Passive Cash Profits

How to build simple membership sites that make $500 - $1000+ per month

By Paul Nicholls

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Paul Nicholls here and thanks for picking up a copy of Passive Cash Profits

Before we get into the meat of this report the reason why I have put this report together is because there is very little information out there regarding how to create profitable and effective membership sites.

Not only is there not much information on this topic but the little information which is out there is often very misleading and out of date.

If you know me at all then I always speak from experience and results that I have achieved myself and this report is no different. What you are getting in this report is the exact system I have used to grow my own membership site to $500 - $1000 per month (maintaining 40 – 70 members paying $17 per month) over the last 12 months with only a few hours of work each week. I'm going to show you exactly how to duplicate what I have done for yourself.

One last thing I will say is what I reveal in this report is a solid process and system for creating, setting up and running your own profitable membership site. It can quite easily provide you with a very comfortable online income if you were to just focus on this membership model and nothing else so please don't take this information lightly.

There may be some tools that you might need to invest in but it is up to you. If you know of some free options that you can use instead of the tools that I have used then use them if you like it's up to you. The important thing to take away from this report though is the whole system I use for creating membership sites, not just a tool I use or how I do one particular thing.

Also don't forget that this exact process can be used in any niche.

Ok that's enough waffle from me lets dive in :-)

Niche Selection

Everything in this report can be adapted to be used in any niche however there are only certain
niches that I would attempt a building a membership site in because your goal is to obviously make money and there are only certain niches or markets that you can make good money in. That being said, if you have a hobby or something there is no reason why you can't still build a membership site around it as long as you think you will be able to get enough paying members per month for it to be worth your time building it.

If you go out there and rush this step then you could up wasting a lot of time and money so make sure you pay attention here.

The 3 markets which you generally need to stick to are:

Money
Health
Relationships

These are currently very profitable and will still be around in a very long time so if your niche is within one of these markets then you should be fine, however just to be sure that you choose the right niche below I have included some more things that you need to check as well.

Here is the criteria that your niche has to meet before you start building a membership site around it.

Is the niche evergreen? – This is easily the most important one. What ever you do make sure the niche you go into is evergreen. This means that it will still be around in many years to come. A good example of an evergreen niche could be weight loss, muscle building, dating/relationships or Internet marketing because these niches or markets will be around for a very long time if not forever so building a membership site around any of these would be good.

Is there a lot of traffic in the niche? - No matter what niche you go into there must be a decent amount of traffic otherwise you are going to seriously restrict how much money you can make from your site. If you are at all unsure if your niche has enough traffic or not then go to the google adwords keyword tool and type in some of your keywords and see how much traffic there is.

Are people already buying lots of products in this niche? - This is something that most people forget about but it's one of the most important. If no one is currently "buying much stuff" in the niche then you are going to find it very difficult to get people to sign up to a monthly membership.

A good way to see if there are many buyers in your niche or market is to go to clickbank and search through the top 20 products and see if a product in your niche comes up in the top 20. If it doesn't then it may not be a good choice.

I can tell you now that most of the products on clickbank that are in the top 20 are in the health, dating, relationship or make money niche. So there's a clue right there as to the type of niches you should focus on.

Here are a few ideas of some good niches that you could use to build a membership site around.

Muscle building

Weight loss/Diets

Getting/Finding a partner/relationships

Internet marketing

Gambling ie Poker/Stock Market/Forex

Now, these are of course just an example and there are quite a few more that could be on this list but if you stick to a niche within money, health or relationships then you will generally do fine but still make sure you carry out all of the checks which I have laid out above just to be sure.

The last thing I will say when it comes to choosing your niche is <u>it has to be something you are interested in or you are passionate about</u>.

Building a successful membership site requires work and plenty of content and if you have no interest in the topic then you will struggle from day one.

Membership Site Set Up

This section is very important because if you want your site to be as profitable as possible then you need to make sure you set your site up correctly and choose the correct tools.

I learned the hard way as I spent months and months using a membership script which was not proven and had more bugs than you can imagine.

Member Mouse – This is the new membership script that I now use on my membership site and it works very well and it very powerful. I have tried lots of membership plugins and scripts over the last 18 months and member mouse comes out on top. Member mouse is a very easy to use script with a very user friendly admin panel.

