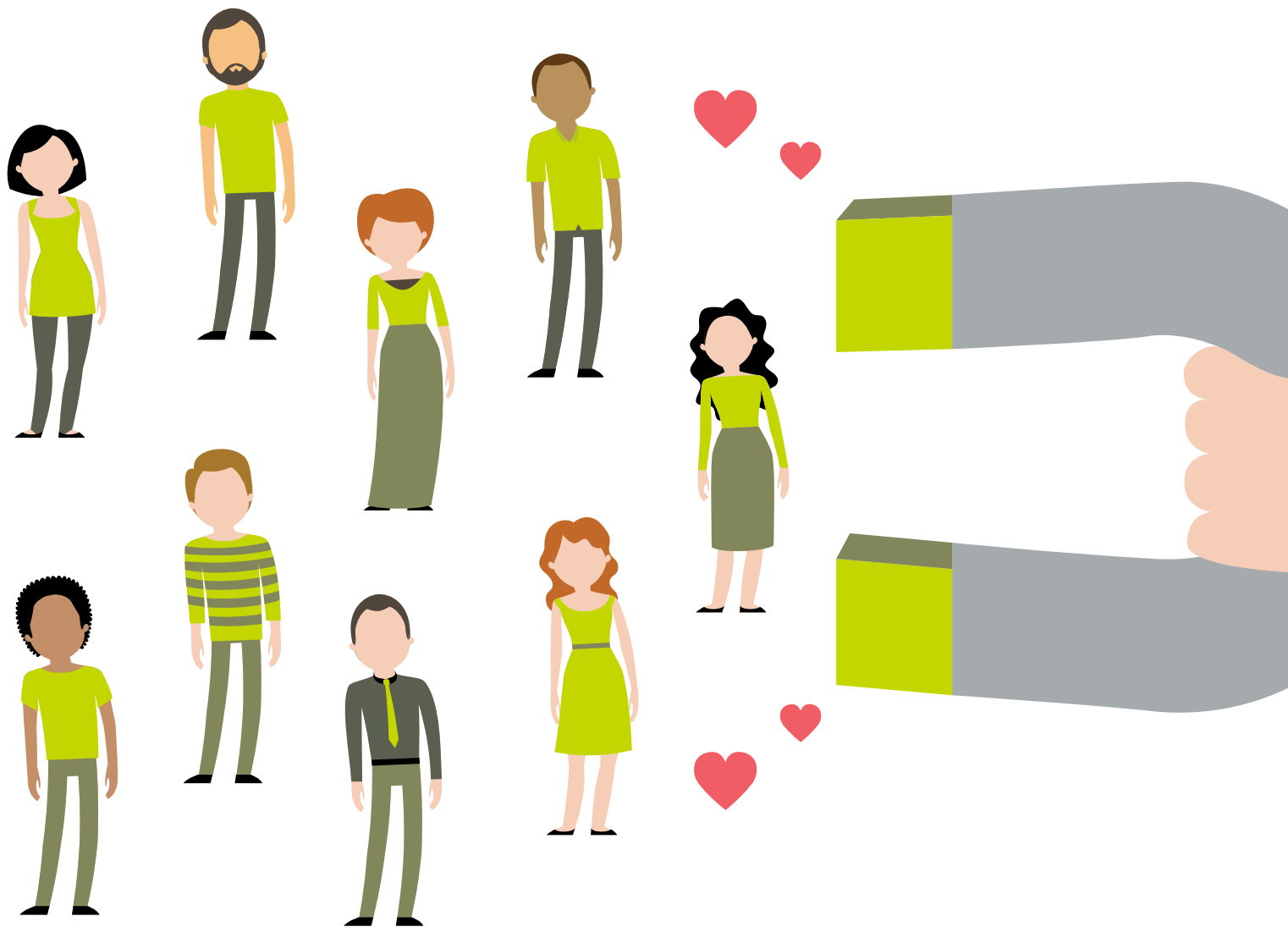


Member Loyalty Study

A Deep Dive into Member Retention and Preferences



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Survey conducted by:

Edge Research



Overview: Why Care About This Study?

Alternate revenue streams. Increasingly diverse audiences with expanding expectations. New communication channels. While many areas of membership continue to evolve in new and exciting ways, the core of the professional membership organization continues to be its relationship with its members. Engaging these members, and retaining them, is always top of mind.

However, for many organizations, retention is reactive. Too few are proactive about identifying and acting upon retention warning signs until it's a major problem for the organization. Even fewer have taken the step to continuously monitor the changing needs of their membership and reinforce their association's value on an ongoing basis.

In last year's landmark [Member Engagement Study](#), Abila explored the attributes and perspectives unique to different kinds of members throughout their careers, and how those priorities may differ from what professional membership organizations believe to be most important. This study takes the next step, going deeper to better understand how those characteristics influence retention, including:

- What's driving member retention?
- Where do different segments of members fall within the loyalty spectrum?
- How do members like to consume content, and what channels are most effective?
- How are members being targeted today, if at all, and how effective is the targeting?

Each organization has a unique membership with specific needs and values, and we believe our findings can help professional member organizations adjust their strategies to better nurture members up the loyalty spectrum. We encourage organizations to survey their own members and see how they benchmark against the trends seen in this study.

Survey questions were explored with more than 1,000 association members in the United States representing all age segments. The online surveys took place between June 28 and July 6, 2017.

Here's what we learned.

Key Findings

- **Members feel a lack of connection.** While overall retention metrics remain strong, with the majority of members (84 percent) feeling satisfied with their membership. However, far fewer (55 percent) feel a connection to their professional membership organization.
- **Code of Ethics and consistent updates on industry information are must-haves for retaining members.** Other top benefits are focused on intangibles, such as representing members' interest, fueling growth and innovation, and raising awareness. Job, continuing education, and training opportunities are most important to Millennial and Gen X members.
- **Professional membership organizations struggle to communicate value.** The top reasons members decide not to renew are centered around dues becoming too costly and the organization providing little value. The least loyal members, those most likely to have lapsed in the last year, see less value in intangible benefits.
- **Amount of information members want varies by loyalty level.** Loyal members prefer detailed updates more than twice a month, while members less loyal to an organization prefer to just receive the big news monthly or even less frequently. Millennial and Gen X members are more likely to want more frequent communication.
- **Email reigns supreme with members.** Email is the top-performing channel, regardless of a member's generation or level of commitment. Surveyed members cite email content as the easiest to consume, most likely to keep them engaged, and most powerful for telling the organization's story.
- **There is no consistency in collecting and using information for personalization.** Seventy-four percent of surveyed members recall being asked for at least some type of personal information or preferences. However, there doesn't appear to be consistency in terms of what organizations request, and whether they use the information effectively.
- **Nearly half of members feel their content is not personalized.** Forty-seven percent of surveyed members say the typical content they receive from their professional membership organization is not personalized. Common content offenses include sending content that is irrelevant, boring, or in an inconvenient format.

Section 1: What's Driving Retention?

The good news is, overall professional membership organizations continue to see healthy indicators around member satisfaction and retention. The majority of members surveyed (74 percent) say they are very likely to renew. **Figure 1** breaks down the likelihood of renewal. Fourteen percent of those surveyed either cancelled or let their membership lapse in the past year. This is a drop from the 21 percent of members who had lapsed in [Abila's 2016 Member Engagement Study](#).

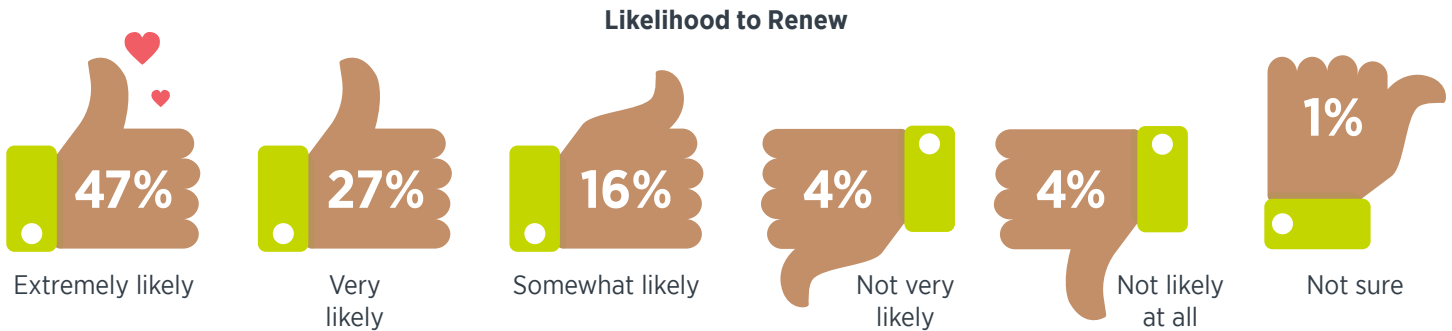


Figure 1: How likely are you to renew your membership in this professional membership organization after your current membership expires?

When asked why they let their membership lapse, the largest percentage of respondents (34 percent) say membership became too costly. Interestingly, Gen Xers are also more likely to pay their own dues versus other generations that are more likely to have their employers covering the cost. Other leading reasons include the organization was providing little value and the member changed industries/employment. **Figure 2** highlights the top reasons surveyed members cancelled or let their membership lapse.



Figure 2: For what reason(s) did you cancel or let your membership lapse? (Please select all that apply.)

What’s Most Important to Members?

Members join organizations for a variety of different reasons, but what keeps them paying their dues year after year? **Figure 3** highlights the benefits and services that members say are very important in their decision to remain a member. As seen in previous studies, Code of Ethics continues to be the most important benefit to members. We’ll dive deeper into why a Code of Ethics is so important to members later in this study (**see Figure 6**).

Interestingly, a large portion of the “benefits” that members rank at the top are more centered around what the organization does for the profession rather than specific products or personal benefits. The challenge with these intangibles can be in communicating value and progress.

