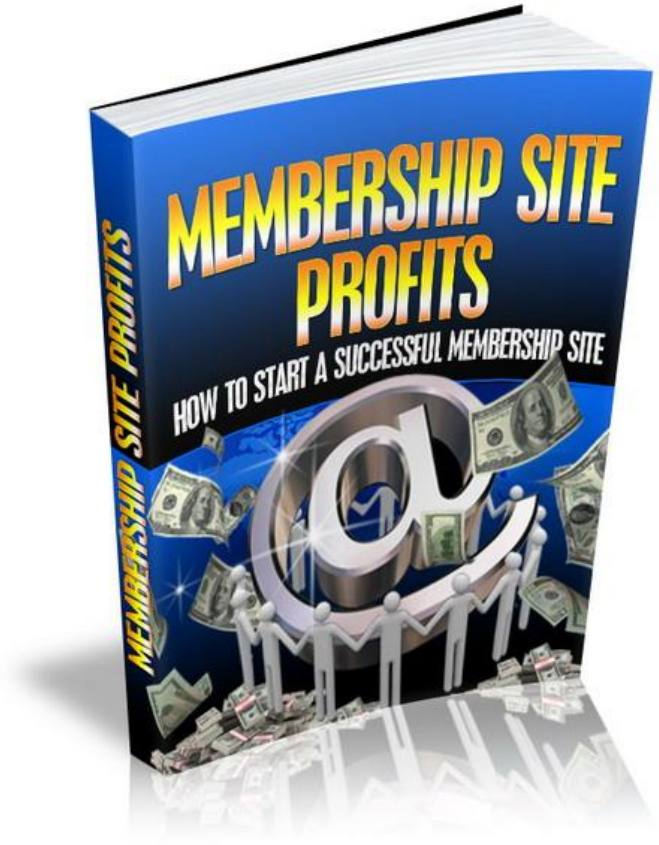
Membership Site Profits

How To Start a Successful Membership Site…



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Introduction

The membership site business model has several major advantages over other business models…

The most obvious benefit of running a membership site which charges a reoccurring fee to its members is that (in theory) you only have to make the sale to your customers **once** and then you **get paid over and over again.**

Think about it for a second…

Imagine that you run a membership site that charges a fee of $47 each month.

For each member that you recruit you potentially earn $564 in revenue over 12 months.

If you had just 30 members that means you would earn $16,920 a year from your site, assuming that each person stayed as a member for the full 12 months (which they probably won't, but we'll talk about that in a moment.)

On the other hand, if you didn't have a membership site and purely sold people one-off payment products, you would have to make a $47 sale 12 times over the same period in order to earn the same revenue from each person.

To earn the same amount over a year overall you would have to make 360 sales!

I'm sure you'll agree that the membership business model looks much better on paper.

Unfortunately this doesn't take into account the problems which running a membership site can bring…

For starters, it's not especially easy to sell someone a membership for $47/month (in general, the lower the monthly fee the easier the sale) and you will find that a significant proportion of your members will cancel after the first month or two.

So – making the sale isn't always easy and then keeping those people as members over the long term can be even harder still.

It doesn't matter how hard you try – members will always come and go. It's just the way it is.

Don't get disheartened though. This doesn't mean that you shouldn't start a membership site. Far from it in fact!

You see, if you get it right a membership site CAN provide you with a stable, regular monthly income.

You have only got to look at the top internet marketers to see why starting a membership site is a great idea. They nearly all have at least one!

My aim in this report is to show you how to start your very own successful membership site. I'll take you through the main steps and things you need to think about and also give you some tips that could mean the difference between your success and failure.
So, without further ado, let's get started…

Types of Membership Sites

People generally join membership sites for two main reasons:

- They want to access content on a regular basis (the content you are offering – which could be downloads, a course, personal mentoring, etc.)
- They want to join a community and wish to meet likeminded individuals

Some membership sites cover both – for example there is a members content area AND a forum where members can chat with each other and share information.

Other membership sites focus on just one or the other. Your membership site could simply consist of a private forum where people swap information. In fact lots of such sites exist out there – consider for example JV clubs, adswap forums etc.

Whatever type of membership site you decide to set up, it can either be free or paid.

Some membership sites are free and make money through means such as advertising.