The two things that stuck out for me with member mouse was firstly the fact that you can start for free as they give you a free trial for 2 weeks. (Or at least you could at the time of creating this report)

You can then pay a very small monthly amount after the 2 weeks in order to continue to use their membership script which is great for a lot of people because most membership scripts often require you to pay hundreds of dollars just to buy the membership script.

The other great thing I love about member mouse is some of their features is they allow

you track some very important statistics which I have not seen any other membership script provide. The tracking side of things is still being improved and some features are yet to be fully integrated however it is still the best membership script to use based on everything else out there.

I highly recommend member mouse.

Optimize Press – This is what I use to create the actual membership site platform. This includes all your pages, sales pages, download pages, membership pages. Basically everything within your membership site you can create using optimize press. It's a fantastic piece of software and certainly a must have in my opinion.

Amazon S3 – This is where you can host all of your videos, PDF's, products and everything else which you want to put within your members area. Amazon S3 is owned by Amazon themselves and this is what they use to host all of their own images and videos on their shopping site so you can be sure that it's a very professional and reliable service.

Amazon S3 is also another tool that I highly recommend if you build membership sites and if you try to upload everything onto your normal servers you are going to run into big problems because it's going to roast your severs and more than likely take a lifetime to download anything. If you host all your content from Amazon S3 the download and stream speed is excellent, I personally would be lost without it.

EzS3 – This is some software which you can use to create actual video players. This is a kind of a bolt on feature and works in combination with Amazon S3. You can host your videos on Amazon S3 and then create video players in Ezs3. What I do is create video players from Ezs3 and then embed them into my membership site for my members.

Those are the main tools and software which I recommend you use and below are the most important features you need to make sure you have as well. Without these features that I have put below you are going to run into all kinds of problems when creating a successful and profitable membership site.

Features that I highly recommend you have

Drip feeding – This is vital because when you build your membership site you need to be able to drip feed content ovr a period of time so that you give you members a reason to stay month after month. If you had say 100 videos in your membership site and you made all of them available as soon as someone joins your site then your retntion rate would be pretty low and not many people would stick around because you are giving them no real insentive to stay month after month.

If you had say 100 videos in your membership site you could make say 50 of them available as soon as someone joins and then use the drip feed feature to unlock more new videos every month. This then gives some type of an insentive for your members to want to stay for longer.

At the time of writing this report I currently have around 110 videos which I give out straight away as soon as someone joins but I also have another 50+ videos which I drip feed over the coming months. These are mainly products and this gives people a reason to stay and to continue paying me the monthly subscription.

The bottom line is, what ever type of content you have or give out in your members area a drip feeding feature is vital so always make sure what ever membership script or software you use has this feature.

Internal affiliate program – Being able to take on affiliates is one of the main ways that you will be able to build up your membership site for free and having an internal affiliate program is very important.

An internal affiliate program is basically where people can sign up from your site directly in order to become an affiliate so they don't have to go to any third party platform like clickbank in order to sign to promote your membership site.

This is important because some people just want to keep things simple and only join your affiliate program from within your actual site so make sure you have an internal affiliate program built in to your membership script otherwise you will be stopping a lot of affiliates from sending you traffic and sales.

Tracking – You must have some kind of racking software built in to your membership script so that you can track your traffic and sales. Without tracking you will be marketing completely blind and you won't be able to track to see which of your pages are converting the best and sending you the most sales so make sure you have this feature in your membership script.

Affiliate Platforms – You also need to make sure that your membership script is compatible with affiliate platforms such as clickbank, jv zoo, digi results and warrior plus. This is very important for taking on affiliates externally. Some affiliates may not want to sign up to your internal affiliate program so it's important to have an external one too.

Another very important reason for being able to use these platforms with your membership site is your site will appear in their marketplace which will give you much more exposure to affiliates.

So again, what ever membership script you choose to buy or use make sure it's compatible with all of those afiliate platforms above otherwise you will be leaving massive traffic and profits on the table.

There are many more features that would be useful but these ones I have just mentioned are the most important so make sure you have them with what ever membership software or script that you use.