Top Benefits to Retain Members

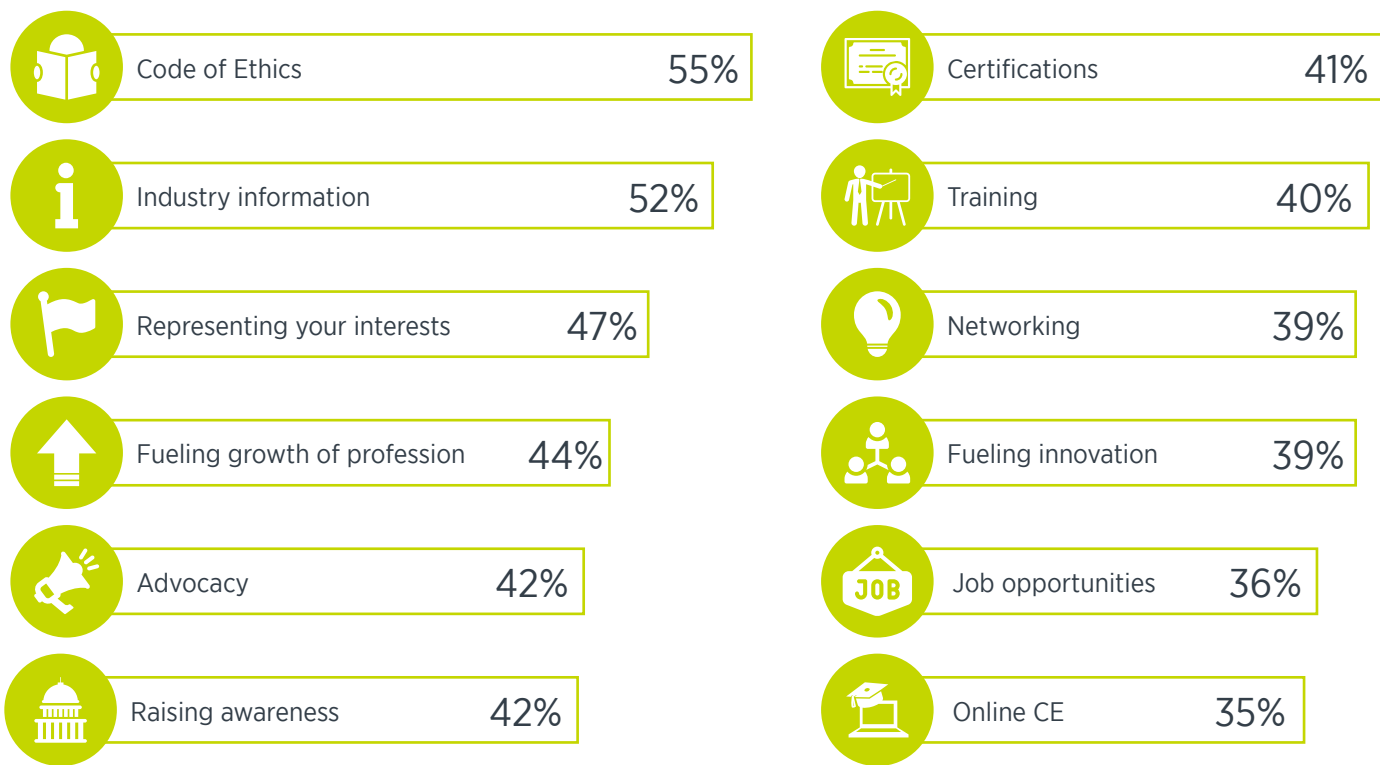


Figure 3: How important are each of the following benefits or services in your decision to remain a member of your organization? (Percentage Very important)

Figure 4 details the next tier of benefits that are important to retain members. Here we see more tangible benefits, such as job opportunities, continuing education, and mentoring programs. Millennials and Gen Xers rank job opportunities and online education significantly higher than other members (as seen in **Figure 5**). Providing industry information about the latest news, regulations, trends, and other issues affecting the profession or industry is of high importance to all generations of members. We’ll spend more time later in the study discussing how organizations can best communicate, based on member preferences.

Next Tier Benefits to Retain Members

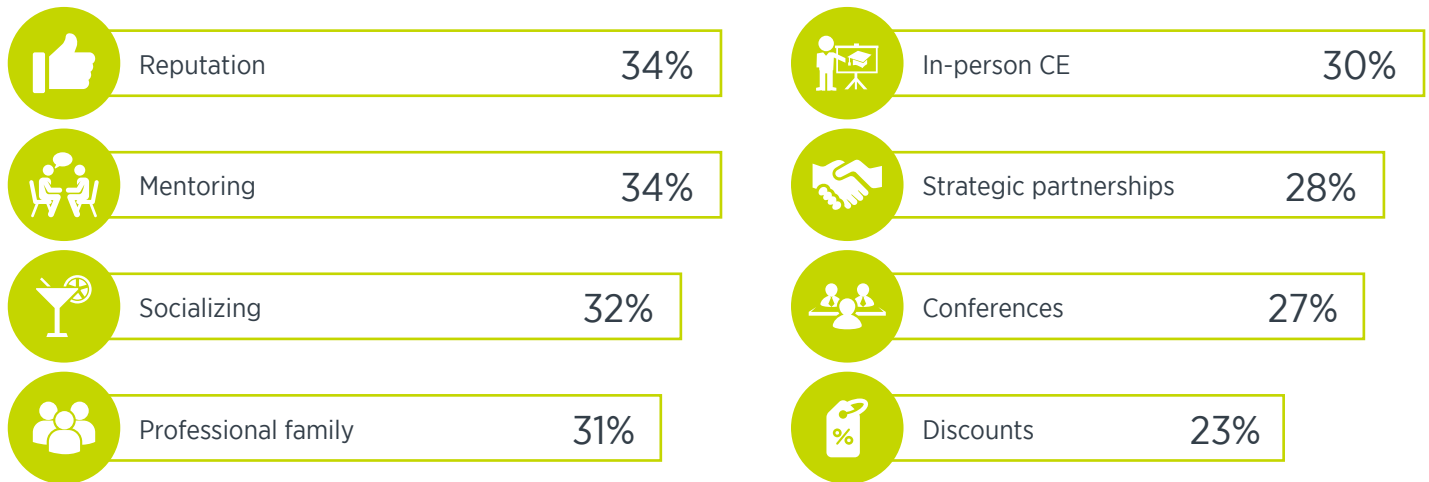


Figure 4: How important are each of the following benefits or services in your decision to remain a member of your organization? (Percentage Very important)

Generational Breakdown: Top 10 Benefits

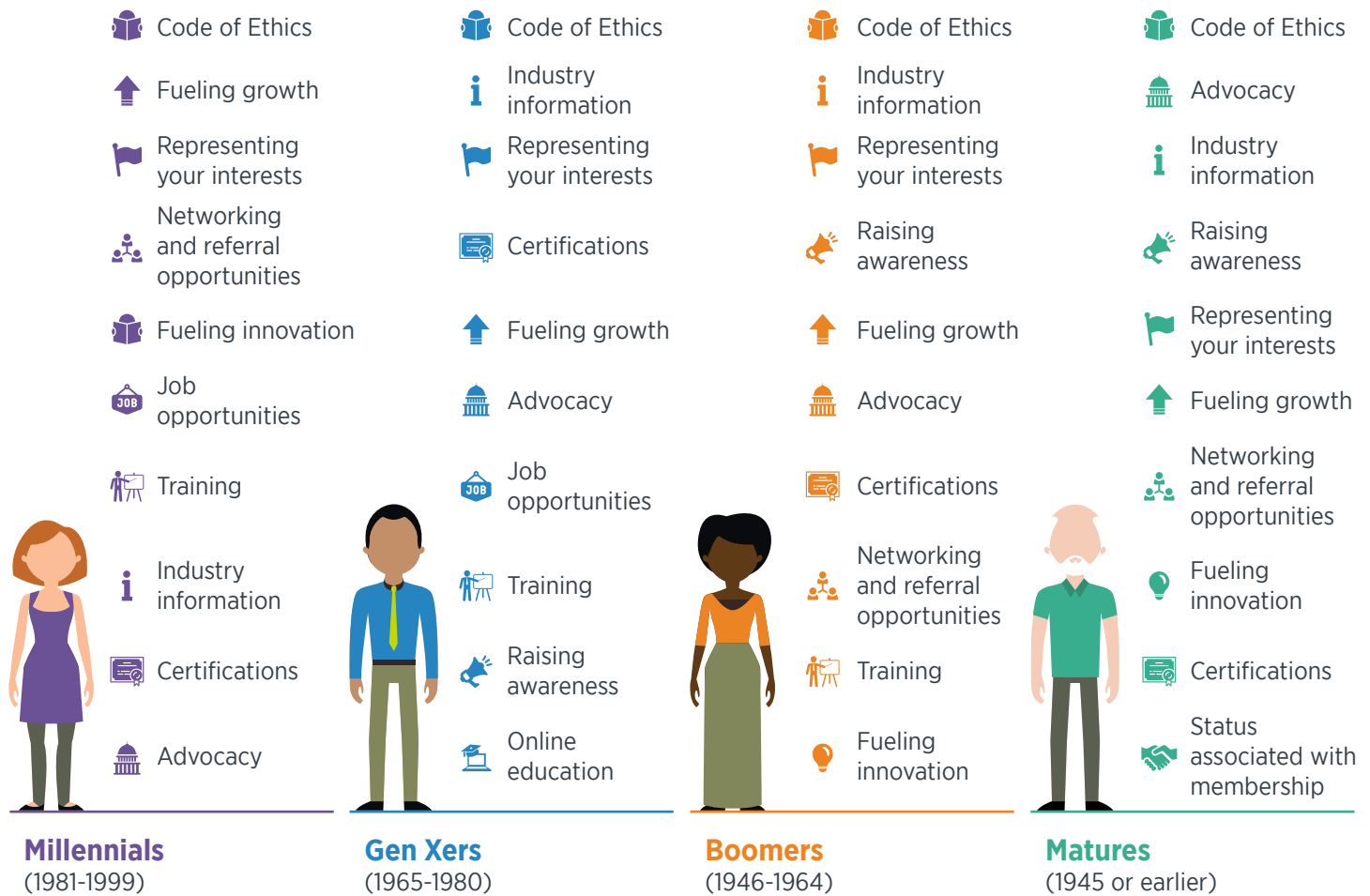


Figure 5: How important are each of the following benefits or services in your decision to remain a member of your organization? (Percentage Very important, by generation)

Special Section: Digging Deeper into Top Benefits

Code of Ethics

Code of Ethics is important to members for many reasons. However, at their core, they provide common standards and best practices for a profession and serve as a lasting testament to the integrity of the association and its members.

Why a Code of Ethics is an Important Benefit (Among those who say this benefit is important)



Figure 6: Above are some reasons why this may be an important benefit. (Please select all that make it an important benefit to you.)

Job Opportunities

In Abila's 2016 Member Engagement Study, job opportunities was the top reason Millennials joined a professional membership organization. This study highlights that job opportunities also play an important role in retaining younger members. Organizations can communicate job opportunities to members in these ways.