In this report we're going to concentrate on paid membership sites – that is where people pay money to be a member, whether the fee is monthly, quarterly, half-yearly, yearly etc – it's really up to you.

The important thing is that your content more than justifies the membership fee!

Trust me, if your site provides content *less* valuable than the fee then people will start un-subscribing in their droves!

As we mentioned earlier, one of the big challenges of running a membership site is keeping people as members over the long term. Sure, people will always lapse their membership (that's just the nature of this business, no matter how good your site is) but you obviously want to try to minimise the amount and maximize the lifetime revenue generated from each member.

I'll let you into a secret here. Lots of people hate joining membership sites!

Ok, so it's not really a secret – but you don't tend to see too many people talking about this do you?

Here's what a certain proportion of people will do:

They join your membership site and pay the first month's fee there and then.

(Let's assume it's a monthly site).

A month later, they've forgotten they have even joined your membership site and when they see the next month's membership fee automatically being withdrawn from their account they scream 'what was that for?!'

By then they have lost interest in your site and promptly cancel their membership.

I think most people have done this at one point or another – myself included.

Even when people want to keep open their membership (they like the content you are providing and they are actually using it) people still HATE seeing the membership fee being withdrawn from their account each month. It's just not a good feeling!

So, every month, you've got to continually convince people that their membership is worth continuing.

This means providing them with continued great content. Content that more than compensates for their membership fee!

If you can do that it is possible to keep your membership levels high and earn lots of recurring income.

Should you charge a monthly or a yearly membership Fee?

Most sites either charge a monthly or a yearly fee – but which is best for business?

Well, there really is no right or wrong answer, but here are some things you might want to think about…

Charging a monthly membership fee provides you with a more regular income. It is also an easier sale to make initially to the customer since it is going to be a cheaper price for people to pay up front and it spreads the cost of the membership over the year.

In order to sell people a full years membership in one go that person has to be well and truly convinced that they want to join your membership site…

Let's imagine that one membership site charges $9 a month – and another charges $79 for a whole year. If someone is undecided on whether or not to join, they are more likely to join the monthly site because their risk upfront is only $9 – and if they decide it's not for them they can unsubscribe before the next month. The financial risk is small with the $9 a month site and it is much greater with the yearly site.

The advantage of charging a yearly fee however is that it guarantees your income upfront. Taking the example again of a $9 a month site - this in theory means that the member is paying you $108 over the year. If they paid $79 for a year upfront then that's less – BUT you need to remember that if the monthly member cancels after two months then you have only generated $18 from them, whereas if someone pays the $79 upfront then you have guaranteed that income from them.

A good strategy can be to provide people with two different options – both a monthly and a yearly. Some people just prefer one or the other, so by providing both you aren't going to lose the interest of people with either preference.

You could also consider charging a monthly fee on the front end and then offering people the chance to upgrade to a discounted yearly membership once they have signed up. This way you can capture the interest of people with a low initial price and then get some of those people to upgrade their membership to a yearly one (and

thus guarantee yourself more money and eliminate the risk of them lapsing their membership after just one or two months).

The other thing to consider is offering a trial.

Many membership sites offer a trial period (let's say that the first 14 days are $1 or $4.95 and then after that it's $27 a month.)

A trial membership again lessens the financial risk for people and thus they are much more likely to give you a try.

You will of course find that a significant number of people cancel their membership during the trial period – but that's just the way it goes and you have to accept that this WILL happen. It will happen less of course if your membership site provides great content and people are impressed by what they see when they first sign up.

Coming Up With Membership Site Ideas

If you want to start a membership site then one of the first things you're going to need to do is generate some ideas.

You might already have an idea for a membership site. If you're already established in a particular niche it might be that you want to effectively carry on what you are doing but instead charge people a monthly fee.

You might also be entering a new niche and already have a good idea for a membership site.

But what if you DON'T have any ideas?

Well, basically anyone can start a membership site and the ideas stage doesn't have to be as difficult as you might imagine.

