Membership Fundamentals

Belinda Moore

If your association was opening its doors for the first time tomorrow what would you do differently today?

Membership Fundamentals

Practical information, useful tools and innovative ideas for ensuring long term membership growth in your association

Belinda Moore

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THE AUTHOR

Belinda Moore is a membership specialist who has assisted thousands of not-for-profit associations around the world with their membership challenges.

Belinda specialises in training, motivating and up-skilling boards, staff and volunteers to improve membership performance.

Known for her enthusiastic style, Belinda is a frequent presenter who arrives on the platform armed with an array of topics relating to membership. Revealing insights from her personal and professional experiences, she ensures that participants walk away with practical ideas and information that can immediately be applied.

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INTRODUCTION

This book has been designed to provide you with an introduction to the fundamental concepts and theories underlying the effective recruitment and retention of members as well as provide a broad understanding of the different areas that need to be considered when developing a membership strategy. It also includes a number of practical ideas that can be immediately implemented to improve membership performance.

This book will take you step by step through the process of developing your membership strategy while at the same time providing you with a structured format within which you can approach your strategy development in a logical manner.

By the end you should have the ability to assess your membership situation, determine key priority areas and develop a plan to address these.

Good luck!

ABOUT MEMBERSHIP

Membership is a tool

Membership is a tool that any organisation can use to assist them to achieve their objectives. It isn't a tool simply for non-profit organisations and can be found in many for-profit organisations in the form of products such as loyalty programs.

It is not necessary for all not-for-profit associations to have members. In some cases, such as professional bodies or unions, the necessity for members is obvious. However where having members is not a requirement for your association to exist, you should carefully evaluate whether a membership structure is the most appropriate tool to help you achieve your objectives.

For example, the recruitment of members is not the primary objective of an environmental group. However creating a membership structure is useful because the group has then identified a pool of people predisposed to its cause who can be targeted for financial or physical support.

Membership is not an easy way to generate income. Even if your membership base is growing the service based nature of membership organisations means that additional resources will be required to maintain existing levels of service.

Ongoing service requirements mean that members can be very resource-hungry with economies of scale difficult to realise unless you invest significantly in technology. However those associations who structure themselves correctly can generate a large amount of income.

Why do you have members?

You may have members for many different reasons such as to generate income, political influence or to provide a customer base. However you will find that one reason will be more important than all the others.

For example, if your primary reason to have members is for political clout, then you may price your membership fees lower in order to generate more members. However, if your primary reason to have members is to generate revenue in order to sustain costly programs then you may choose to have less members paying a higher fee for a higher quality service.

It is essential you know why your association has members and ensure your membership strategy supports that objective. Reasons to have members include (but are certainly not limited to):

- To generate income
- To create a potential volunteer pool
- To gain political influence
- To build a customer base for products and services
- To identify people interested in your cause
- To identify people operating within the industry
- To enforce standards of conduct within an industry

Once you understand the reasons you have members you can assess how this will impact on your membership engagement strategy.

The two types of members

Broadly speaking, there are two types of members - individual and organisational.

Professional associations will generally have individuals as members. This is because their role is to assist their members to be successful in their chosen profession – such as law, engineering or medicine.

Industry bodies exist to assist businesses in their industry to be successful. Therefore their members are usually organisations. Occasionally you will find associations that perform the functions of both a professional and industry body who have a mix of individual and organisational members.

Sometimes professional associations may have organisational members – for example they may create a membership category for organisations wishing to support their profession or for companies wishing to ensure that all individuals they employ in that profession are members.

Industry bodies occasionally choose to allow individuals to join. However this can sometimes be challenging as often one of the biggest roles of an industry body is the provision of industrial relations advice. Having both the organisation and their staff as members can lead to potential conflicts of interest.

In charities and other public benefit organisations there are often both individual and organisational members – depending on the purpose of the membership structure for those associations.

Membership challenges

Membership marketing techniques can vary between individual and organisational members. These differences need to be taken into account when planning your membership marketing strategy.

An organisational membership structure can prove challenging as within each organisation you need to be able to identify the decision makers, decision influencers and end users. It is then necessary to maintain relationships with more than one individual within that organisation in order to minimise risk should one person move on.

An effective retention strategy for organisational members is to customise services and communications specifically to various individuals working within the organisation depending on their needs.

Professional associations have their own challenges with many often experiencing difficulty keeping track of members as they move in and out of the profession, move jobs and take time off to care for family.

Charities will generally experience a special range of issues including the life cycle of the condition or cause, keeping track of members as they move address and, when targeting the general public for membership, identifying where best to market membership.

In all cases it is essential to have a good, well managed, regularly updated database suited for the type of members you have.

Charities and membership

Implementing membership structures into charities is becoming more prevalent with membership numbers in some charities outstripping all but the largest professional associations and industry bodies.

Charities considering implementing a membership structure should first determine why a membership structure is the preferred tool to achieve the objective (eg: to raise funds) and ensure other options are also evaluated.

