The Membership Math

Done wrong, a membership discounts your best hours. Done right, it pre-sells your dead ones — and pays you like a salary on the 1st of every month.

Here's the idea. Your calendar has dead zones that repeat every week — chair-hours you're already paying for (your doors-open number doesn't take Tuesdays off) that expire unsold. A membership's real job is to pre-sell that dying inventory: recurring revenue, cash up front, and more visits per member — which raises her annual value (No. 3).

The coupon (done wrong)

Pay monthly, get 15% off everything. Your Saturday-at-2pm client — already coming, already full price — now pays less for the identical visit. You subsidized demand you already had.

The utilization program (done right)

Benefits that live in your slow windows. Members pre-buy inventory that was dying anyway, visit more often, and feel like insiders — belonging renews; coupons cancel.

> **Members × Monthly price = Recurring revenue on the 1st**

A worked example

Say your booking history shows about **30 unsold chair-hours a week**, mostly weekday mornings. You design a **$75/month** membership that includes one standard service (worth $85 à la carte) bookable in off-peak windows, plus a members-only perk. At **40 members**: 40 × $75 = **$3,000 on the 1st of every month** — before a single walk-in. If your doors-open number is $692 a day (No. 2), your members just covered more than four days of existence.

Illustrative figures throughout. Build yours from your own calendar, prices, and doors-open number.

POWER IN NUMBERS · SELL THE DEAD HOURS

My Membership Math

1. Map your dead zones

RECURRING SLOW WINDOW (DAY + TIME)	UNSOLD CHAIR-HOURS / WEEK	WHAT'S ALREADY TRIED TO FILL IT?

2. Sketch the offer

Monthly price

What a member pays on the 1st

What's included

Service(s) + perks that steer to slow windows

Target members

Start realistic — you can cap it

Recurring revenue

Price × members = the 1st-of-month number

3. Pass the three design rules

- **Dead hours, not live ones:** do the benefits steer usage into the windows from your map above? If the membership makes Saturday cheaper, redesign it.
- **Priced against the year:** compare a member's annual value (visits × ticket, No. 3) with and without the membership. The right price wins on the year, not the visit.
- **Belonging, not a coupon:** name one members-only touch that costs you little and makes her an insider (first access to new services, a standing preference remembered, a members' day). Coupons cancel. Belonging renews.

Recurring revenue is the closest thing to a salary your business will ever pay you. Tomorrow, the finale — No. 7 of 7: **behind the chair or behind the business**. The most expensive employee in your building is you, and the math proves it.

All figures are illustrative examples used to demonstrate the calculation. This is financial education, not advice specific to your business.