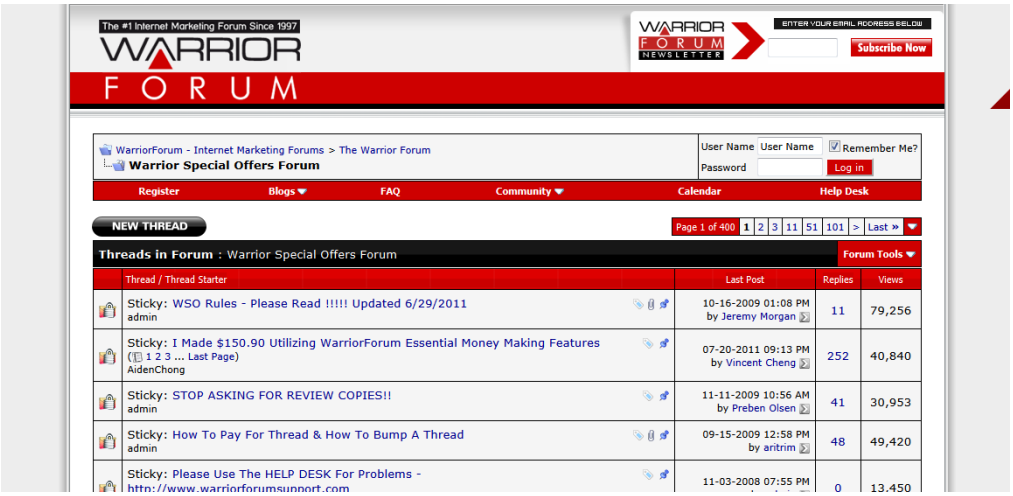
The first thing I would say is **'don't reinvent the wheel.'** I know this gets said a lot but most of the time it is absolutely true.

Listen – there are very few completely new ideas under the sun – and often the best methods and ideas are those that are tried and tested.

So, there is absolutely nothing wrong with looking around at other existing membership sites (and products which *could be turned into a membership site*) - and then 'borrowing' their ideas…

A good place to start is the Warrior Forum
(http://www.warriorforum.com)

In case you don't know, the Warrior forum is an online forum where internet marketers from all around the globe hang out to talk about internet marketing/online selling related stuff.



Its popularity has exploded recently – **especially the WSO (Warrior Special Offer) section** – which is the place where I want you to look for ideas.

The WSO forum is essentially a place where members can promote and sell their own products to each other (at a discounted price).

Now here's where it becomes relevant to you **because it is an absolute goldmine of great ideas that you could turn into membership sites…**

The great thing too is that it's extremely easy to gauge how popular each offer is.

Have a look through the different products people are selling. They don't actually have to be selling a membership site themselves – it could be products that you think could be provided by a membership site, on a monthly basis (or however often you plan to provide your members with new content.)

Here are a few ideas I got just from casually browsing the WSO forum this morning and looking at the products/topics/subjects which people are selling:

Mobile website templates…

This WSO offer was selling mobile website templates.

So, could **you** create a membership site where people get new mobile website templates every month? This WSO has had over 3,000 views, so it's obviously something people are interested in.

Wordpress tools/add ons/apps/widgets….

This WSO was selling add ons for Wordpress.

Could you create a membership site where people get Wordpress tools every month? This could include Wordpress themes, widgets, graphics etc – and it would be extremely valuable to anyone who blogs and uses the Wordpress blogging platform. If you have no

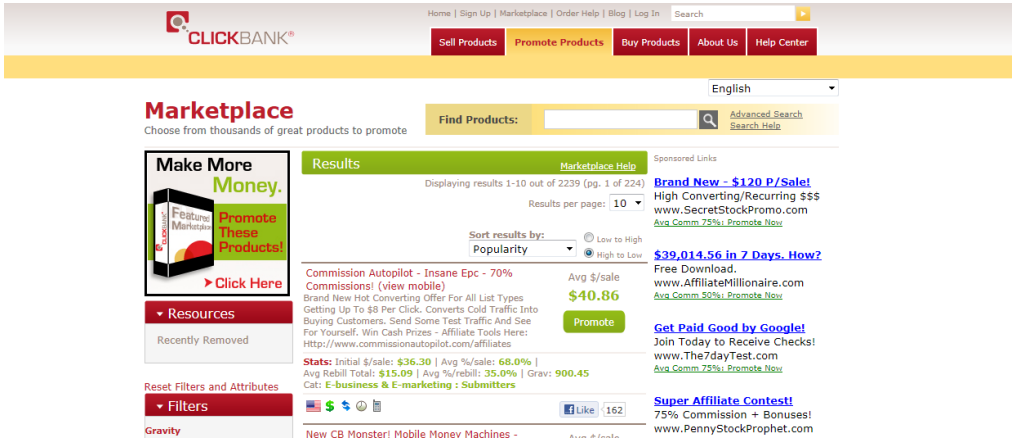
idea how to create these, you could easily outsource it to a freelancer. The idea seems potentially a good one because this particular WSO has had over 37,000 views and 274 member replies! A hot topic for sure.