You may find that you need to provide several different membership offerings to fit the different types of people who engage with your organisation. For example, a charity representing a health issue may have the following categories:

- a "Supporter" or “Donor” membership for individuals who wish to support the objectives of the association;
- a "Membership" for those who require information and services from the association (and may not necessarily wish to donate to the cause);
- a “Corporate” membership for corporate entities who wish to support the objectives of the association; and
- A “Practice” or “Health Professional” membership for people or organisations directly involved in the provision of services to those affected by the health issue.

It is important to choose appropriate language to describe the different categories within your membership structure. When you use the term “member” it creates the perception that the member will be receiving a personal benefit. If this is not the case then consider using the term “supporter” which more clearly defines their role within your association.

The most common challenge

An industry body with a wide scope of benefits was experiencing a low growth rate. The membership team had offered every service they could think of to the list of member benefits and yet membership wasn't increasing.

After conducting a member survey they found that only four services out of the potential 15 were being utilised. So they reviewed their communications to focus on just those services that existing and potential members were interested in and saw an almost immediate improvement in their membership figures.

It is a common reaction when suffering from poor membership growth for associations to immediately start reviewing their membership offering or start adding new services. However for the majority of these associations their membership offering is already adequate.

Generally, poor membership growth will either be caused by a failure of product mix or communication strategy - possibly both. In most cases it is the latter.

So if you are having recruitment or retention issues don't immediately assume you are having issues with your product mix. Instead identify the true factors hindering growth before taking action.

In most cases you will find that it is a failure to adequately convey the value of membership in a clear and targeted manner to existing and/or prospective members.

ASSESSING PERFORMANCE

Recognising issues

A CEO was pleased her associations' member retention of just over 90% overall. When asked which segments were performing well and which needed some work she didn't know. She had assumed a 90%+ growth rate meant that all segments were performing well. When the retention rates by segment were calculated she found that some segments were performing exceptionally well with 95% growth rates, several were performing relatively well in the high 80%s and one segment had an appalling retention rate of 62%. The CEO immediately implemented emergency retention initiatives in the 62% segment and recruitment programs in the other segments. This targeted approach led to an impressive increase in membership with both member retention and growth rates soaring.

Maximum membership growth can be achieved when both your recruitment and retention processes are operating effectively. To make this more challenging, at any one time different segments of your membership will be at different stages of the member recruitment and retention cycle.

Some segments will have a high retention rate – indicating there may be opportunities to recruit. While segments experience low retention may need less emphasis on recruitment and more on retention initiatives.

Associations who are able to recognise where each membership segment is on the recruitment and retention cycle, and target their resources appropriately, are the ones who are able to maximise their membership growth most powerfully.

Key membership statistics

Your retention rate is just one of a number of membership statistics that all membership managers need to be aware of.

Tracking your key membership statistics can give you an understanding of the strengths and weaknesses of your member recruitment and retention processes and enables you to take targeted action where required.

The basic membership statistics for each segment that every membership manager should know are:

Retention Rate
The percentage of members retained over a period of time. ((# Members End Period – # Members Joined over period) / # members at start)* 100

Growth Rate
The rate at which membership is growing ((# Members End Period - # Members Start Period)/Members Start) * 100

Loss Rate
The percentage of members not retained… 1-Retention Rate

Tenure
The average length of time that a member stays… 100/Loss Rate

Lifetime Value
The average spend of a member during their membership… (Average Dues + Average Non-Dues) * Tenure

Benchmarking your statistics

It is extremely difficult to give examples of good, bad or ugly statistical benchmarks as what is acceptable varies dramatically between industries.

Factors such as the length of time an organisation has existed, the depth of penetration they have into their market and the life cycle of the industry/profession/cause will also vary the appropriate benchmark for you to aim for.

It is advisable to benchmark against comparable associations to get an accurate criteria. That said, a rough rule of thumb from industry and professional bodies where no special circumstances apply is:

Member retention rates

- <70% Not good at all and needs addressing urgently
- 70-80% Below average
- 80-87% Average - room for improvement
- 87-94% Good - you are on the right track
- >94% Excellent - a great retention rate

Member growth rate

- <0% Membership is declining - address urgently
- 0-3% Below average
- 3-9% Average - room for improvement
- 9-20% Good - you are on the right track
- >20% Excellent - great growth rate

Analysing your statistics

A analysis of your growth and retention rates can provide an understanding of the strengths and weaknesses of your recruitment and retention processes. A rough guide to determining focus areas is:

High growth and high retention
High growth and high retention generally signifies an association with good member recruitment and retention processes. This is an ideal situation and one you should try to maintain.

Low growth and high retention
Associations with a low growth and high retention rates generally have good member relationship management and renewal processes but may need to work on: generating sources of new membership, managing their relationships with prospective new members, and improving their membership sales processes. Not a bad place to be as it means your service is good - you just need to convey that fact to more people.

Low growth and low retention
A low growth rate and a low retention rate rings warning bells that there is some serious work to be done. If you are in this situation, you should focus first on retention. It is far easier to retain existing members than to recruit new ones. Once that situation has been resolved you can then consider your recruitment processes.