Preferred Method for Hearing About Job Opportunities (Among those who say this benefit is important)



Figure 7: How do you like to hear about job opportunities from your professional membership organization? (Please select all that apply.)

Section 2: Understanding Loyalty

What exactly does loyalty look like for professional membership organizations? To set a benchmark for measuring loyalty, we focused on four key metrics: member satisfaction, likelihood to renew, feeling connected to organization, and the Net Promoter Score or one's likelihood to recommend an organization. **Figure 8** details the current state of loyalty within professional membership organizations. As mentioned previously, the majority of surveyed members (84 percent) feel satisfied with their membership; however, far fewer (55 percent) feel a connection to their professional membership organization (**Figure 9**).

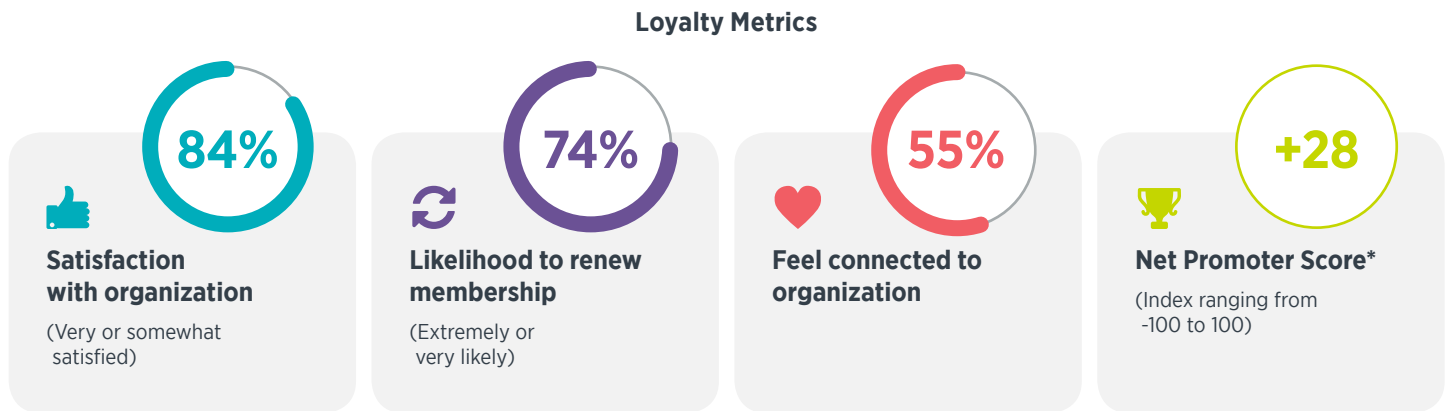


Figure 8: Loyalty Metrics (*Based on the global NPS standards, any score above 0 would be considered “good” (50 and above being excellent, while 70 and above is considered “world class”).

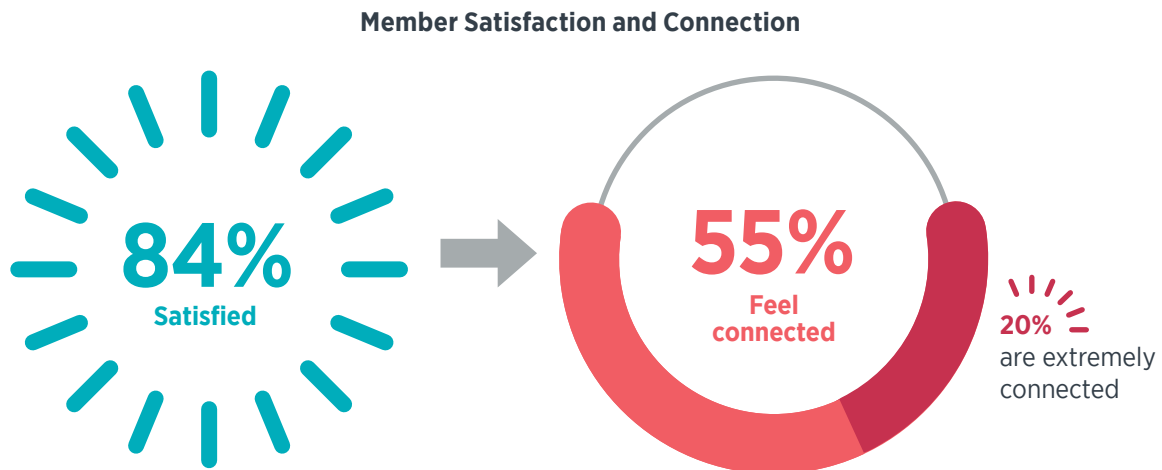


Figure 9: Overall, how satisfied are you with your membership in this professional membership organization? How connected do you feel to this professional membership organization and the work that it does?

Member Loyalty Segments

To better understand the mindset of members surveyed across the loyalty spectrum, we did an analysis of the loyalty metrics detailed in **Figure 10** to segment members into exclusive groups, based on how committed they are to the one professional membership organization that is most important to them. Three distinct groups emerged:

- **Super Members:** Most committed members who are likely to spread the word
- **Rank and File:** Those satisfied with their membership, but feel less of a connection
- **Value Seekers:** Most at-risk members who are seeking value in their membership

The breakdown of these segments will be unique to each organization. Some organizations might find they have a higher percentage of Value Seekers and need to focus their efforts on better communicating the value of the organization. Other organizations might see a larger percentage of Rank and File members, and need to focus their strategy on deepening the connection to the organization and moving these members up the loyalty spectrum.

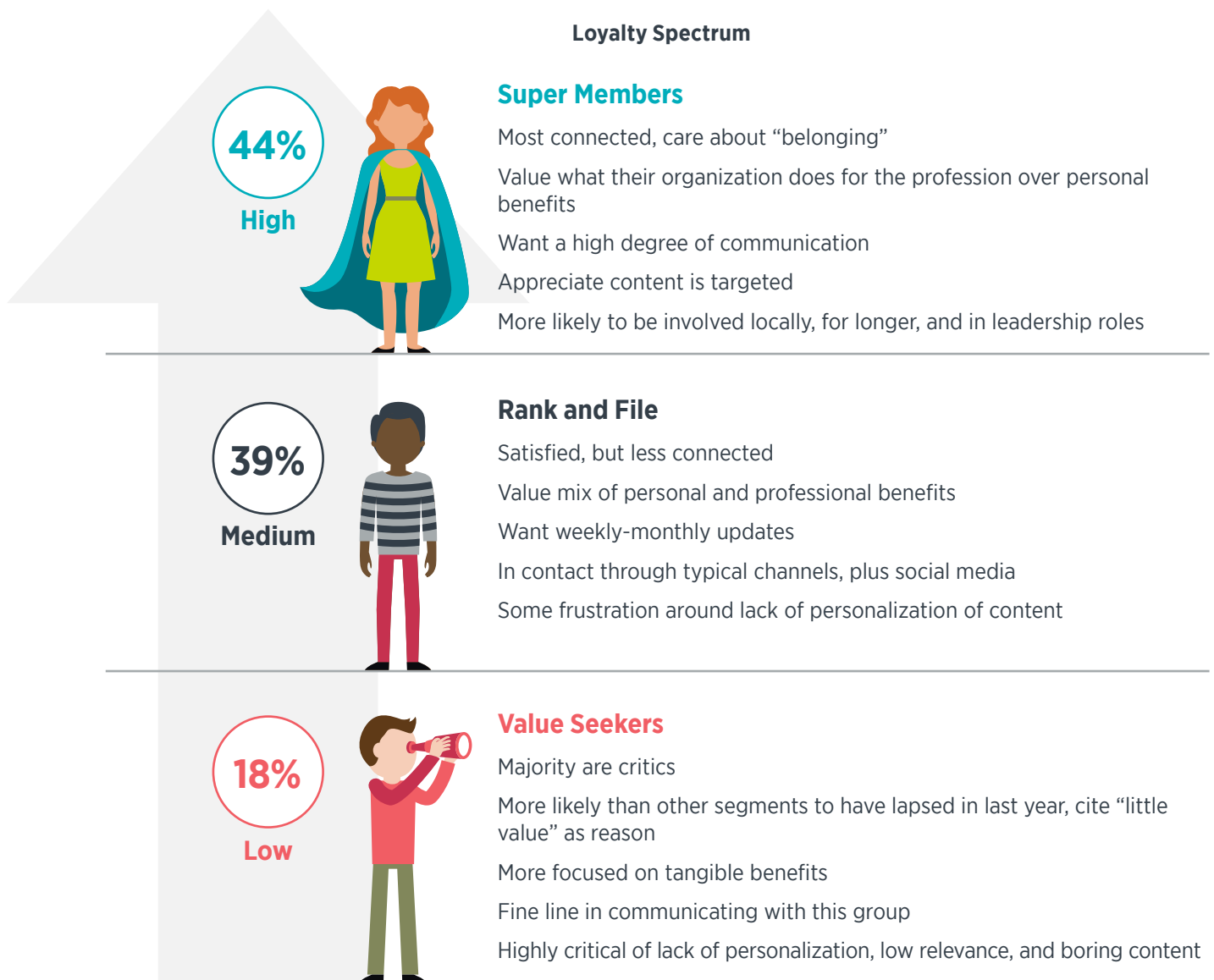


Figure 10: Loyalty spectrum

Interestingly, the representation of generations was fairly even across all segments. The generational breakdown for the loyalty segments can be seen in **Figure 11**. When looking at membership tenure, Value Seekers were more likely to have been members for less than three years, while a majority of Super Members skew to 11+ years (**Figure 12**).