Simply spending 10 minutes looking through the WSOs generated those ideas. If I'd have spent longer I'm sure I would have come up with more….

Btw, you'd have to do a little more digging around and see whether people would be interested in joining a membership site based around such things. It's up to you to do your research and investigate any idea to determine its potential feasibility and profitability.

Clickbank Marketplace

Another great place to look for ideas is the Clickbank Marketplace (http://www.clickbank.com/marketplace.htm)



Clickbank is one of the leading affiliate networks – and the Marketplace shows you all the products listed for sale.

What you want to do is visit the Marketplace, and then click on "Advanced Search."

Scroll down a little and you will see a box under 'Billing Type' that says 'Recurring.' Tick this box and then click "search."

The results you get back are all membership site products and recurring income programs – so have a look through some of the sites on there and see if any of the ideas appeal to you.

If you already have a specific niche in mind, then it's easy to get more targeted ideas. Just enter a keyword or select a category from the drop down list when you do your search.

Magazines

Another great way to get ideas is to look at magazines.

When you think about it, subscribing to a magazine is exactly like joining a membership site. You are paying to read content each month – and the only real difference is that one provides the info through printed articles and the other is internet based. Btw, print magazines often have online membership sites to go with them!

So – sites like http://www.magazines.com are a great source of ideas.

Have a look at the range of titles available and the topics/subjects they cover. The amount of magazines on the market is pretty mind blowing and there are titles covering nearly every subject you can think of under the sun.

If you spend some time researching I'm sure you could come up with lots of ideas for a membership site.

Evergreen membership site ideas…

- **Coaching.** You could start a membership site where you coach people towards achieving a particular goal (very popular in the make money online niche, diet niche, fitness niche, self improvement niche – etc.)
- **A newsletter** where you give away your tips and strategies on a particular topic each month.
- **A PLR or resell rights membership site** where you provide people with PLR/resell rights products or articles each month.
- **Blogging membership site –** where people pay to access certain blog posts.
- **Video membership sites**

There are literally thousands of great ideas that could easily be turned into a successful membership site.

Just choose an idea and then get to work!

Obviously do your research and make sure it seems like a profitable idea (and one which you are comfortable with) – but once you've done your research get to work and put it into action.

Let's face it. Even though lots of people know that one of the best ways to become successful online is to start your own membership site, most people never actually get around to doing it!

Starting Your First Ever Membership Site – Quickly and Easily

Ok so you've decided on the type of membership site you are going to create and the topic/subject/niche etc of your site.

Now it's time to get to work! Here's how to quickly and easily start your new membership site.

Getting a Domain Name

The first thing you need to start a membership website (or any other kind of website for that matter) is a domain name. Getting a domain name is not difficult and it certainly isn't expensive…

You can go to any one of a thousand different websites to get and register your domain name. Some examples of sites are NameCheap, GoDaddy, Register, Networksolutions, etc. Getting and registering a domain name should cost you no more than $10 for a year.

- http://www.namecheap.com
- http://www.godaddy.com/
- http://www.register.com/
- http://www.networksolutions.com/

Try to register a .com name if you can. The reason for this is that .com names get taken more seriously and are generally seen as more international. This is essential if you are targeting people from across the globe rather than one specific country.

Also, try to include a keyword in your domain name. For example, if you were starting a membership site related to blogging you might want to get the word 'blogging' as part of the domain name.

One of the major problems people come across when registering domain names is that they find that most of the catchy names are already taken. Indeed it can be quite difficult in 2012 to come up with a domain name that is reasonably catchy AND available to register.

If you try lots of domains and they are all registered, consider adapting your ideas a little. You could, for example, place hyphens between your words (so if you wanted to register yoursite.com and it's taken, you could try your-site.com.)

Also try things such as placing extra words at the beginning or end of the domain.

There are also domain name suggestion tools out there that can help if you're stuck for ideas.