High growth and low retention
This situation signifies good recruitment processes but poor retention processes. This is probably the worst situation to be in as you are creating a large pool of dissatisfied ex-members. If your association is in this position, you should halt recruitment until the retention issues have been sorted out. Otherwise the resources expended on recruitment are wasted.

DEFINING YOUR SEGMENTS

Power of segmentation

All members seek value. However different members seek different benefits in order to realise that value. In an ideal world you would identify the value each individual member is seeking, the products they need to realise that value, and the best means of communication with them directly. Unfortunately, such personalisation is almost impossible. Instead you need to group your members and prospective members into segments that have:

Similarity of response
The customers in each segment you create should have similar responses to your marketing messages.

Appropriate size
Each segment should be of a size that you can realistically target.

Accessibility
Segments must be accessible (eg: you wouldn't target left-handed people who enjoy apples as identifying prospects would be too difficult).

Once these are identified you can then tailor separate and distinct marketing and value messages towards each segment. It is essential that segmentation is done correctly as the success of all future membership marketing activities will be profoundly affected by your segment choices.

You should regularly calculate your statistics for each segment to understand how it is performing. This enables you to refine and target your marketing activities to further maximise its effectiveness.

Ways to segment members

With the stark difference in needs during different stages of a business and career segmenting on this basis have proven to be popular for many industry and professional associations.

The stages in the business life cycle are: Pre-Opening (for those considering), New Business, Growth Stage, Consolidation, Maintenance, Succession Planning.

The stages in the career life cycle are: Student, Graduate, Career Starter, Career Builder, Mid-Career, Consolidator, Pre-Retirement, Retired.

For some professionals you can incorporate generational segmentation into the standard career life cycle to further refine your segments. For example: Student, Graduate, Career Starter (up to 29yrs), Career Builder (30-40yrs), Mid Career (40-50yrs); Consolidator (50-60yrs), Pre-Retirement (60-65yrs); Retired.

Other methods of segmentation for membership associations include:

- Demographic (By a segment of the population. Eg: people of a certain age, number of children, income, gender or occupation)
- Socioeconomic (By a combination of social and economic factors. Eg: People of a certain occupation and income level)
- Psychographic (By attitudes, opinions, fears, prejudices and personality. Eg: lifestyle, whether they are independent or dependent, traditional versus experimental)
- Benefits sought (By the kind of services they are looking for)
- Geographic (By location)
- Combination of the above

Defining member categories

Membership categories like "Affiliate", "Associate", "Full Member" and "Standard Member" are not intuitive. They only have meaning to those internal to your association and should be avoided.

In some cases you may find you are making an inference that may be poorly received by the member or prospective member. For example - using the term "Associate" member implies that you are not quite as good as a "Full" member.

Consider using intuitive segments such as "Student", "Retired", "New Business", and "Staff" that enables a person to easily select the category appropriate to them.

Try to ensure that the names you use to identify your membership categories use terms that will enable prospective members to easily identify where they belong.

If you have very clear market segments then consider making those segments your membership categories. That enables easier marketing of specific product mixes for specific segments, for instance, students, retired members, etc.

Tapping the student market

Recruiting the younger generation has been an increasingly significant issue. Many associations are finding retention rates in the younger segments to be much lower than retention in older groups.

If you are a professional body, consider creating student associations or chapters. If an organisation already exists, investigate entering into a win-win-win alliance. Those students are your future members and the best time to start cultivating them is now. Some ideas to do this include:

Get involved with students
Invite them to dinners and conferences. Invite selected students free of charge. Allow them to be volunteers at events to enable them to attend. Enable them to form a committee that can feed ideas to the board and association staff.

Be open and welcoming
Assign existing members the role at functions to ensure the students are involved. Make students passionate about your association and the people within it. Passionate people are prolific referrers.

Respond to their issues
Find out what is important to them and assist in solving their issues. For instance, if getting a job in your industry is tough then arrange internships, work experience and mentoring schemes.

Be honest with them
Students are the most marketing inured target group around. They can spot a phoney a mile off. So keep your promotions real, honest and fresh. Always do what you say you will.

CREATING PERCEPTIONS

The importance of perception

Scenario 1: *I join an association. About a month after joining I receive my new member pack. It's so huge that I decide to read it later and never do. A few days later I receive an email promoting an event. I attend the event and it's full of people I don't know. I don't really get a chance to talk to anyone and, while it was interesting enough, I'm really not enthusiastic about going to another as I felt a bit out of place. A few months later I visit the website and find a really interesting article which I read. I try to click through to purchase the related book but the link doesn't work. A few months later I decide to call the association to get next year's event calendar. When I call the woman isn't rude but I feel like I have interrupted her day. It's not anything that you'd complain about but I wouldn't call her friendly. When the time comes to renew I don't bother.*

Scenario 2: *I join an association. About a month after joining I get my new member pack. It's not that big because it's tailored just to my needs. I have a quick skim and I get an idea of the services most relevant to me. Shortly after I receive an email promoting an event. I attend the event and it's full of people I don't know. The association has a member at the event whose job is to make sure the new members have a good time. I have a wonderful time and I meet a couple of people who I catch up with privately later. A few months later I find a really interesting article on their website which I read. I then click through and buy the book. Just prior to renewing I decide to call the association to get next year's event calendar. When I call the woman is just fantastic. I register early for an event ... and renew.*

The outcomes are different because membership success is in the details. Members don't join (or renew) for your products and services. They do so because of their perception of your products and services.