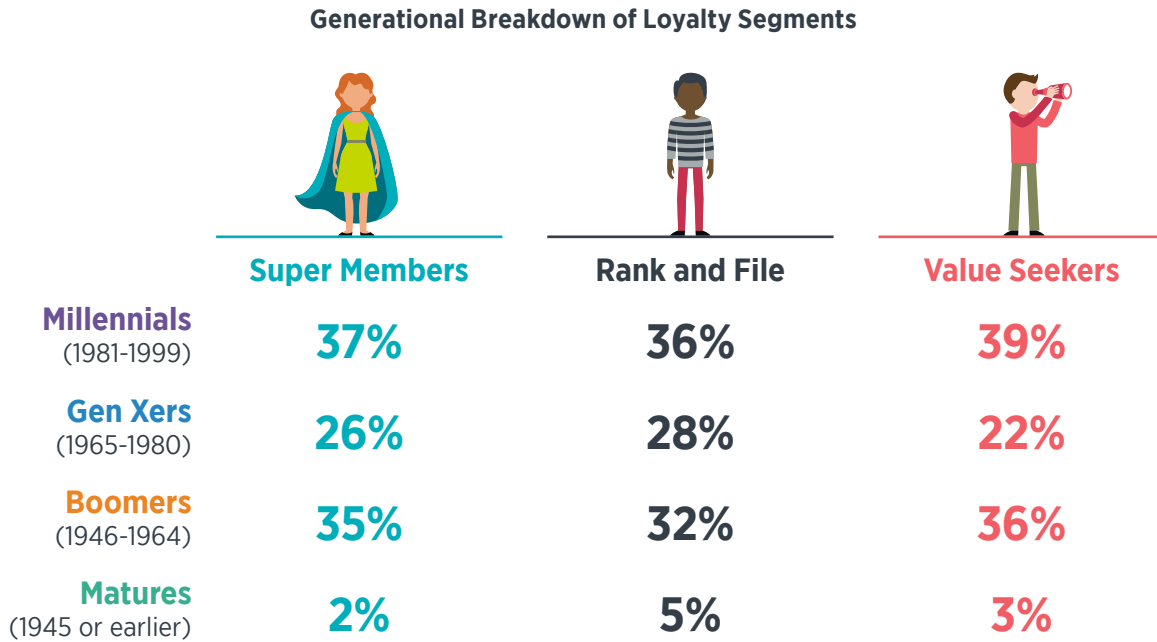


Figure 11: In what year were you born?

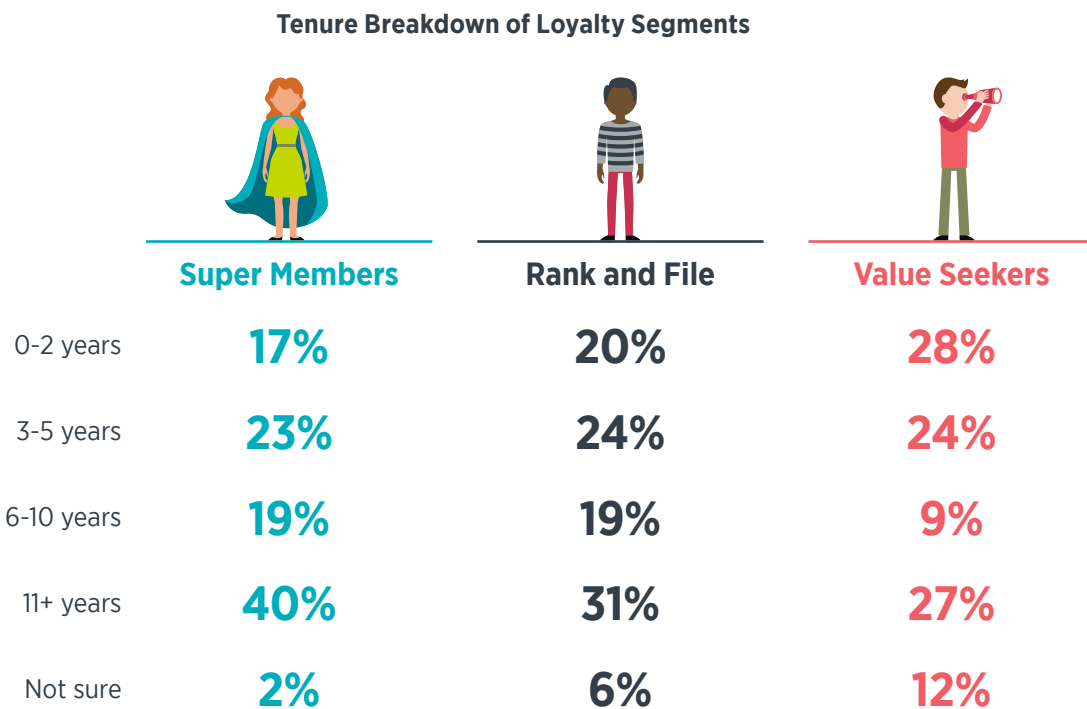


Figure 12: How long have you been a member of this professional membership organization?

When we asked respondents why they remain a member, their open-ended feedback sheds light on the mindset of the three different loyalty groups. Below is a snapshot of why members belonging to different loyalty segments remain members.

Why Different Loyalty Segments Continue Their Membership

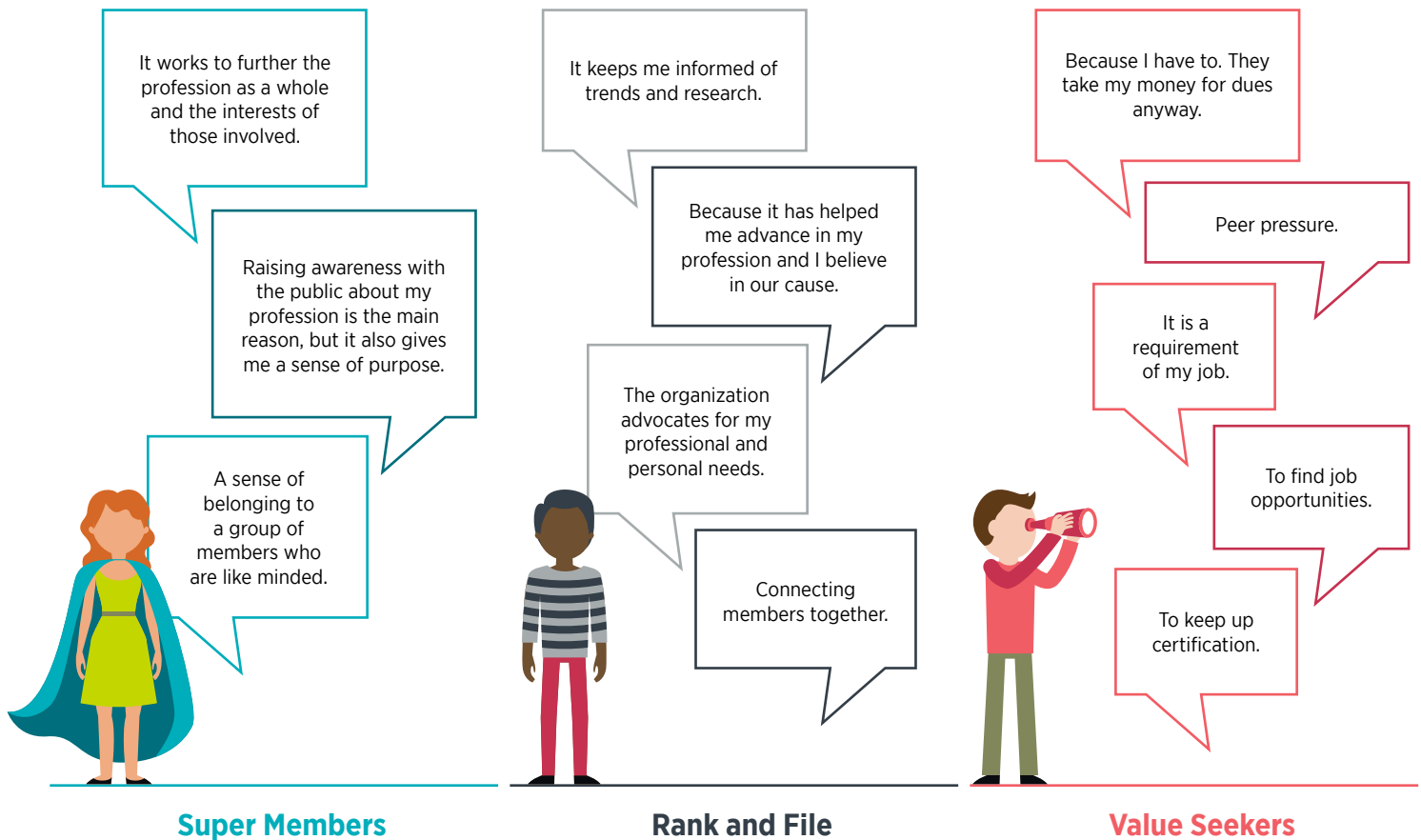


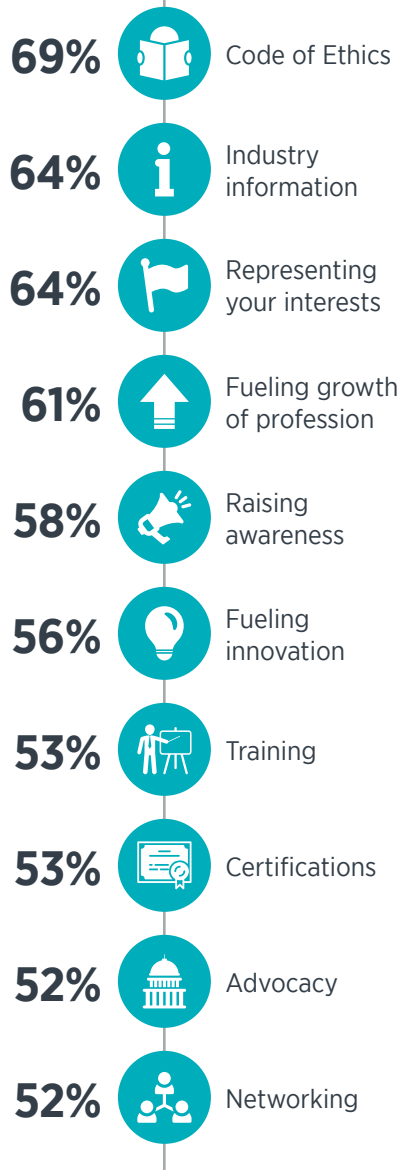
Figure 13: For what other reasons do you remain a member of your professional membership organization? (Open-end)

There are some noteworthy differences when it comes to the importance of benefits across the loyalty segments. Value Seekers ranked all benefits as less important, prioritizing personal tangible benefits. Super Members ranked all benefits more important than the other two segments, and were more likely to rank intangible benefits in their top tier. All segments ranked Code of Ethics and receiving industry information as their top benefits, just as we saw across the generational breakdown. **Figure 14** details the top 10 ranked benefits by loyalty segment.