As a last alternative, you could consider purchasing a domain that has already been registered but which is For Sale. Beware however that this can work out expensive, with many of the best domains going for $1000's of Dollars. Many of them are overpriced too – I have seen domains which aren't even particularly special selling for several hundred or even thousand dollars.

Remember – the domain name IS important but in the grand scheme of things it is quite low down your importance list when setting up a membership site.

Choose a name and register it!

Web Hosting

If you haven't already got web hosting then you need to buy some now.

Again this can be done extremely cheaply – but it's worth doing your research and going with a reliable hosting provider and a package which provides features that might be useful to you.

Reliability is important because the last thing you want is your membership site crashing every week and receiving messages from angry members who are unable to access your site.

If you can, find a hosting provider that provides C-Panel Fantastico De Lux – for example Hostgator. This makes installing things such as certain scripts and software onto your website much easier.

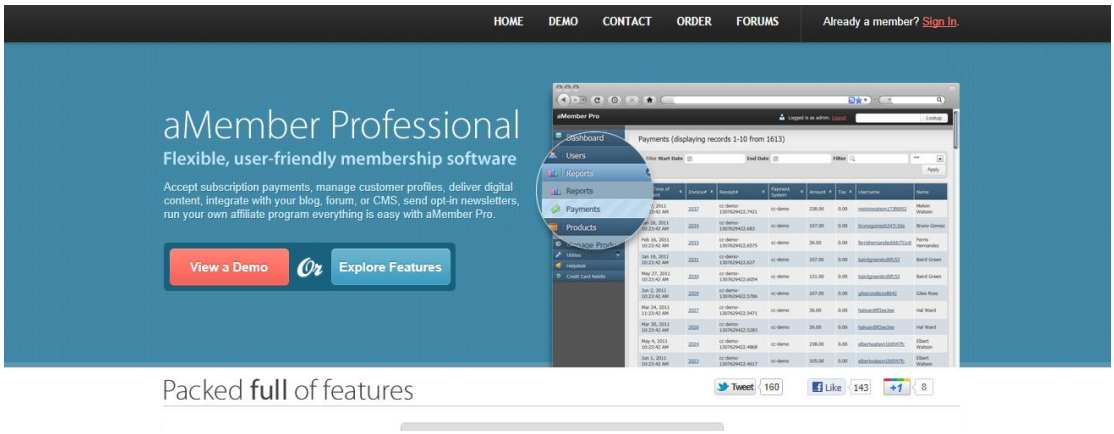
Membership Software

The other main thing that you will need is membership software.

There are lots of membership scripts and membership site software available on the market. Some are better than others – and the one you choose will ultimately depend on a number of things such as how much you have to spend and what you want the membership software to do.

Two of the most common membership scripts out there are:

Amember (http://www.amember.com/)



Easy Member Pro (http://www.easymemberpro.com/)

There are of course many others available on the market – and you should invest time in finding out what each piece of membership software does and the features it has. Remember that each will have advantages and disadvantages!

You might not even need something as advanced.

Your membership site could simply consist of a Wordpress blog, with password protected blog posts.

So people land on your blog, see the first few lines of each post and then when they click on the link to read the full post, up pops your web page to say that they need to be a pro member to read that post – and thus pay you a membership fee.

Hope you're following me here.

There are many Wordpress plugins available which can enable you to do this.

One such plugin is -
http://wordpress.org/extend/plugins/membership/

Install your membership software

Once you have chosen your solution you will need to install it onto your webspace.

As each membership software varies so widely, it is impossible for me to outline here how to do this – but full instructions will be provided with your membership software.

It's normally a fairly easy process – and if you get stuck you can usually get support from the creators of the software. There are also lots of forums out there with people who can help you with any problems you might have.

If you REALLY don't want to do it yourself you could of course outsource the task to a freelancer, and it is possible to find people who can do this for you relatively cheaply on sites such as http://www.peopleperhour.com

Test everything is working correctly

Once the membership script/software/plugin has been installed you should create a test account and check that everything is working.

This is absolutely crucial because the last thing you want is to launch your site and then discover that nobody can actually sign up or that people can sign up but they cannot log in to the members area and access the content they have paid for.

Customise your membership site

Once everything is installed you are going to need to customise your site.

This may include custom graphics and logo + your sales page to sell your membership site from.

Obviously, you also need to upload your content – the thing people are paying you for!

Make sure that your first months content is ready and waiting for new members when you launch your site.