Every time someone interacts with your association they are forming an opinion about it (either consciously or subconsciously). Even if you do not actively market your association it will still have a reputation amongst your stakeholders. You can't stop that process happening but you can influence the opinion (or perception) that is being created.

The challenge is that membership is intangible. It is not possible to touch, taste, smell or feel a membership. As a result people can only form opinions about your membership from the intangible representations of the membership such as the people they talk to; promptness of response; the look, feel and wording of your communications; how well your website works; the kind of experiences they have at events; etc.

You need to decide the kind of perceptions and opinions you wish to create and ensure that every aspect of your association reflects that positioning.

For example, a social organisation may choose a recycled paper, single colour newsletter and staff may dress smart-casual. In contrast, a professional association with high fees may choose a thick, high-gloss, full colour magazine and their staff may wear suits. The same image expressed through printing and dress should be expressed through all other physical representation of the organisation.

It is vitally important that you track the perceptions that people hold about your organisation through surveying your members and non-members as well as monitoring both traditional media and social media sources (such as Twitter, LinkedIn and Facebook).

Positioning vs branding

In the same way that many people make judgments about other people based on the way that they look and act, so too will people make judgments about your association based on the way it is presented through interactions with them and others.

Positioning is the process of choosing how you want to be perceived (eg: knowledgeable, fun, innovative) and **branding** is the way in which you go about creating those perceptions (eg: changing the way people answer the phone).

As a service-based association without a tangible product, it is vital that your brand reflects your mission, your market and your positioning strategy.

For example, if you choose to position yourself as the foremost provider of expertise in your industry, you would develop tangible and intangible ways of expressing that position. This could be through your mix of products, your logos, the way staff dress, how you answer the phone and your service standards for responses to enquiries.

These combine to position your association in the minds of your target market. That is your brand.

A strong brand allows you to clearly differentiate yourself from competitors and define yourself in the marketplace by emphasising who you are and what you stand for. It enables you to clearly communicate your mission, increase your awareness and visibility, create a favourable impression and a uniting of people behind your cause, and promote loyalty and commitment amongst staff and target markets.

The power of branding

Brand strength can carry you in times of hardship. Consider the following comment by a Coca-Cola representative on their brand:

"If all Coca-Cola's assets were destroyed overnight, whoever owned the Coca-Cola name could walk into a bank the next morning and get a loan to rebuild everything."

It is important to position your brand in such a way that it differentiates you from your competition.

For example, an employer association provides industrial relations advice. Competition in this arena may include government departments and for-profit companies. The employer association may choose to position its industrial relations advice as being quicker and more accurate than its competitors. Alternatively, if it mainly undertakes action on behalf of clients, then it may also promote its high success rate compared to the competition.

Branding is not the same as advertising or promotion. Instead it is the emotional relationship that your seek to actively build with others. For example, the Red Cross is a strong, well-established brand. Hearing the name Red Cross generally conjures up images of how the organisation helps people and most people will have positive associations with that name.

Sometimes one organisation may have a number of different positions, with each to suit different markets. For instance, the Salvation Army is a collector of unused clothing and household goods but also a provider of emergency housing. These are two different positions that are equally true, but appropriate in different markets.

ARTICULATING VALUE

What is value?

When a prospective member approaches an association to enquire about membership it's often the same sad story. The poor sucker asks "What are the benefits of membership" and the association representative takes a deep breath and rattles out ... "We have a magazine, a website, an email bulletin, a conference, training and ... blah blah blah". And then the association representative wonders why the prospect isn’t interested.

The challenge of articulating the true value of members is where many associations struggle. They talk about the features of membership rather than the actual benefits. Things like magazines, events, websites and email bulletins are simply supporting features and without further explanation hold no value.

When looking at the value of membership it is important to recognise that the prospective member is not making a donation to the organisation. They are making an investment and expect to see a return. You need to be able to articulate that return.

Articulating value is a matter of explaining how the member will realise a successful return on their investment. You need to be able to state the outcome the member is expecting to realise and how you can help them achieve it.

As different people desire different outcomes it is important to understand which segment the person you are speaking to falls into so you can be confident of the message they need to hear.

Articulating value

The kind of value a prospective or existing member can expect be broadly understood by the type of association they are joining.

A business joins an industry association because they are expecting their membership to help make their business successful through increasing opportunities to generate business, reduce expenses, raise their profile and similar benefits.

An individual joins a professional association because they expect the association to provide them with tools to help fast track their way up the career and salary ladder. They are expecting to be provided with ways to increase their skills, raise their profile and access career opportunities that aren't available to non-members.

