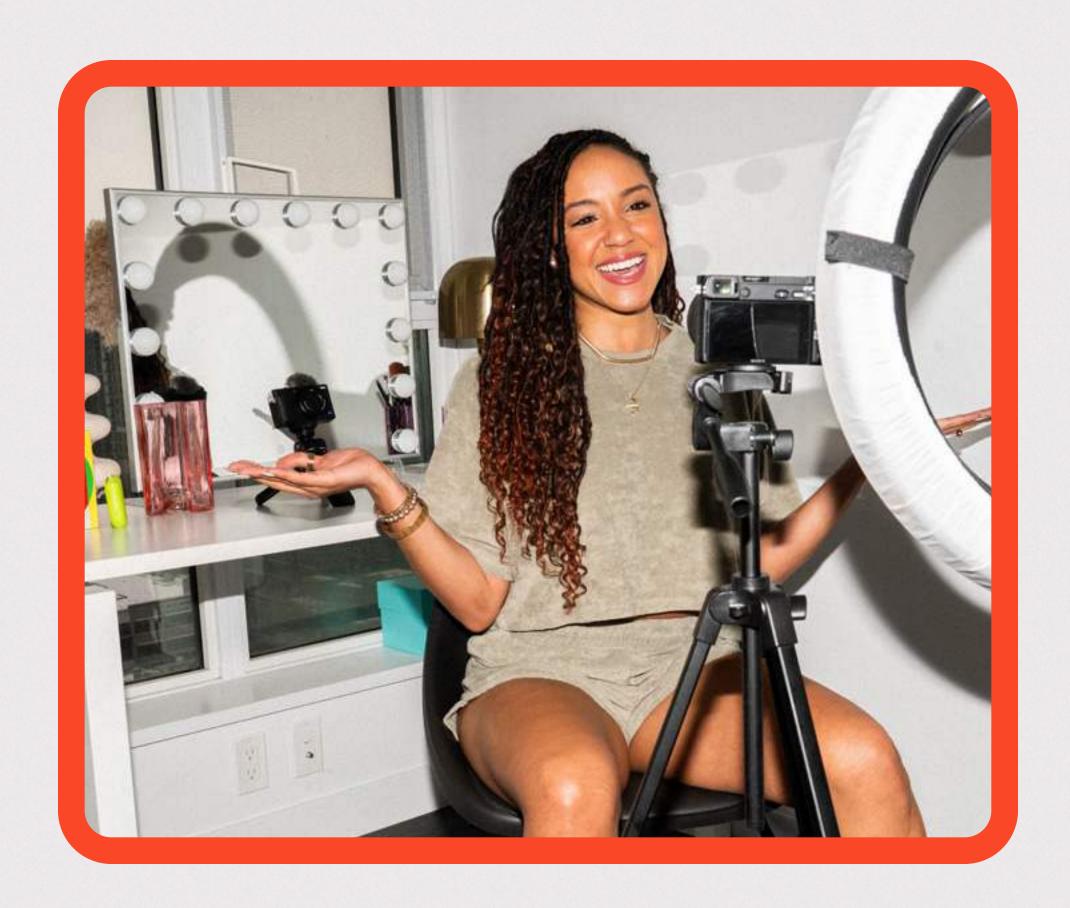
Want to sell digital products but don't know where to start? Here at <a href="The Leap">The Leap</a>, we're building a free, easy-to-use tool to help creators transform their knowledge into digital products and make money online solutions. Join the waitlist for updates and an opportunity for early access!

Get on the waitlist

### **HOT TIPS**

Build an email list: Collect emails and sign customers up for your marketing. That way, instead of hoping that your organic content gets picked up by the YouTube Shorts algorithm, you can guarantee that your promotional materials go directly to your audience's inbox.

Try paid advertising: Even if you have many YouTube subscribers, your reach could only go so far. That's where paid advertising comes in, as it could help bring in new customers. You could try advertising your digital product on other social media platforms like Instagram, or plug your ads on websites, blogs, and even other YouTube channels via Google AdSense.



# Partner with a brand

Working with brands is still one of the best ways to make bank on YouTube, and Shorts can be a huge part of that strategy.

Since Shorts are displayed in an infinite-scroll fashion and are up to only 60 seconds long, they could get in front of more potential customers than regular, longer YouTube videos. And because Shorts are so easy to make, you could quickly film and edit multiple sponsored Shorts in a day — meaning you could partner with more brands and increase your earning opportunities.

### **HOT TIPS**

#### Be proactive and reach out to brands:

To start earning money from brand deals, you can't just sit back and wait for brands to come to you. Instead, actively hunt for these opportunities. You can sign up for influencer marketing platforms like <u>Creator.co</u> to connect with potential brand partners.

Try out sponsorships for a variety of products: To identify types of products that appeal most to your audience, experiment working with different brands — especially early on. Shorts are quick and easy to make, so you have a lot of room to do that.



## Create UGC for brands

Making user-generated content (or UGC) for brands is a great way to monetize YouTube Shorts, even if you don't have a huge audience. That's because brands are less concerned with a <u>UGC creator's</u> following, and instead value their ability to create high-converting content.

UGC content is usually contracted out by brands, and typically features creators showing off a product or service in an authentic-feeling, approachable manner. When you create UGC Shorts for a brand, the content produced will be posted on the brand's own YouTube channel, rather than your account.

### **HOT TIPS**

#### **Build your content creation skills:**

To become a successful UGC creator, you'll need to show brands that you can create high-quality content. Take time to acquire and improve your content creation skills, whether that's photography, video, script writing, acting, or editing.

Create a UGC portfolio: Your portfolio will give potential brand clients an idea of who you are as well as your content creation skills. If you've made UGC for brands before, be sure to include examples of your previous work in your portfolio.



## Top tips to make bank with YouTube Shorts

No matter how you choose to rake in the dough with Shorts, make sure you're getting the most out of the time you're putting into it. Here are some helpful tips:

#### Build and engage with your audience:

No matter the size of your following, there's always value in taking the time to nurture your audience. If you're new to YouTube Shorts and only have a few subscribers, focus on creating a bunch of content, try new experiments, and see what makes your views and subscriber count grow. And when you've built a strong following, be sure to engage with your audience by paying attention to what they like and listening to their feedback.

Experiment with your content: This is especially important early on in your channel's growth. The best way to figure out what you're good at and what resonates with viewers is to try a bunch of different things. Shorts are great for this, because they're a lot quicker and easier to make than longer YouTube videos.

### **Optimize your Shorts for visibility:**

With just a few SEO tweaks, you can help your content reach a broader audience. Research the best keywords for your content, and make sure you include them in your Shorts, descriptions, and hashtags.

Post consistently: You're probably not going to see instant results when you're just starting to post on YouTube Shorts, and that's okay! At this early stage, it's a lot more important to publish content regularly than to come up with the perfect video idea every single time. Upload as many Shorts as you're comfortable creating, and you'll soon start seeing growth.





Want more tips for making money online as a creator? Make sure to subscribe to The Leap's weekly newsletter.



