**Why Recurring Passive Income is the Ideal Business Model**

A lot of people think that making money online is the perfect set up. In the perfect world, this means earning from a passive income model so that they can even be asleep and still be earning money. Even when you *are* working, if you’re online then you’ll be able to make money from the comfort of your home or even while you’re sitting on the beach soaking up sun.

But while this is all true, it’s also true that working online can be hard work. Even with a passive income, there can never be any guarantee that you’re going to have a consistent cash flow. Just look at how many businesses were completely destroyed by the Google Panda and Pigeon algorithm changes.

There is one much more reliable form of income for an online business though: and that’s recurring income.

**What is Passive Recurring Income?**

Most recurring incomes are still passive. That means they still don’t involve trading your time for cash and you can make money even while you’re asleep.

At the same time though, these business models remove the possibility of you going a month and not earning anything. That’s because you’re setting up a recurring fee with your customers/visitors where they have agreed to pay out each month in exchange for your products and services.

For instance, this might mean that you set up a membership website and that in turn will mean that you’re charging for your visitors to get access to exclusive content behind a pay wall. You keep blogging as you normally would but you can know for a fact that you’ll have income coming in each month.

Or maybe you create an online course that has a monthly membership, or a web app?

Either way, your money now not only comes in without you having to trade time for cash – but it also comes in on a recurring and reliable basis. It’s the ideal business model!