Charities are a bit more interesting. There are four main reasons an individual or organisation will join a charitable institution. It is either to:

- Invest in or contribute to the success of the mission of the association (supporters not affected by the condition/cause)
- Benefit from access to your products and services (those looking after their own medical condition/cause)
- Invest in the success of their business (your sponsors)
- Invest in generating better outcomes for their patients (health practitioners)

Benefits that deliver value

The role of your association is to create opportunities for their members to achieve the outcomes they are seeking when they decide to join. Associations do this through a mix of direct benefits (such as discounts, advice and training) and indirect benefits (such as government lobbying).

It is also the role of the association to motivate its members to take action to convert these opportunities into concrete benefits that will have a long lasting, positive impact on their business or career.

You can motivate members to engage by conveying the benefits of membership that will enable them to realise value. To articulate the value of your association consider the "success" your members are looking for and explain to them how you can assist them to achieve this. Just a few of the common benefits that will assist members to realise the true value of membership may include:

To engage with the most successful people in the industry
The William E Smith Institute of Association Research undertook a study into the relationship between association membership, member income and member job satisfaction. They found that, on average, people who are members of their association earn higher salaries, like their jobs more and are happier people than those who do not join associations.

They found that membership doesn't necessarily cause these benefits. Instead the relationship is the reverse - successful people are more likely to join an association. Therefore if you want to network with the most successful people in your association then you need to be a member of your association.

To increase your personal or business profile within the industry
Members have numerous opportunities to increase their personal or business profile through speaking at conferences, writing articles and otherwise engaging with the association community.

To meet high profile government and business leaders
When members get involved with their association it is a great way to open doors that would otherwise remain closed.

To gain up-to-date critical information about the industry/ issue/ profession before others
Associations serve an important role in the collection, filtering and dissemination. The more closely a member works with the association, particularly in board or committee positions, the more likely they are to gain important industry intelligence before most others.

To have a strong voice at all levels of government and being able to influence that voice
One of the greatest benefits of membership is often not appreciated. When you get a large group of people together they have a strong voice at all levels of government. And those members who are actively involved in the association who can influence the content of that voice.

To learn new skills
Through getting involved with their association members can learn skills on leadership, governance, etc that will assist them in other areas of their life.

CREATING A PRODUCT MIX

Product and service options

Avoid the urge to be all things to all members. In most cases, members are only joining for one or two products or services. When you understand the value each of your market segments are seeking you can review your product and services mix to ensure you are clearly delivering that value. If a product or service isn't clearly delivering outcomes for your members then save some money and get rid of it.

Typical products for associations that may assist members to achieve value include:

- Events, conferences, trade shows, training, workshops
- Magazine, bulletins, other publications
- Social media tools to enable member-to-member interaction
- Resource libraries (online or hard copy)
- Research and statistical information
- Member and/or Supplier Directories
- Certification and/or accreditation programs
- Alliance programs (banking discounts, etc)
- Representation and lobbying
- Public relations materials and other sales and marketing assistance
- Legal, HR and Industrial Relations support
- Education and reference materials
- Group purchasing discounts
- Industry guidelines
- Insurance

Leveraging non-membership fee income

An integral part of any product consideration is the topic of "non-membership fee revenue". That is the income generated from avenues other than membership fees.

One new product may have several revenue spin-offs. Take the time to fully explore how you can leverage as much revenue as possible from each product. *For example, you may run a series of seminars on a piece of regulation. This could spin off into books, DVDs, workshops and consultancy. It's limited only by your imagination.*

Some common examples of non-fee revenue sources include:

- Fundraising
- Donations
- Bequests
- Sponsorship
- Trade shows
- Conferences
- Exhibitions
- Training
- Professional services
- Product sales
- Advertising
- Royalty payments
- Commissions
- Referral fees
- Promotional items
- Networking events

Ideally you should have five strings to your revenue bow. Don't try to take on too many revenue streams at once. Give each project the time and resources to succeed. Bring each in gradually and only add another once the previous source is either operational or deemed unviable.

Refining your offering

To refine your product offering consider incorporating:

Member vs non-member pricing
When pricing your products, services and events remember to use member and non-member pricing where ever possible to reinforce the perception of value in being a member.

Tailoring product mixes to different segments
Relating everything back to your market segments helps avoid adding a product or service simply because someone on the board thinks it's a good idea. In many cases you don't need to review all your products and will just need to tailor your communication.

Bundling products and services together
Let prospective members see the benefit to them specifically without it being clouded by your other services. For example, you may develop a membership category for new graduates that includes products and services entirely geared to helping them get a good start in their career.

Giving a guarantee
A guarantee shows people that you are confident in the quality of your service and can be a powerful motivator to join. Unless you provide an appalling service, you will rarely have anyone take advantage of the guarantee – and if that happens you must be prepared to do exactly as you promised. Try a simple guarantee such as:

"If you are not entirely satisfied with this workshop we will cheerfully give you a full refund"; or "If you haven't saved more than your membership fee over the course of a year then we will cheerfully refund the difference".