Top Benefits to Retain Members
(By loyalty segment)



Super Members



Rank and File



Value Seekers

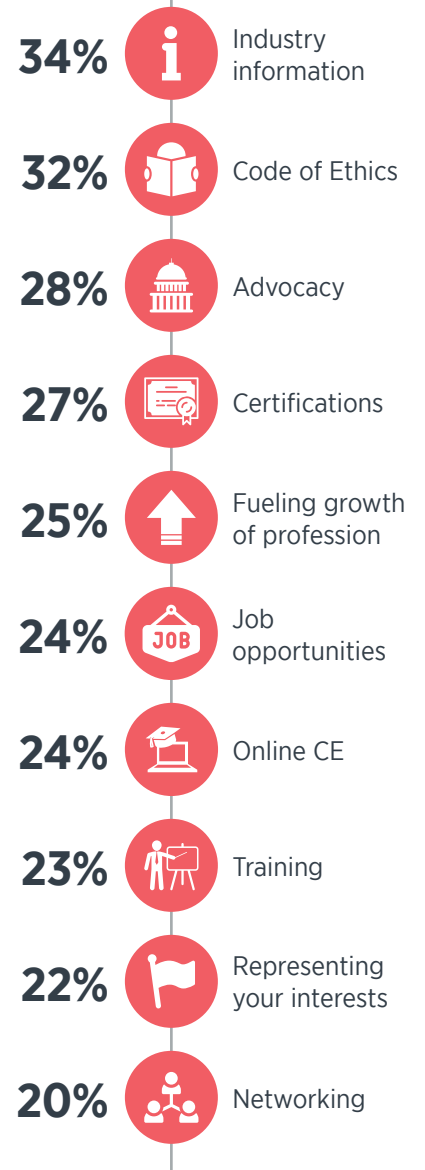


Figure 14: How important are each of the following benefits or services in your decision to remain a member of your organization? (Percentage Very important, by loyalty segment)

Section 3: Content

As we saw earlier in the study, receiving communication about the latest industry information is one of the main reasons individuals continue their membership. Content also plays a key role in communicating value of other benefits, especially intangible benefits, such as efforts to fuel industry growth and advocacy. When members were asked how important it was to be updated about an organization’s work, the majority of members want to receive regular updates (**Figure 15**). Super Members are more interested in the details, while Value Seekers just ask for the big news (**Figure 16**).

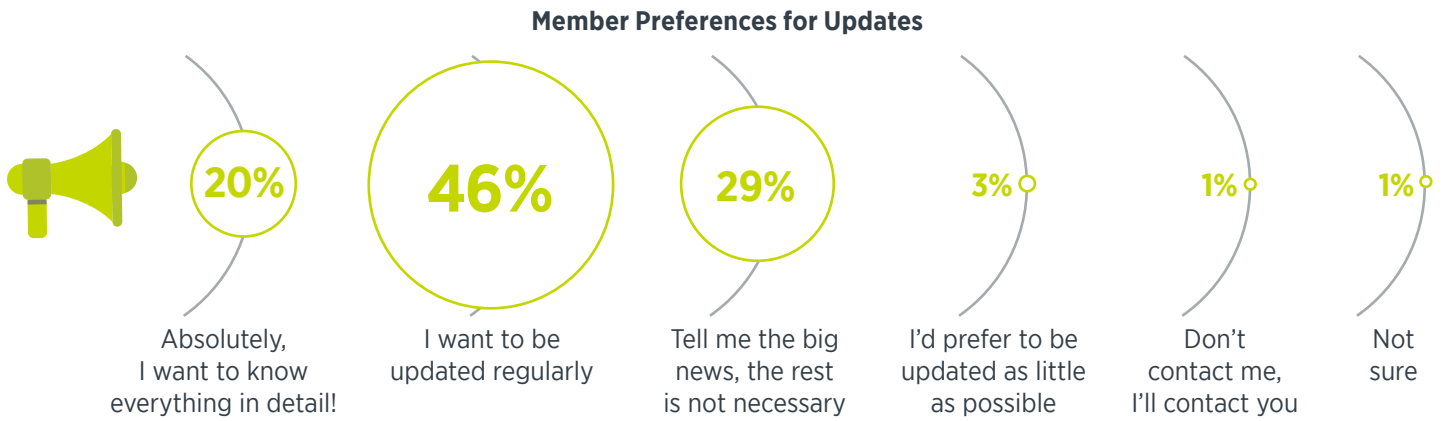


Figure 15: How important is it to you that you are updated about the organization’s work?

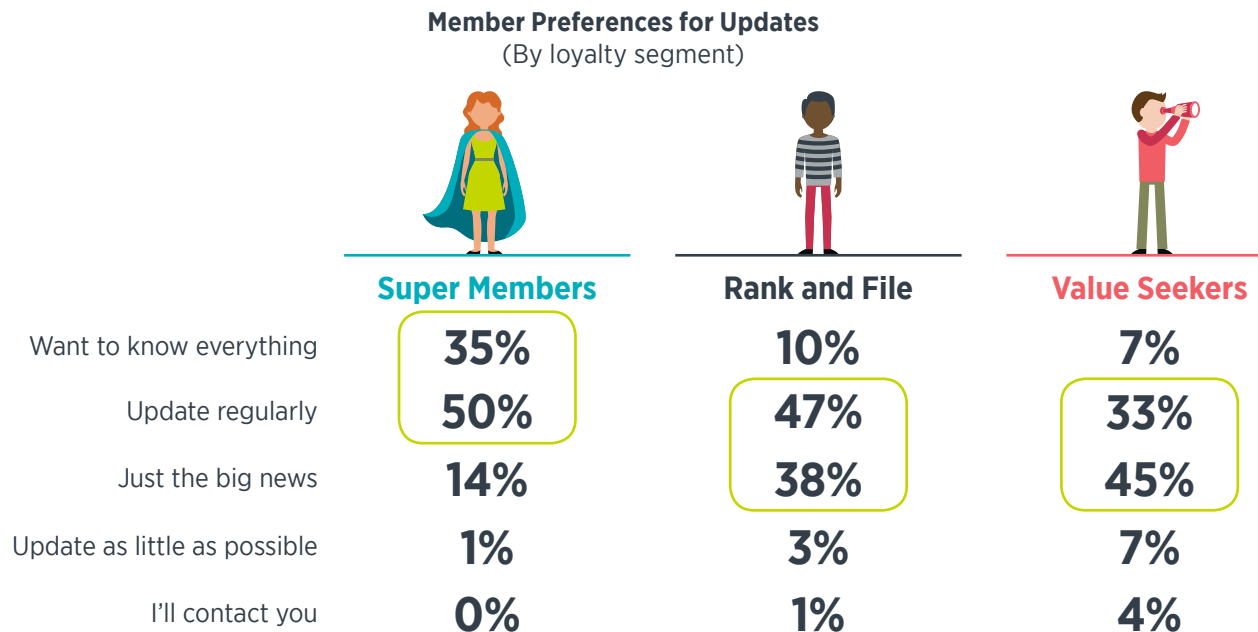


Figure 16: How important is it to you that you are updated about the organization’s work? (By loyalty segment)

Frequency

There is a fine line between communicating too little and communicating too much. Overall, surveyed members prefer communication at least monthly or even more frequently. Millennial and Gen X members are more likely to want frequent communication. The desire for more frequent communication also correlates with how loyal a member is. Super Members are looking for a high-touch communication strategy that makes them feel connected to their group, while Value Seekers just want monthly or even less frequent communication.

Figure 17 shows the overall preferred communication frequency for members, while **Figures 18 and 19** show the breakdown by generation and loyalty segment.

Communication Frequency Preferences



Figure 17: How often do you want to receive content (for example, email, letter, call, etc.) from your professional membership organization, even if it is something small?

Communication Frequency Preferences
(By loyalty segment)

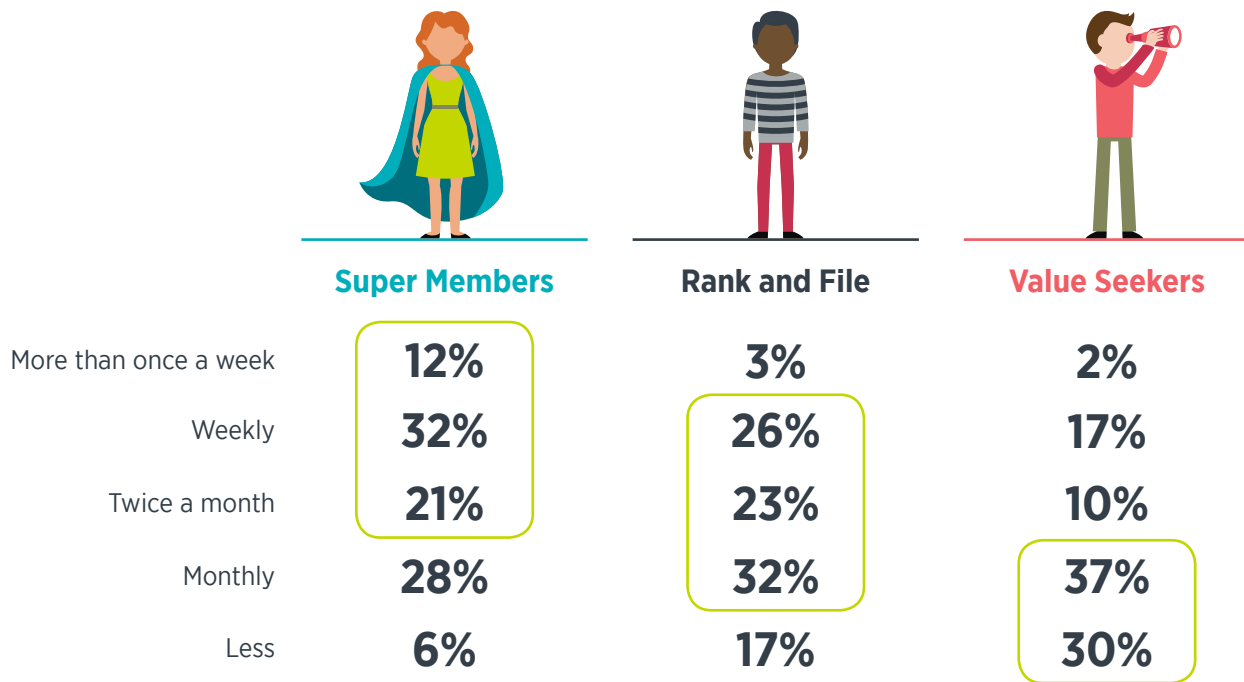


Figure 18: How often do you want to receive content (for example, email, letter, call, etc.) from your professional membership organization, even if it is something small? (By loyalty segment)