Content Creation

When it comes to creating content for your membership site you have many different options. I personally use mostly videos in my membership site because I find that most people prefer to watch a video when trying to learn something, especially in the Internet Marketing niche anyway.

That being said every niche is different so if you think that creating reports, PDF's or just audio recordings would work better for you then do that instead.

Below are some of the types of content that you can create for your membership site.

Videos – The way I do it is I create the videos using camtasia and then I upload the video to Ezs3 file uploader. Once the video is uploaded to the Ezs3 file uploader I then go into my Ezs3 account and create a video player. I then get the code for that video player and embed it into my members area. That's it. It's pretty simple and doesn't take long.

PDF's – For pdf's I upload them to Amazon S3. Once I have uploaded the pdf I then grab the url link and then put that link within my members area on a particular page. It's very simple.

Products – This is one of the main ways that I add content to my membership site. I create products and then add those products into the members area and set up a drip day. The good thing about adding products is that you get to make money when you release a new product within a marketplace and then you also get to leverage the same product and use it as content in your members area, making your membership site bigger and more valuable and then you of course make more money from your membership site as more people stay so it's a win win.

The products that you create can be in any type of form. Videos, pdf's, audio recordings, webinars etc it really doesn't matter how you have created the product what matters is that it's a paid product and you can add it to your members area as more content for your members.

Audio Recordings / Interviews – This is a great way to create content for your members area. You can interview other experts within your niche and then upload the interview to your members area. This works very well and people usually love this kind of content because it's packed full of great value.

Another thing you can do is upload audio recordings or webinars that you have done. It could be you talking and discussing a particliar topic or you could do a webinar and record it and then upload that into your members area.

All you have to do is look at things as if you were the paying members and decide if you think the content would be valuable to you.

As much as I love making videos it's sometimes just as good to create an audio recording because people can listen to these while doing other things either at home or out of the house because you don't have to be looking at the screen.

If you are ever unsure what to create then simply just create a "what do you want" page in your members area and your members can tell you exactly what they want.

Driving Traffic

Ok, so we are at the point where we talk about something most people struggle with. Traffic.

There are many different ways you can build your membership site and I will give them all to you below.

Internal Affiliate Program / External Affiliate Program – This is quite possibly the easiest way you will ever build your membership site. By leveraging affiliates. You must have the internal affiliates system and an external affiliate system available though otherwise you will be restricting the amount of affiliates that you can take on board.

Your affiliates could be people that are actually part of your membership site already or they could just be affiliates and looking to promote a recurring product and yours may fit their needs.

Your affiliate program is something that can be built up over time so as you build your membership site and you get more exposure to it the more affiliates you will naturally attract as well.

The bottom line is, make sure you focus on your affiliate program heavily because it's the best leveraging tool you have in order to build your membership site out to big numbers without driving much traffic yourself.

Links on Download Pages – This is one of the easiest ways to build your membership site. All you do is add links on all of your download pages of your products or even if you don't have products you can add links to download pages where you give away free information.

This traffic method is something that will grow over time because eventually you will have links on hundreds of your pages across web all pointing back to your membership site generating you traffic on auto-pilot.

Links in Follow up Emails – This is something that has worked very well for me. What I do is build a particular type of list and then promote my membership within the follow ups and within the first 3 days is when I get 99% of the sales because the subscribers are still fresh.

This is certainly a traffic method that you should set up because it does work and once you start to build your list everything will run on auto-pilot.

Signature Links – This is something that I use all the time and works well because it's a very non-salesy way of getting people to visit your membership site.

The good thing about signature links is you can include a link to your membership site to the bottom of every single email by just using something like:

Click here for extra training
Click here to get intant access to 50 more videos
Click here to get access to 100+ more training videos (this is what I use a lot of the time)
Click here to learn more
Click here to find out the secret to... XYZ (obviously something in your niche)

Those are just some ideas but make sure to use signature links because for every email that you have set up to go out has a link to your membership site then this generates you more traffic back to your site ach and every day.

Send people to squeeze page and promote membership as OTO – This is something that works well and if you plan on only focusing on build your membership site then doing this is a great idea.

If you were to set up a squeeze page and promote your membership site as the OTO or front end offer for say $17 then you conversions will more than likely be around 1 – 2% depending on the strength of your offer. However, if they turn down your offer which could be $17 or $27 etc per month then on the next page you can offer a $1 trial instead.