Creating efficiency savings

Part of creating a sustainable association is not just generating income. It is also about identifying areas where costs can be reduced without affecting member satisfaction. Often just a few dollars saving per member can make a huge saving. Opportunities to generate efficiency savings will vary between associations but following are a couple of examples of ideas to start you thinking:

Payment methods
Moving to BPay can generate substantial savings on processing and receipt issue costs.

Printing
Printing is a variable expense and it is important to regularly review these costs. Try aggregating all your printing to a single printer to achieve a bulk discount. Assess the volume you are printing and look at other means of distribution instead.

Membership cards
Do you need a membership card? Often many associations continue to print and distribute cards to members when they are no longer required.

Electronic communication options
Many members prefer to receive information electronically. Have you given them the option to receive your communications (including prospective and new member packs and renewals) electronically?

Events and accommodation expenses
If you aggregate your purchasing of accommodation and event venues to a single chain then you can save up to 30%.

SETTING MEMBERSHIP FEES

Membership fee models

There is no "one-size-fits-all" when it comes to setting membership fees. In some cases a high fee is appropriate, in others a low membership fee is appropriate and there are even cases where no membership fee is the best way to go.

In the past, associations would set a fee and then all (or the majority of) services would be provided free of charge. This is now generally understood to be an inherently unfair model as it means that non-active members are subsidising the activities of active members. This model also encourages redundant services to be retained because "we've always done it".

In recent times the "fee for service" model is increasingly popular. While there are different extremes to this model, the most popular method is that the member pays a fee and receives a basic suite of services that may or may not be tailored to their specific segment. After that time members pay for additional services (they should receive a member discount on the services if available to non-members).

When looking at your fees you need to ask yourself if the pricing is:

- Enforceable. Can you enforce the fees?
- Fair. Are they fair and affordable for all members?
- Sustainable. Will the fees, when combined with other income streams, enable the association to be sustainable?

Options for structuring fees

There are numerous ways to structure your membership. Many associations with organisational members use a tiered structure where larger members pay more. Some associations with individual members tier by income so that people on a low income can afford to join. Others have a flat fee paid by all members. These are a huge number of ways you can structure your fees and some of the most common include:

Organisational Members

- Stage of the business life cycle
- Type of business or product line
- Production units, turnover, gross revenues or profit
- Number or location of sites
- Number of staff or percentage of payroll

Individual Members

- Stage of the career life cycle
- Specialisation or interest area
- Education or qualification level
- Salary or income
- Benefits sought

Many associations worry as to whether members will pay the correct fee amount – particularly when figures are being provided on trust. Large scale mis-reporting of figures is not common however if you wish to ensure members are providing accurate figures consider providing a slightly different service mix to each segment - ensuring that they will nominate the appropriate fee category to receive the suite of services they require. It is not advisable to force members to provide proof as it adversely impacts member recruitment and retention rates.

Managing fee increases

Anyone who has ever suggested a fee increase has heard cries such as: “The members won’t go for it”; “We’ll lose too many members”; or “It won’t be tolerated”. Yet rarely do these naysayers have solid evidence to back up those claims.

Gaining an understanding of what the members' response to a fee increase will be is an often overlooked, yet critical, step. Don’t assume you or your board know how your members will react. If you are going to suggest a fee increase conduct some research to get an idea of the impact of the increase.

For those on a budget a simple call around will suffice. You should not survey committee members or board members. Instead survey your rank and file members who represent the majority. Phone them and ask:

- Are you intending to renew your membership?
- We are considering implementing an $XYZ increase in order to [insert purpose of increase here]. How do you feel about that?
- If this increase were to go ahead would you still renew your membership?

The survey may show a large number of people indicating that they will still renew — giving support for an increase. Alternatively you may face strong opposition indicating you need to work on your membership value proposition.

The level of resistance to the increase will determine the style of communication plan required. Good research enables you to avoid over-communicating and inadvertently turning a molehill into a mountain.

DEVELOPING COLLATERAL

Making collateral valuable

A professional association sent out a notification to their members every day containing consulting opportunities they might like to apply for. A new staff member at the association thought sending an email out every day was excessive and changed it to a weekly email. The association was inundated with complaints from members who loved the daily business opportunities arriving in their inbox.

Continually sending out "one-size-fits all" communications will cause a decline in your readership and a disengagement that could then spread to other aspects of your membership.

Your goal is to make every communication so relevant to your members that when a communication from you arrives in their inbox or on their desk that they will read it right away. In this example the communication from the association was so valuable they would have been happy to receive it twice a day.

It is vital that you tailor your communications to the needs and interests of your readers – and where possible segment your communications so your readers receive a publication (whether electronic or hard copy) tailored to them. This includes prospective membership brochures, new member kits, magazines, email bulletins, event brochures and all other hard and soft copy collateral.

It is also important that you integrate social media channels, such as Facebook, LinkedIn and Twitter into your communication strategies to determine how they can best be used to deliver value to your members.

Collateral creates perceptions

People will form opinions about your association based on the tangible representations of your association. This includes items such as your premises location, how your staff dress and your collateral.