From a members point of view, there is nothing worse than joining a membership site and getting to the homepage only to be greeted by a message saying that "The first month's content will be uploaded by the end of the week" or something along those lines.

When people first join, it is absolutely crucial that your site impresses them the moment that they first log in. You want people to be amazed at the members area content and confirm that joining your site was the right decision for them to make.

It's a good idea to include special bonuses and other content in there too.

Finding New Members

Obviously getting people to join your membership site is pretty important because without members you aren't going to make any money!

Most membership sites are sold via a sales letter.

On this page you really need to SELL your membership site to people.

Why should they join? What are they going to learn? What problems is you membership site going to solve for them?

If you've never written a sales letter before, have a look through those for other membership sites. You will find that most of them follow a very similar format.

Some things which you might want to think about:

- **Add as many testimonials to your sales page as you can.** When you are just getting your membership site off the ground you might want to grant some people free access to your site so that they can have a look around and then give you their testimonial. Remember that the comments other people make are seen as much more trustworthy to your prospects than anything you write yourself!

- **Consider offering a trial period.** Offering an initial trial (let's say $3 for the first 14 days) makes the site

an easier sell to your prospects. Even if people aren't 100% convinced by your sales page they may sign up and join anyway – and if the content in your members area is what they were actually looking for there is a good chance that they will continue their membership at the full price. It's a great way of getting new members (but remember that a significant proportion WILL lapse their membership during the trial period, no matter how good your site is. This is normal.)

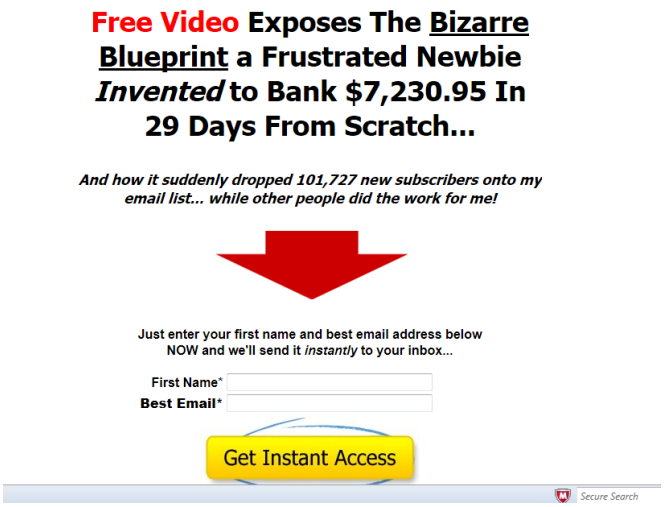
- **Offer a guarantee.** Another way to make the sale easier and lessen the risk for your prospects is to offer a money back guarantee. That way people know that if they join your site and it isn't what they are looking for they can get their investment returned.

- **Make it look professional.** Graphics can often make or break a sales page. It's usually well worth getting a graphics designer to produce some professional looking graphics for your site – and although it will cost you money upfront you will probably get that back through increased memberships. If your site looks unprofessional or in any way 'shady', people won't join.

Getting traffic to your sales page

Of course your sales page is only half the story when it comes to finding new members. You need to get people actually onto the sales page in the first place, so you had better brush up on your traffic generation knowledge….

- **Build a list.** In my opinion the best way of finding new members is to build a list of prospects who are interested in your area. Create a free product and then give it away via a squeeze page. Once those people are on your site you can introduce them to your membership site and sell them on it over a period of weeks or even months.



Above: Example squeeze page

- **Forum marketing.** Another great way of generating traffic is through forum marketing (putting a link to your website in your signature etc.)

- **Sell your membership offer via a WSO.** We've already mentioned Warrior Special Offers earlier on in the report – and if your membership site is of interest to other internet marketers then starting a WSO is an absolutely fantastic way of promoting your site. Just offer Warriors a special price compared to your usual price – and if it's the right kind of offer you will make plenty of sales.

- **Blog commenting.** Find other related blogs and comment on them, with a link back to your site.

- **Arrange join ventures with other membership site owners.** You'll see this one being used quite a bit and it's a great way of promoting your site and arranging other mutually beneficial deals.

Getting People To Stay As Members

As we have already covered, one of the major challenges with membership sites is actually getting people to stay as members.