What you have to realize about promoting your membership site as the OTO / front end product is that you will make make less sales than a normal one payment product but membership sites you could end up having a member stay for 6 – 12 months which then means that member has made you $50 - $150 instead.

So never think short term think long term when using this model.

You don't even have to offer the full price either, you could just offer the $1 trial straight up instead. Your conversions will be much better because it's only $1 so it's a very low risk investment.

I have used some solo ads to send traffic using this model and it works very well promoting a $1 trial so keep that in mind too.

Viral traffic – This type of traffic is something you will generate in time and is pretty much out of your hands. As long as you make your site the best you can and if you continue to work on it then you will start to generate some viral traffic. This is where some of your members will tell their friends about it, or your site starts to generate a bit of a buzz within your niche / marketplace.

Branding Traffic – This is something that will pay off over time, similar to viral traffic but with branding traffic you have the ability to contribute to how fast this type of traffic will start to work.

Branding traffic is basically people that may of seen your site or read an email about your site but just didn't want to join at that particular time.

The branding traffic will be people that may join a couple of days, weeks or a few months after seeing your site for the first time. The more people see your site the more of a chance you have of that person joining. So as you build your traffic and your members up you will start to build branding traffic because you will have people in all different stages of the process. The bottom line is, the more traffic and exposure you give your site the more chances you have of generating lots more branding traffic and having more people join your membership site making you more money.

Making the Sale

What I'm now going to tell you is quite easily one of the most powerful strategies you can use when it comes to getting people to join your membership site. I had to carry out months of testing to really find this out.

Before I tell you let me just say that when I first built my site I charged people $1 for a 7 day trial because I was seeing a lot of other sites doing this so I thought well surely this must work.

Boy was I wrong.

What I found was happening was people were joining, going through most of my content within the 7 days and then cancelling their subscription which as you can imagine meant I was not making hardly any money. Something had to change.

What I did was something that would prove to be the most profitable tweak I have ever made in my business.

I changed the 7 day trial of $1 to a 24 hour trial of $1.

That one tip alone is the worth the cost of what you paid for this report.

What you will find is as long as you have a fair amount of content in your site, when you use a 24 hour trial for $1 not only is it a very low risk so it's a bit of a no-braier but by it only being 24 hours they will not be able to go through much of your content in that time so they will feel much more compelled to stay and pay the full months subscription.

If they do this you have just made $10, $17, $27 what ever you charge.

Once they are in your site, it will become a very valuable resource where they can come back again and again and go through more content and this increases the retention of your members.

This is how I have managed to generate a 6 – 12 month retention rate on $17 per month monthly subscription.

Aim for getting as much content in your member area as possible so that you make it as hard as possible for someone that wants to leave because they may feel that they are giving up a very valuable resource where they have a tonne of information all in one place.

Cross Sells and Maintaining your Members

Once you start to build an email list of membership customers you need to treat them a bit differently than normal buyers or subscribers because they could end up staying around for many months so if you start to annoy them by sending too many emails then they will un-subscribe.

What I tend to do is leave them alone to get on with going through all of the content within the members area and only add them in to the odd email if I'm sending out some free info or something.

Below are some other things known as cross sells that you can do to really increase your profits.

Adding links into your members area for "lifetime membership" - This is a really simple tweak but it is very effective because some people will join your site and like your content so much that they want to become a lifetime member. All you do is add a link in your membership site to a page with a payment button where they can buy lifetime access to your site.

Your conversions will not be mega high but you should always do this because some people will take you up on it and it can make you a quick $97 - $500 but the price of your lifetime membership mainly depends on what you charge per month. I have been charging $17 per month so my lifetime membership has been $147 but of course if you increase your monthly price then you need to also increase your lifetime membership price too.

Seeing if they need 1 on 1 help or extra training – Customers / buyers of a membership site are far more valuable than just a normal $10 customer especially if they have stayed around for at least a few months.

If they have stayed around for a while then it means they love your training so if that's the case then there is a very good chance they would like some 1 on 1 training from you and this is where you can offer some coaching at high end prices.