Marketing collateral tends to stick around on people's desks for awhile. Therefore it is critical that your written and electronic collateral (website, fact sheets, brochures, flyers, etc) are consistent with your desired positioning.

Consistent, appropriately branded collateral helps to convey your desired position. Ad hoc branding conveys a less professional, more disorganised image.

Inappropriate use of collateral can damage your association whereas appropriately produced collateral can reinforce your positioning.

For example, a charity wanting to position itself as a grassroots, community orientated association may produce their publications on recycled paper and fill it with case studies of work they have undertaken with underprivileged people (accompanied by black and white photos).

On the other hand an association for industry professionals with a high membership fee who is likely to have a full colour, glossy publication containing success stories of members.

Imagine if the charity produced a high gloss, full colour magazine. A potential donor or supporter would likely view any claims that all funds support the underprivileged with some suspicion, regardless of whether a sponsor has paid for it.

Developing collateral

In many cases your website, email newsletter, magazine and/or social media (Facebook, LinkedIn, Twitter, etc) will be your members' main point of contact with your association. Many members will decide whether or not to renew based on their interaction with these items alone so it is important that they make you look as good as possible.

All your communications should be regularly reviewed to ensure that their branding remains consistent with the overall image of the association, that the content is relevant and interesting to members and that it is being distributed in the most cost effective way. If your branding is inconsistent it will make your association look inconsistent.

For printed collateral, few associations have the funds to afford to reprint all collateral just to get a common visual brand straight away. However by defining the image you want to achieve and ensuring that all print jobs from that point forward comply with your branding, you can move to a standardised brand fairly quickly.

For online collateral, it is important to keep this regularly updated. This is particularly relevant if you are choosing to engage with social media channels. If you have a Facebook page, LinkedIn group and/or Twitter account it is important to appoint a staff member to be responsible for ensuring this is constantly monitored and information is continually being supplied through this medium to ensure you stay fresh and you are actively leveraging opportunities that this medium creates.

MOTIVATING THE TEAM

All staff affect membership

An accountant had been working in an industry body for about three months and had yet to talk to a member. It was time for renewals to go out and, being conscientious, he had read the constitution where it clearly stated that "members must be given six months written notice should they wish to resign their membership". So he sent out the renewals with a bright yellow sticker attached that stated "Payment required within 7 days or legal action will be taken". Without speaking to a member he had single-handedly managed to devastate their membership numbers that year.

The membership department is not the whole organisation. But the whole organisation is the membership department. You need to make sure that every single person in your office knows they have a responsibility for creating positive perceptions as even those with little or no member contact can significantly influence member perceptions.

Good customer service is much more than just doing what it takes to win a smile. It is ensuring that the customer is wholly satisfied with the outcome of the encounter. While traditionally good customer service has been seen as the interaction between staff and a member, it can also be broadened to include things such as interaction between a member and the website.

The best interactions make customers eager to return because they feel that this particular association fulfils their needs.

Good service is critical

Customer service can meet a need or get a job done, yet still not be a positive experience. Good customer service is when the member feels good about the interaction, even if they did not get what they wanted.

Members who have had good customer service experiences with you can become advocates for your association. They may even be more willing to be involved with the association in a volunteer capacity. You will also find that prospective members coming into contact with your association are more likely to join if they have a good customer service experience.

Good customer service works for everyone. Staff operating in a good customer service environment generally have higher job satisfaction, greater levels of self confidence and much sought after problem solving skills.

It is impossible to sustain a good customer service environment without the active participation of ALL team members. Even a staff member who rarely – if ever – has contact with a member or prospective member is involved in delivering customer service.

It is important for everyone in your association to understand that the membership department is not the whole organisation - but the whole organisation is the membership department.

Supporting good service

Good customer service starts at the top. Just sending staff to a one-off course doesn't make them "trained" – in the same way that going to one training session doesn't make a swimmer an Olympic gold medallist.

Good customer service skills need constant feedback and reinforcement. Customer service isn't a course. It is an attitude that needs to be fostered on an ongoing basis. Some strategies that managers can employ include:

Recognise the role of senior management
Staff take their lead from the top. Senior management should behave as they wish their staff to behave.

Set customer service standards
Let staff and volunteers know what is considered good service. For instance, instigate a policy that telephones must be answered within three rings, and that all staff are to ensure that the association adheres to the policy. Ensure all staff know that dealing with members is not the sole responsibility of the receptionist.

Provide staff with information
Give staff the information they need to answer questions. Create a common resource base that can be easily accessed.

Train staff
Bring in customer service trainers regularly for staff to gain skills and understand good service is a priority.

Empower staff to provide solutions
Ensure staff have the authority to provide solutions. Give them guidelines so that they know of any boundaries.

Foster communication

Staff are at the coalface of the association. They may have opinions and ideas that could make the association a fortune – or save a fortune. Foster an environment where staff feel comfortable expressing ideas, safe in the knowledge their ideas will be listened to, considered and acknowledged.

Reduce distractions

From broken lights to cheap toilet paper there are often annoyances in an office environment that could be fixed easily. Find out what frustrates your staff and get it fixed. This can create a more productive environment and helps create an atmosphere people will enjoy working in.