Communication Frequency Preferences
(By generation)

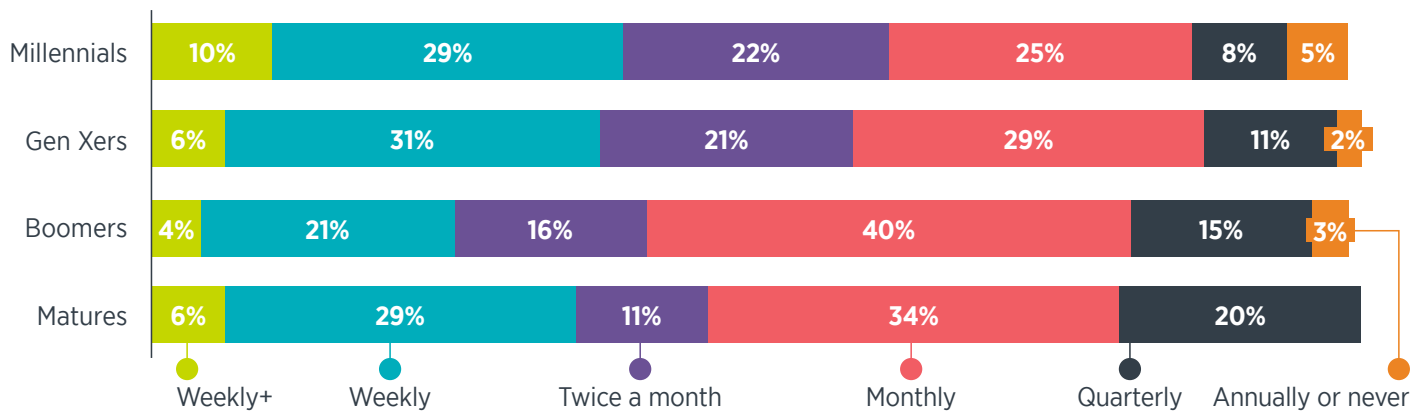


Figure 19: How often do you want to receive content (for example, email, letter, call, etc.) from your professional membership organization, even if it is something small? (By generation)

Content Channels

There are many channels that professional membership organizations can leverage to maintain communication with members. Email reigns supreme, cited as the easiest to consume, most likely to keep members engaged, and most powerful for telling the organization’s story. Interestingly, direct mail appears as a top channel for consuming information, considered both easy and engaging. Articles, magazines/journals, and video can be helpful for storytelling, while social media plays a key role in keeping members engaged with content at their fingertips. **Figure 20** details how members feel about different types of content.

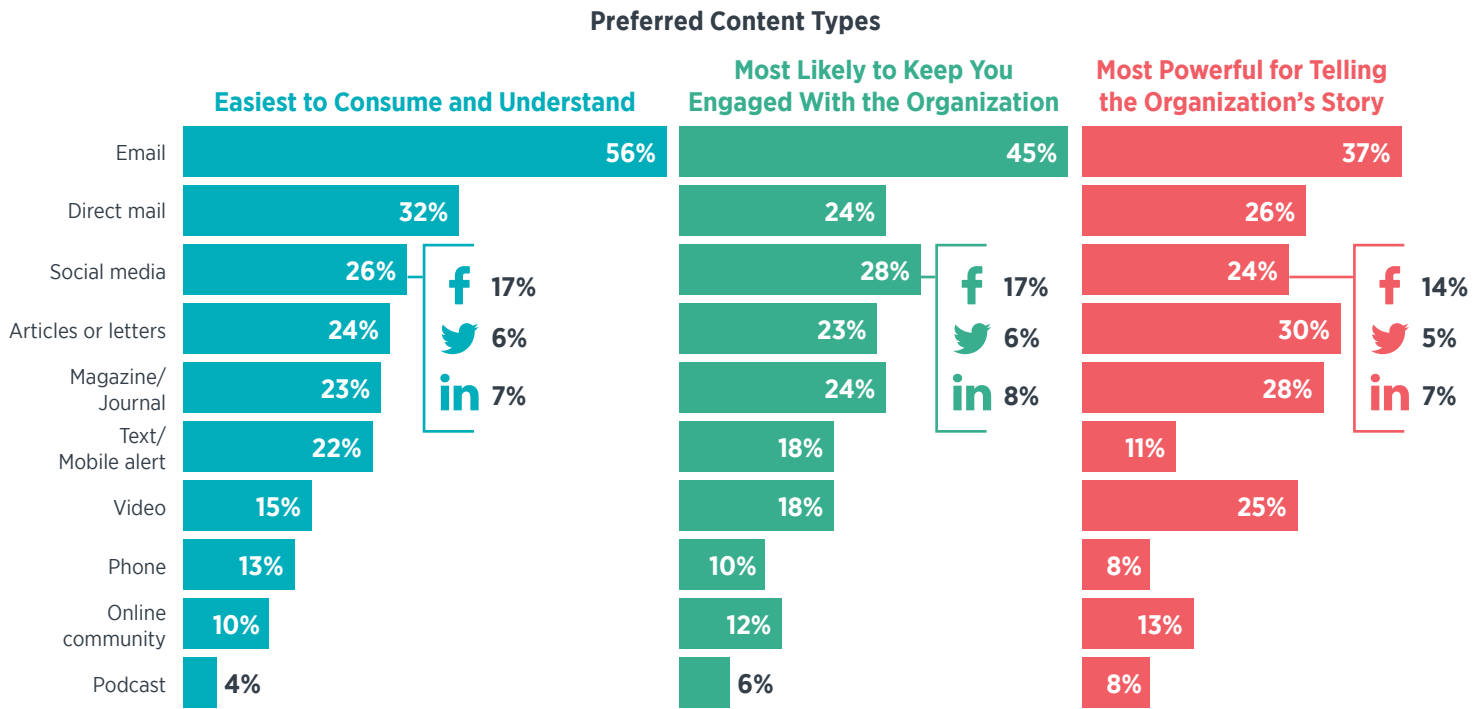


Figure 20: In each column, please select up to three answers about content that you view or read from organizations. You can select one, two, or three in each column.

One thing that membership organizations struggle with is how difficult it is to maintain members’ attention. **Figure 21 and 22** show when an organization starts to lose members’ interest with video and written content.

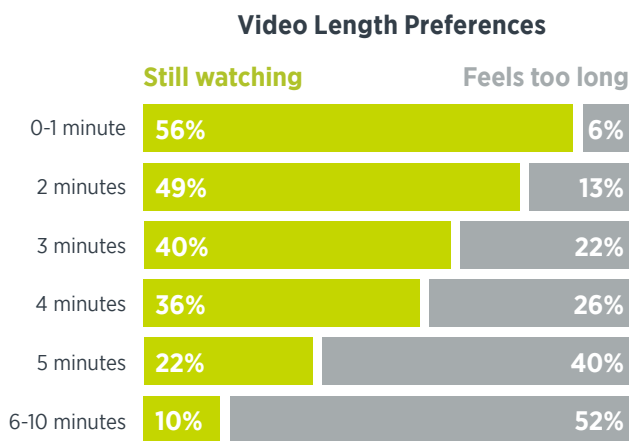


Figure 21: When you are watching a video from your professional membership organization, after how many minutes does it start to feel too long and you stop watching?

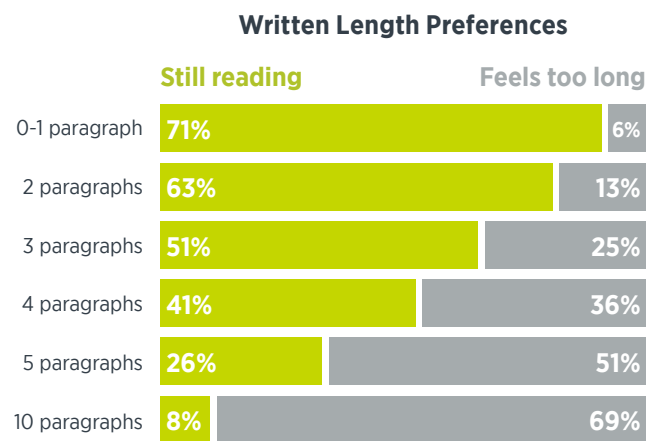


Figure 22: When you are reading content from your professional membership organization, after how many paragraphs, does it start to feel too long and you stop reading?

Figure 23 breaks down the best channels for keeping a member engaged by loyalty segment. The largest percentage of Value Seekers (members feeling the least connected) rely on email to keep them engaged. Direct mail and social media are less effective with this segment than others.

