Are memberships a passing fad or do they have a future?

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What’s up everyone? Welcome to the Membership Guys podcast. I’m your host Mike Morrison. One half of the aforementioned Membership Guys, this is the number one podcast in the world for proven practical tips and advice on growing your successful membership business. Now these days it seems like memberships are a hot topic, everybody’s talking about them. Everyone seems to be starting a new membership, you can’t turn without seeing somebody going on about memberships. They’re so hot right now. But what happens when all this hype, all this excitement about memberships dies down and people inevitably move on to the next thing? What would that mean for the future of the membership model? Are memberships just the new shiny fad? And is there any point and even starting a membership if the bubble is about to burst? Now we’ve been hearing this kind of talk and these sort of questions a lot recently, particularly people worried about whether they’ve missed the great membership bandwagon.

I want to tackle this head on in today’s episode and to do that, we need to read this what I just said in my introduction; memberships are a hot topic. Everybody’s talking about them, everyone’s starting one. All the hype, there’s such a shiny fad, people are going to move on to the next thing eventually. None of that’s actually true, it’s all nonsense. Memberships have been a thing for a long, long time, particularly offline memberships. Brick & Mortar Membership Associations, they’re not new. They’ve been around for donkey’s ears. Even the types of memberships that we typically talk about on the show, online only memberships, they’ve been around, alive and kicking for well over a decade now. This is not new stuff. But what happens is once someone discovers the membership model for the first time, and they start diving into the topic, they suddenly become hyper aware of absolutely any mention about memberships. And so it seems like all of a sudden, everyone and their cousin is talking about online memberships, or starting one of their own.

You start to feel like you’re swept up in this wave of incredible hype, and that makes it seem like the interest in memberships is a very current, very recent thing. Then the flavor of the month, a passing fad, a bubble that will inevitably burst. That the membership model is only popular because it’s the latest in-thing, not because it’s a solid sustainable business model. And when you get that feeling, the obvious assumption is that this is all temporary and maybe you should be cautious about jumping in with both feet. But it’s not. There’s actually a name for this, it’s called the Baadeer-Meinhof phenomenon. This is otherwise known as the recency illusion and this occurs when the thing you’ve just noticed, experienced, or heard about suddenly start cropping up absolutely everywhere on a constant basis. Suddenly, everyone is talking about this subject, and you’re not going crazy. You are totally seeing it more, but that’s because you’re noticing it more. You’re more attuned to this topic coming up. This is also referred to as red car syndrome. Anyone who’s bought a new car, or even gone shopping for a car will have experienced this.

You buy a shiny new red car and then on the drive home, all of a sudden you realize every blooming car on the road is red, or it’s the same model as yours, or the same make as yours. This is why the membership industry, or memberships as a topic can seem like one big fad. Because when you start digging into the subject for the first time, it also feels like everyone else is discovering it for the first time too since the topic starts
coming up everywhere you look. And particularly within the online space when you notice everybody jumping on to something, usually, that’s a sure sign that that thing is a flavor of the month bandwagon that’s going to fizzle out. So as a business model, memberships are absolutely not a new shiny thing. They’re not a flash in the pan. It’s a viable, sustainable model that’s been around for years and will be here for years to come. And if anything, it’s only going to become a commonplace model over the long term. Reports by both Social Media Examiner and podia.com both indicate an increasing amount of creators, experters, content producers, and influencers planning to prioritize the creation of digital products such as memberships as their primary revenue source, rather than services, rather than product, rather than public speaking, and other things like that.

So it’s becoming a far bigger priority for people to set up things like memberships as a revenue vehicle. And at the same time, you also have big players entering the membership space now. You’ve got the likes of Patreon in particular, they are heavily going into the membership space massively embracing that model. And you also have the huge players like Facebook and YouTube, who are now starting to offer membership subscription options in their Creator programs too. And recent announcements by Apple also show that they’re moving even further into the subscription membership space as well. So as a business model, if you’re worried that memberships as a model are a bubble that’s going to burst, or a fad, or a flavor of the month, you can rest assured that memberships are not going anywhere soon. Now, of course, what we’re talking about here is the business model side of things, and whether memberships are popular just because they’re the latest shiny thing, or whether they’re popular because they are a fantastic business model. However, what about the consumer side?

While the membership space does keep going from strength to strength, the subscription market as a whole has absolutely exploded in recent years. And while there’s a lot of great things about that for the consumer, all the extra choices, all the new options that people have, there’s more flexibility and more choice than people have ever had before, this has led to a downside. It’s created something called subscription fatigue, and this is absolutely something that membership site owners need to contend with. Now, I’m going to dive deeper into that topic in next week’s episode, so make sure you listen in for that and I’m going to give you my top tips for how membership site owners can combat that.

If you’re not already subscribed to the show, make sure you hit that button to ensure that you do not miss that episode. This is a nice short one little bit of a rant. But hopefully, if you are in that early stage of thinking about membership, or if you’ve recently started membership and now you’re worrying that you may have made the wrong move, that maybe you got swept up in all of this new fangled hype about the membership industry and all that sort of stuff. Hopefully, this has helped rest your mind, it’s help reposition your thinking on all of this. All right guys, that’s it for this week. Head over to the membershipguys.com/210 to get all of today’s show notes and links to anything we’ve mentioned on the show, and other content we think you will find useful on the back of today’s episode. That is me done. I will see you again next week for another episode of the Membership Guys podcast.