**Why a Tiered Membership System Works So Well for Membership Sites**

A membership site is essentially any website that makes its income from a recurring fee charged to its users. First, you get them interested and build trust by demonstrating what great content you can create. Then you place your very best content behind a pay wall, make sure they know about it and wait for them to bite!

But now you have to make a decision: how much do you charge?

Do you charge a high price, thereby valuing your membership highly and making it all the more exclusive and premium? (Which can actually increase your success?). Or do you make it cheap and negligible in order to encourage as many people as possible to sign up?

How about both?

**Tiered Systems**

The solution is simply to introduce a tiered system. This means that you’ll have different ‘levels’ of membership so that basic membership costs X amount and this is then increased for higher levels. This then means people can choose what they pay – some people will be willing to pay the most in order to get the most important status but those who just want to gain access and aren’t bothered about bells and whistles won’t be put off.

This way you can cater to different kinds of visitors but the most important benefit is that you now have the opportunity to turn those lower paying members into *higher* paying members. This way you can stand to earn more from them than you could have done otherwise.

**The Psychology**

This also smartly leverages a psychological principle called ‘increments’. That is to say, that it’s easier to convince something to do something if you convince them to do it in small incremental steps. This was famously demonstrated by the psychologist Millgram in a study about obedience. In that study, Millgram convinced participants to electrocute their peers with shocks large enough to easily kill someone. He did this by encouraging them to deliver shocks of incrementally larger and larger voltages. The psychology here is simple: ‘just another 5 volts won’t make any difference’!

Of course what you’re doing isn’t nearly as dangerous but the same psychology still applies: you’re convincing your visitors to upgrade their monthly membership by just $5 – which really isn’t that much. This is as opposed to simply opting to order a $15 subscription in the first place. It’s a subtle difference but the impact on revenue can be profound.