The number one rule is **always try to exceed the expectations of your members and provide value which is greater than the membership fee you are charging.**

This means providing quality content each and every month. Give people a reason to stay a member!

As we have also previously mentioned, first impressions count – so make sure that at least the first months content is ready and waiting inside the members area for when the first members join your site.

If you can, also provide bonuses that people can download when they first sign up. You can also regularly provide your members with additional bonuses each month – something which always goes down well because you are providing greater value to your members than what you promised them in the first place.

Another great strategy is to tease people as to what is coming up the following month.

Let's say your membership site is a course, where members get a new lesson each week.

At the end of each lesson, you might want to include something along the lines of "Coming up next week…" and then include a brief description of the following weeks lesson.

Leave them with the feeling that they can't possible unsubscribe and not see next weeks lesson!

You see this technique being used on TV all the time. At the end of the program, it'll say 'Next week…' and then show a few clips from the following weeks episode. They often leave you on a cliffhanger too – so you MUST watch next week's episode in order to find out what happens next.

Another way of increasing member retention is to regularly keep in contact with your members. Send them an email every time you add new content to the members area (if you don't, people will forget about your site or not realize that you have even updated it).

The funny thing about this is that you will find a sudden jump in people unsubscribing when you do this (simply because if they were thinking of cancelling already, they may have forgotten and your email reminds them about your site), BUT over the long term it should increase member retention and make your site more profitable.

Remember – always provide value. Remind people why they joined, keep them interested, and always give people a reason to stay a member.

Increasing Your Income

It's not just your membership fee that will earn you money. You can also earn additional income from your members by offering them other stuff to buy.

Listen. When people join your membership site they have shown themselves to be one thing – BUYERS!

…and a list of buyers is VERY valuable to you indeed.

So - when you are building your membership site you should make sure that you put in place a system so that all new members go onto an email mailing list. From there, you can then promote other carefully selected offers to your members.

Many membership scripts will already have a list building feature built into the software – but if not then you will need to link it in by using an autoresponder service such as Aweber or GetResponse.

Promote Affiliate Offers

Promoting affiliate offers to your member list is a great way of making some extra money.

Don't go overboard obviously. Your members will not appreciate being bombarded with affiliate promo offers on a daily basis – but occasional affiliate offers you think they might be interested in can definitely go down well and make you some good money.

Sell Them Your Other Products

If you have other related products of your own then why not tell your members about them? Again this is a great way of expanding your business and generating some extra income (again in moderation).

Sell Them Upgrades

Why not offer people the chance to upgrade their membership for an extra fee?

You could have different membership levels (e.g. Bronze, Silver, Platinum) with each offering slightly more content.

Let's say your membership site teaches people a particular skill. Could you offer people personal coaching or mentoring?

Or could people upgrade and get additional bonuses each month?

There are all sorts of things you could do. The only real limit is your imagination!

Sell Back Issues

Why not offer your members the chance to purchase content that was available before they signed up?

So if your run a monthly newsletter, for example, you could sell people back issues within the members area. If someone signs up in

November, they may very well be interested in purchasing October or September's issue.

You'll see lots of membership sites doing this and it is a great way of increasing the income you generate from your membershipo site.

Encourage Your Members To Become Your Affiliates

Who better to help you spread the word about your membership site than the members themselves?

Have an affiliates page within your members area and encourage people to promote your site in return for affiliate commissions.

The key here is to make it as easy as possible for your members to promote your site – so provide them with ready-made promotional banners, email copy, graphics etc.

Conclusion

Starting a membership site is a great way to earn money online – providing you do it in the right way.

Most successful marketers have their own membership site and quite frankly it's not hard to see why. A successful membership site can provide you with the security of a regular income and thus leave you free to expand your business in other ways. Running a membership site can most definitely be both profitable and rewarding at the same time!

They are not however without their problems (as we have discussed in this report) but if you can get it right then the rewards can be wonderful. The key to success with membership sites is giving people what they want up front and then giving your members a reason to stay loyal to your site over the long term. The secret of a good renewal rate is providing your members with more value than they are paying for and continually reminding them and enticing them towards the latest members content.

I hope that this book has inspired you to go out and start your very own membership site.

Remember however that as with any method in internet marketing you are only going to earn money if you go out and actually take some action…

So stop reading this book and get to work!

I wish you all the success in the world.