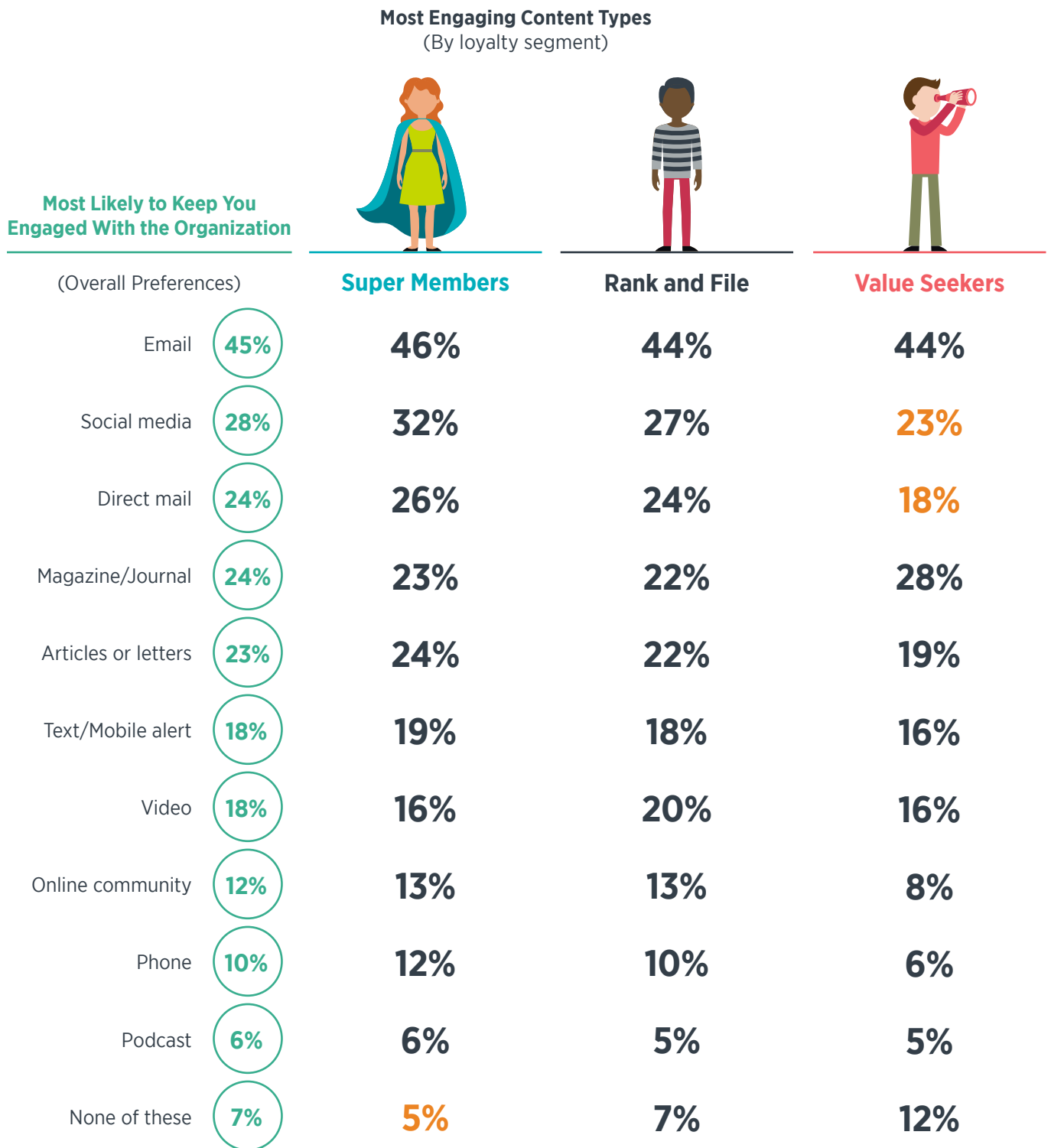


Figure 23: In each column, please select up to three answers about content that you view or read from organizations. (By loyalty segment; orange numbers indicate lower than other segment)

Figure 24 shows the best channels to keep different generations engaged. Email and social media are most effective with Millennials and Gen Xers, while the magazine/journal plays an important role with keeping Boomers engaged. Millennials are more likely to report video keeps them engaged with an organization. Podcasts and phone calls are ranked as least likely to keep them engaged with an organization by all generations.

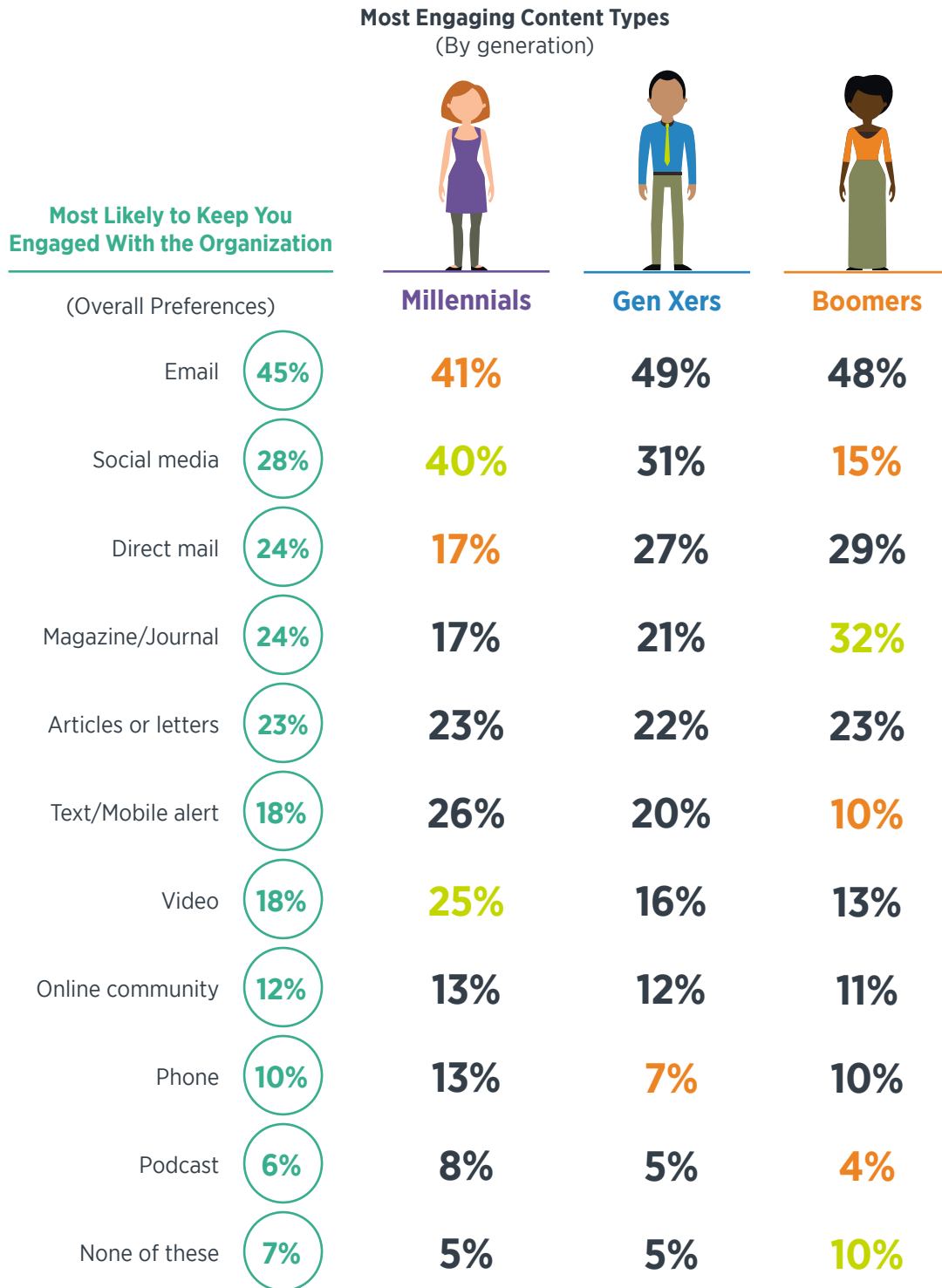


Figure 24: In each column, please select up to three answers about content that you view or read from organizations. (By generation; green numbers indicate statistically higher, orange numbers indicate lower than other segment)

Content Frustrations

Content can be an important tool in engaging members, but when done incorrectly can have a negative effect on the member/organization relationship. **Figure 25** details the top content missteps by professional membership organizations. Almost half of surveyed members say the content they typically receive is not personalized. Other top offenses include irrelevant content, content that is dull and boring, and content in an inconvenient format.

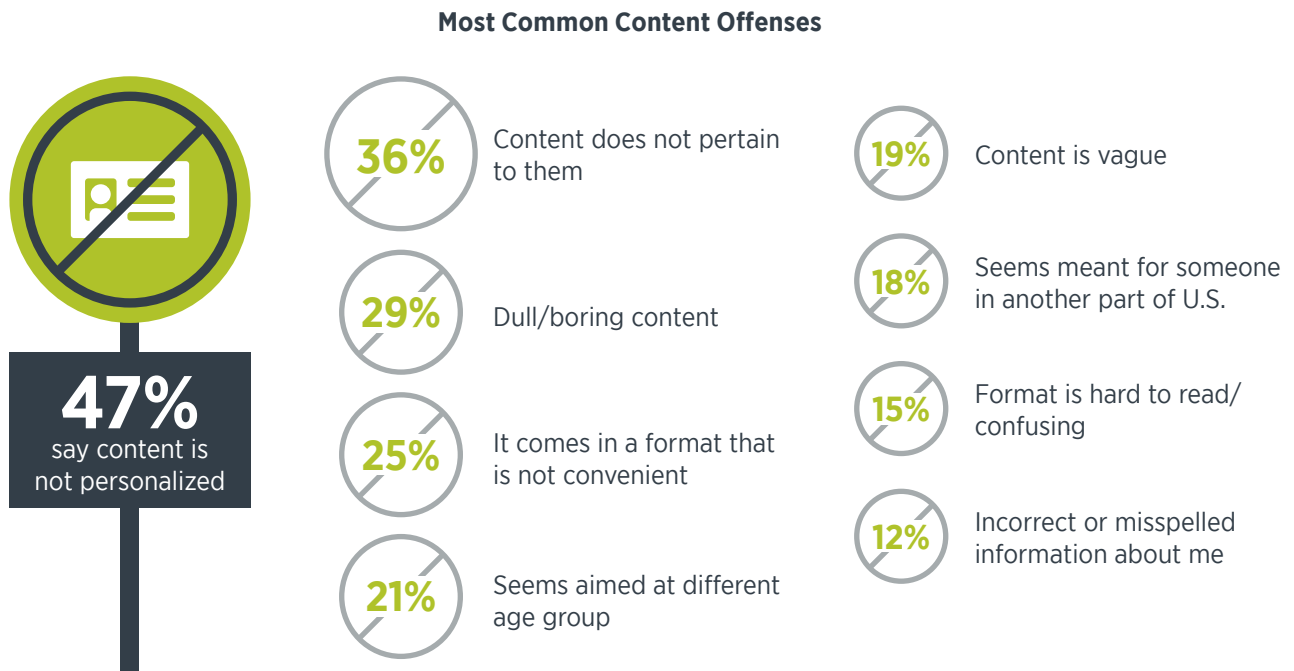


Figure 25: Thinking about content/information you typically receive from professional membership organizations, how often does the following happen?

Content that has incorrect or misspelled information was ranked as the most frustrating by surveyed members. The top five most frustrating content mistakes are highlighted in **Figure 26**.

