

Twitter Thread by Ryan Gum ■



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Thinking of starting a Substack?

Read this first ■

Thinking of starting a Substack? Think again.

Substack has started a movement.

They mainstreamed paying for independent written content, and changed the lives of thousands of writers in the process.

But if you're thinking about starting one, think again.

Firstly: if you are a professional writer, consider Substack.

Substack has made it clear that it's for professional writers. In 2020 they rolled out initiatives like writer grants, legal support, and mentorship. They're building for YOU.

Want to take some time off? One of their smartest features gives writers the power to pause paid subscriptions.

If you call yourself "not tech-savvy", their platform is the easiest out-of-the-box option.

Still, there are successful writers who are 'graduating' from Substack when they hit some of the issues below.

If you're any other type of creator, don't choose Substack.

💰 **High fees.** The Substack revenue calculator shows a low ~80% profit margin for creators (substack.com/going-paid).

"After Substack (10%) & Stripe fees (2-4%), & taxes, you're lucky to see half of what you think you will make (1k subs at \$10 is closer to \$5k/month after fees & taxes)." – @lennysan

📧 **Underpowered email.** When you start to see success, you'll want to sell other products to your audience (see: "Multi-SKU creator" by @hunterwalk). This needs audience segmentation & automation— you can do neither here.

🌐 **Underpowered website.** Sure, you get a home on the internet for your writing. But ability to customize your site design, layout, and organization is limited. It's 1 long feed. This is not ideal for discovery, evergreen content, and SEO.

Consider these alternatives

Convertkit, Ghost, or Letterdrop are all good options. Email is a powerful tool for distribution and monetization. Newsletters are only one part of an email strategy, and switching costs are high.

Choose wisely.

ryangum.com
@ryangum

ship30for30.com

As someone working in the creator economy space, I love the movement that Substack started.

They mainstreamed paying for independent writing, and changed the lives of thousands of writers in the process.

But they're building for a specific type of creator.

Substack has made it clear that they're focusing on professional writers.

(Putting my product hat on, this is a smart strategy for them to differentiate and win a specific market)

In 2020 they rolled out initiatives like grants, legal support, and mentorship for writers.

If you call yourself "not tech-savvy", their platform is the easiest out-of-the-box option.

Want to take some time off? One of their smartest features gives writers the power to pause paid subscriptions.

If you're a professional writer, Substack might be a good option for you to start with.

But, there are successful writers who are 'graduating' from Substack when they discover a few problems.

<https://t.co/ryvYz4kXvD>

Interesting point from [@JayCoDon](#) on why he left Substack.

"Substack" becoming synonymous with "newsletter" on Twitter certainly has its pros.

But, there are also cons that may turn off future creators. pic.twitter.com/o5BhWxFv4x

— Austin Rief [@austin_rief](#) December 16, 2020

If you're any other type of creator, don't choose Substack. 3 main reasons why:

■ High take rate

The Substack revenue calculator (<https://t.co/QG6UhlCbyp>) shows ~80% profit margin for creators. Competitors are closer to 95%.

<https://t.co/f98WLD6rzo>

■ Underpowered email

When you start to see success, you'll want to sell other products to your audience (see: "Multi-SKU creator" by [@hunterwalk](#)). This needs audience segmentation & automation—you can do neither here.

<https://t.co/m0xR1ILXeM>

Since this NYer article about Substack quotes a paragraph from my blog post about MultiSKU Creators but doesn't link to it <https://t.co/QS206eYRsT>

Refusal to link credit is one persistent example of how traditional media still doesn't truly embrace internet culture
<https://t.co/FUDvLgamBI>

— \U0001f468\U0001f3fb\u200d\U0001f4bb\u2615\u2014 (@hunterwalk) December 28, 2020

■ Underpowered website

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Consider these alternatives

[@ConvertKit](#), [@Ghost](#), or [@letterdropco](#) are all good options.

Email is a powerful tool for distribution and monetization. Newsletters are only one part of an email strategy, and switching costs are high.

Choose wisely.

Related reading:

<https://t.co/sYBtpRj7H>

You can now run paid newsletters through [@ConvertKit](#)!

Here's why you'll love it:

- Free for up to 1,000 subscribers
- 3.5% payment fees (compared to 12.9% for Substack)
- Very customizable custom designs
- Subscriber referral programs
- Automations to drive more sales pic.twitter.com/eH6JfFCyzP

— Nathan Barry (@nathanbarry) November 11, 2020

<https://t.co/79JNhyiD7j> by [@ungatedcreative](#)

<https://t.co/1MRqjsGVe5> by [@Kevin_Indig](#)

<https://t.co/8lrurKzGpO> by [@JayCoDon](#)

<https://t.co/TIQe4rZbJq> by [@IanVanagas](#)

<https://t.co/rA03vOIBAT> by [@balajis](#)