The best way to do this is you can either add some links into your membership navigation bars the same as what you do for the lifetime membership option and link to page where you offer coaching and also give them an opportunity to speak to you direct.

I have found that using Survey Monkey is a great way to schedule calls and it's very professional too and also great for only attracting your most qualified and most serious leads.

That link goes to my page where you can fill out a form and schedule a call with me but if you were to use it then your page would look very similar.

Another way is you can set up follow up emails to go out and within the emails you can again link to your coaching sales page or a page where they have the opportunity to schedule a call so they can speak with you direct.

Scaling for Big Profits

If you really want to take your membership site to the next level then you just need to basically focus on the things that are working and do more of it, it's that simple.

One of the best things you can focus on is your affiliate program. Leveraging the power of affiliates to help build your membership site is very effective and things can build pretty fast.

Also focus on creating and adding the most amount of information as you can because this will help with your retention rate. If you have more info and content on your site then your members will feel more enclined to stay for longer.

One of the most important things you also need to look at and focus on are your conversions on your sales pages. When you start to send traffic to your sales page you will start to see how much traffic you need to your pages in order to make a sale. So let's say your membership site is $10 per month and you know that if you send 100 people to your page 3 people will join, you then know that to get 30 new members per day you need 1000 people to your page per day. It only ever comes down to numbers.

There is another calculation which you need to think about when having a membership site and that is how long the average person will stick around for. If you know that the average person on your site sticks around for 3 months then you know that out of those 100 people

they will all make you $30 each so that works out at $3000 over 3 months.

You can only really get a good indication on what your average retention rate is after a good few months of bringing members into your site so don't worry if you don't have those stats from the start.

Powerful Tactics that I have used on my site

<u>I wanted to end this report and tell you some of the major break throughs I have had when building my membership site because I know they will help you too.</u>

$1 trial for 24 hours – This is something that <u>I have never shared with anyone and hardly no one else is doing this either</u>. The $1 trial for 24 hours works like gangbusters because it's a very low risk investment but at the same time they still get a taste of what you give away in your members area.

Once they start to enjoy your content their trial comes to and end leaving them wanting more so most people end up staying on and paying the full months subscription.

Promote your membership as a $1 downsell in your sales funnel – This works really well and is a complete no-brainer. Some people will come through and join your membership site from this area so if you don't promote your site here you are losing out on a lot of members and profits.

When ever you create or launch new products you can add those products to your members area. You can now make money launching a new product while at the same time leverage that new product and include it in your members area so you have more content for your members which in turn helps with your retention rate.

A lot of it depends on the strength of your content within your site and how much you give out for what price. Once you get the right balance you will find start to find it much easier to get members sign up.

The last thing I will cover is what price you should charge per month. As you have already read, I have had massive success by using a $1 trial for 24 hours. After the 24 hours I then charge $17 every 30 days. I will at some point be increasing the price to $19.95 per month and then $27 then maybe $37 per month and probably only go up as high as $37 per month.

When starting out you could just use $10 per month, that is fine but a lot of what price you charge has to do with how much content you have in your site. My advice would be start at $10 per month until you get quite a lot of content and then increase it to $17 per month. You only need around 50 members per month paying $17 per month to be making nearly $1000 per month in passive income.

Remember, the total profits that you make are not just from your membership payments, it's also from the cross sells and high end products you sell to your members as well so

always keep that in mind.

Closing Words

Well that is the end of this report. It may not be the longest report you have ever read but I have tried to contain as much powerful information as possible but at the same time keeping it short and to the point with as always no Fluff :-)

Building membership sites is something that people tell you you need to do but never actually tell you how so I hope now you understand exactly what you need to do to build one or you are way more confident in attempting it than before reading this report.

I wish you all the best and feel free to take what you want from this report when building your own membership sites and leave the rest.

Paul Nicholls

Resources

If you would like to join my membership site for just $1 even if it's just to see how I do things and how my site looks and works then head over to
http://PaulNichollsMembership.com

Schedule a Business Strategy Session with Paul Nicholls

Right now I'm offering a handful of Business Strategy Sessions for customers of Passive Cash Profits
.
I set aside a small amount of time to do these calls each week (and it's first come, first served.)

Here's how it works:

    1. First fill out this form and be as honest as you can

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