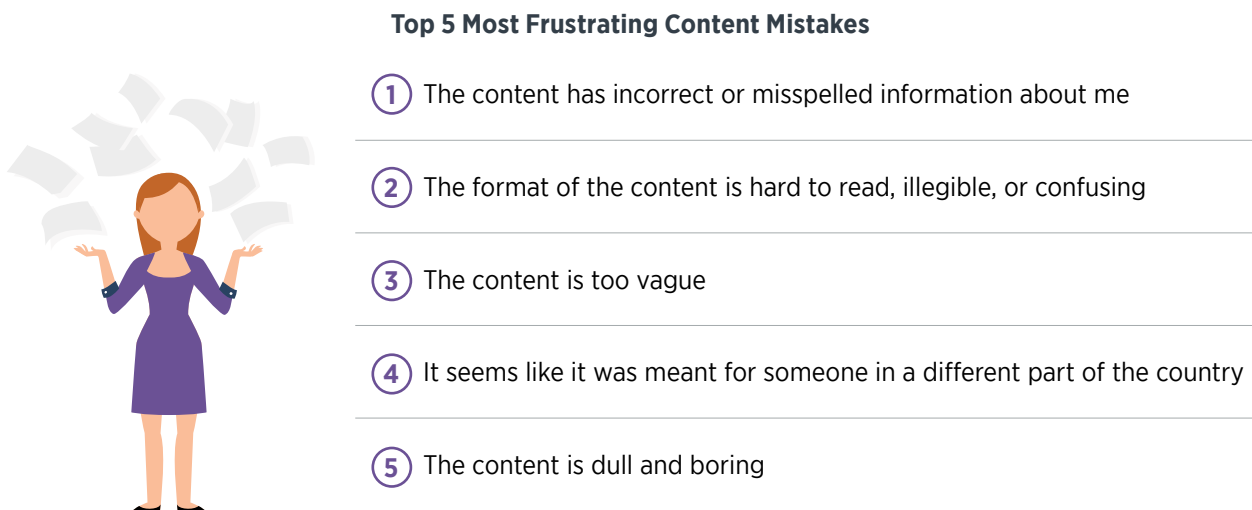


Figure 26: And how frustrating, if at all, are each of the following when they happen? (Extremely frustrating/Very frustrating)

Section 4: Personalization and Targeting

Personalization matters to members. As previously stated, approximately half of survey respondents say they receive content from their professional membership organization that's not personalized. Value Seekers are more critical of their organizations for having neither personalized nor relevant content. Most say they haven't been asked their personal preferences, an opportunity for associations to increase engagement with their most critical members. Rank and File members also seek a higher degree of personalization. Overall, a small percentage of members recalls consistently receiving personalized content. **Figure 27** shows the type of personalization members recall receiving at least sometimes.

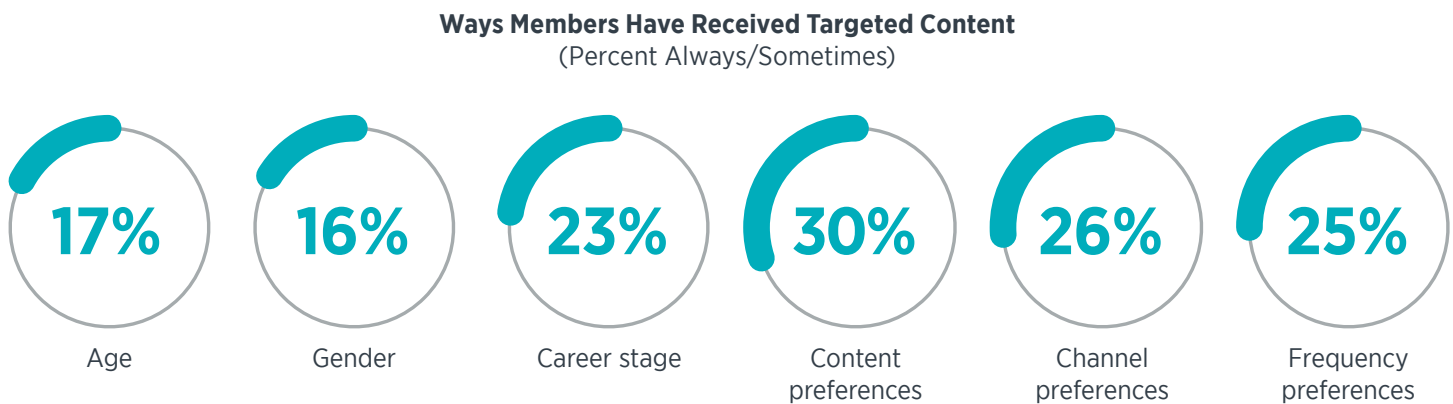


Figure 27: How often, if at all, does your professional membership organization target or customize the way you receive information according to each of these? (Percentage Always/Sometimes)

Seventy-four percent of surveyed members recall being asked for at least some type of personal information that might be used in targeting. However, there does not appear to be consistency with the type of targeting information organizations are collecting and using effectively. **Figure 28** shows the breakdown of members who were asked for specific types of targeting information. The majority of those who provided content, channel, or frequency preferences feel organizations follow through with their wishes at least sometimes. Less than half of those who provided age or gender information feel this is used to personalize their content (**Figure 29**).

Ways Members Have Received Targeted Content
(Of those who gave personal information)

74%

were asked for at least one of these types of personal information ...

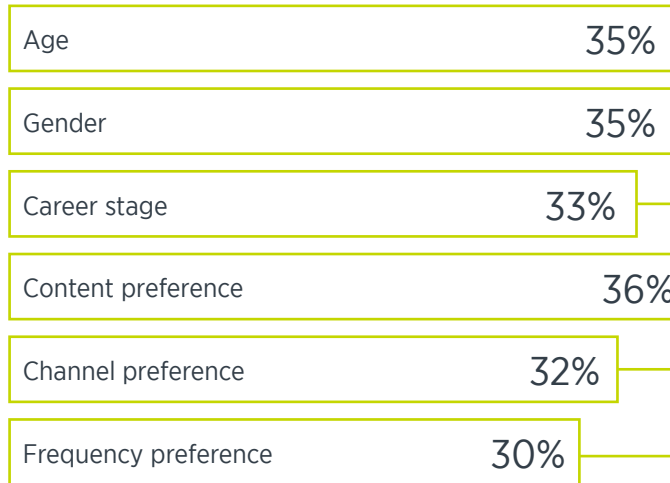


Figure 28: Has your professional membership organization ever asked you for the following types of information? (Please select all that apply.)

Always/sometimes receive information targeted or customized in this way ...

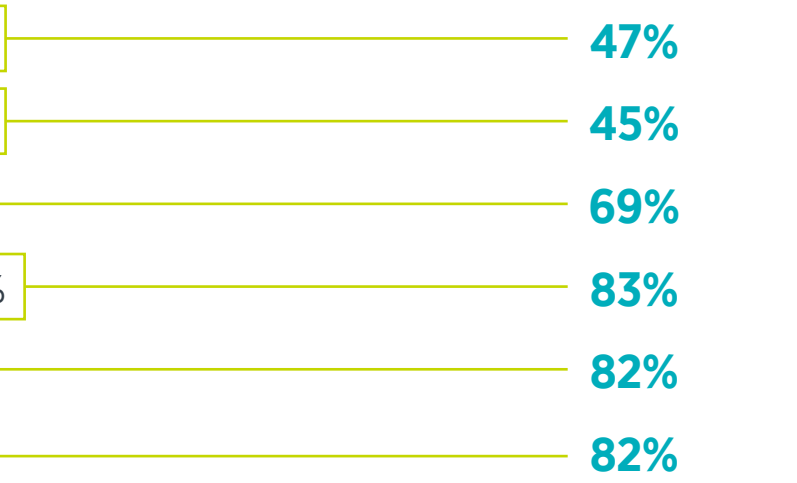


Figure 29: How often, if at all, does your professional membership organization target or customize the way you receive information according to each of these?

Section 5: Where Do We Go From Here?

- **Identify and understand your organization's loyalty segments.** The loyalty metrics examples introduced in this study are easily found in most association management tools. Use these parameters to create profiles of members across the loyalty spectrum, establishing what benefits matter most, and discovering communication preferences and unique characteristics influencing unique characteristics for each segment – for better or worse. Educate your executive team and board of directors on the importance of these loyalty metrics and start including them in your monthly or quarterly reports.
- **Reevaluate your value propositions.** The last thing you want is to have members move the opposite direction on the loyalty spectrum. If 18 percent of your members (like the percentage of members in this study) see little value in your organization, then it's time to create new value. Conduct member surveys and focus groups to identify the challenges your members face each day, how might the organization help, and what tools are needed to be successful? Also, take into account their member experience and expectations. Map out potential pain points and how new value propositions might help alleviate those.
- **Put your loyalty segments to work.** Once you are aware of which members fall within each segment, partner with other stakeholders in your organization, including your marketing team, to build dynamic lists to successfully segment your various loyalty groups. Strategically plan your communications to effectively align preferences with each group and move your members up the loyalty spectrum. The loyalty spectrum provides insight into how likely members will renew within each segment. Identify average renewal rates within each group, and plan renewal outreach initiatives that meet the needs of each segment.
- **Collect data and content preferences and use them!** Members now expect organizations to collect information to personalize their experience. Are you communicating with your members enough and through the right channels? Leverage marketing automation tools to effectively collect useful data and send targeted messages at the right time. But personalization isn't just for email. Your website should also be an included channel that is personalized for members. Use your member data to display personalized content, local events, and a personal dashboard.
- **Dust off your Code of Ethics.** Members are proud to belong to an association that provides a framework and standard for their industry. Keep your Code of Ethics updated and relevant. Include updating your Code of Ethics in your annual planning process. This is a must-have for retaining members. Also, give members an avenue to file for violations of the Code of Ethics. Published violation procedures reinforce the validity of the code.
- **Empower your Super Members.** Help your membership heroes use their power for good, and enlist them in helping move their peers up the loyalty spectrum. Engage Super Members to create compelling content other members will care about. Get them involved in broadcasting your good news and sharing the progress you're making. Committees, ambassador programs, and advisory boards are great examples of bringing your Super Members together.

Survey Methodology

Commissioned by Community Brands and its family of companies (Abila, Aptify, NimbleUser and YourMembership), Edge Research conducted an online survey of 1,025 association members in the U.S. who self-reported they are a member of a professional membership organization, or have been within the last two years. Survey respondents were recruited through an online non-probability sample, meaning findings are not generalizable to the larger population of members. When the term “members” is used, we are referring specifically to those who were surveyed. Quotas were set, so the survey was representative by key demographics. The survey was fielded June 28 through July 6, 2017.

About Community Brands

Community Brands is a technology-driven company that delivers purpose-built solutions to more than 13,000 of the world's leading associations, nonprofits, and government entities to help them thrive and succeed in today's fast-paced, evolving world. Community Brands' focus on accelerating innovation and bringing to market modern technology solutions helps power social impact, effect positive change, and create opportunity. With Community Brands' software and services, organizations better engage their members, donors, and volunteers; raise more money; effectively manage revenue; and provide professional development and insights to power their missions. To learn more, visit www.communitybrands.com.

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