Pass on feedback

When good feedback on customer service levels is received pass it around and congratulate staff on a good job. When it is negative feedback deal with it directly with the staff member involved, behind closed doors - not at staff meetings.

Recognise the role of each staff member

Everyone in the association – from the receptionist to the executive director – has a valuable role to play in creating organisational success. Ensure staff are aware of the importance of their role in this.

Build satisfaction

Happy and motivated people are more likely to provide higher standards of customer service. Show staff that you care about them as people, appreciate their good work and that their opinions can make a difference.

Mystery shop

Mystery shop your association occasionally to gauge customer service levels. Let staff know that this will happen. Reward staff who perform well.

Being member focused

Frontline staff can help create a good customer service experience for the people they deal with by implementing the following strategies:

Know your product
When members contact you they aren't usually calling for a chat. They want information or have a purpose for the call. Therefore your role is to understand the various products and services that your association provides and if any new products or services are in the pipeline.

Identify any gaps in your knowledge about the association
Do some research. Keep an ear to the ground, ask questions and make it known that you are interested in being kept up-to-date with what's happening. Create a reference book of prepared answers that lists information such as the areas of expertise of other staff, answers to frequently asked questions, the value proposition for membership (by target market), and any common objections.

Under promise and over deliver
If you make a promise to a customer but don't deliver it will not be perceived well by the customer – even if the solution is still an improvement. It is far better to under promise and leave the customer pleasantly surprised when you over-deliver.

Believe in your product
Belief in your product creates enthusiasm – both within you for your role and within others who pick up on that enthusiasm. Not-for-profit associations are great to work with because their whole premise is to help people. Think about it. What business are you in? Are you in the business of delivering publications, training courses and information? Or are you in the business of helping people to achieve their goals?

Experience your service yourself

To effectively put yourself in your members' shoes you need to experience what they experience. Experiencing your association could include: reading magazines, email bulletins, newsletters and other publications; attending the training courses; or going to a member's premises for a day.

Maintain a positive attitude (and accept things don't always go right)

You don't get 50 telephone calls a day. Instead, you have 50 individuals calling you hoping that you will be able to help solve their problem. To do your best for each of those people it is important to have the right attitude and an important part of that is being positive. But things can go wrong and when that happens be prepared to focus on fixing the problem and moving on, rather than getting bogged down in blame.

Develop a customer focus rather than a product focus

Associations generally have an extremely wide range of services available for their members. Sometimes when a prospective member calls in for information they will be on the receiving end of an "information purge" where the customer service person simply lists the products that are available. That is a product focus. A customer focus is when you ask questions to find out more information about the person and talk to them only about those products that will be relevant to them.

Get your staff to implement a "10 seconds longer" approach

Spend an extra couple of seconds during each interaction to find another way to help members by finishing the call with a question such as: "Can I help you with anything else?" or "Are you coming along to next week's event?".

GETTING TECHNOLOGICAL SUPPORT

Good technology is vital

Good technology is a vital part of recruiting and retaining members as well planned and implemented technology software and hardware can enable significant reductions in service costs, increases in service standard and enable greater surplus to be generated from membership.

Imagine a large professional association with a head office in Canberra and state offices in all states. They have a database at head office and each state maintains their own database for their state. When processing a new member the scenario likely goes – membership form comes in, gets copied, one copy goes to accounts for processing and entry into MYOB, the other copy goes to the membership person for entry into the member database. A copy of the form is sent to the state offices to be entered there. The administration office manually enters the members details into the new member letter and manually types out a label for the package being sent. The members' information is being re-entered five times. Five opportunities for error. A lot of wasted resources.

Contrast this with an association that has a web-based database that is integrated with accounts. The new member form comes in and goes to the accounts person. The new member details are entered and the payment processed. This information is automatically recorded for accounts purposes. As the database is accessible by all staff no one else needs to enter details. The administration person presses a button that automatically generates a targeted information kit and label for the envelope.

In the second example there is only one opportunity for error. Much less time and financial resources are wasted on administration.

The possibilities of technology are endless and getting more and more inexpensive every day. Successful associations should be able to keep abreast of technology improvements that enable them to deliver bigger, better and more cost effective services.

For those associations serious about targeting communications to specific member segments, good technology is essential to enable members to be able to nominate the type, frequency and means of communications they receive.

Technology supports and facilitates the process and lays the foundation on which you can create amazing member experiences. It is a wonderful tool and one that should be explored.

However it is important to remember that the strength of your association will be in the member experiences. Your investment in technology should enable you to gain efficiencies as well as positively reinforce the member experience.

MODELS OF MEMBERSHIP

The Trust Continuum

The more involved someone is with your association the more likely they are to join. The more involved a member is with your association the more likely they are to renew. Therefore it is imperative to get prospective and existing members actively involved in your association.

This is vital when it comes to recruiting new members. You would be unlikely to walk up to a stranger in the street and ask them to marry you. But that is exactly what many people promoting new membership do.

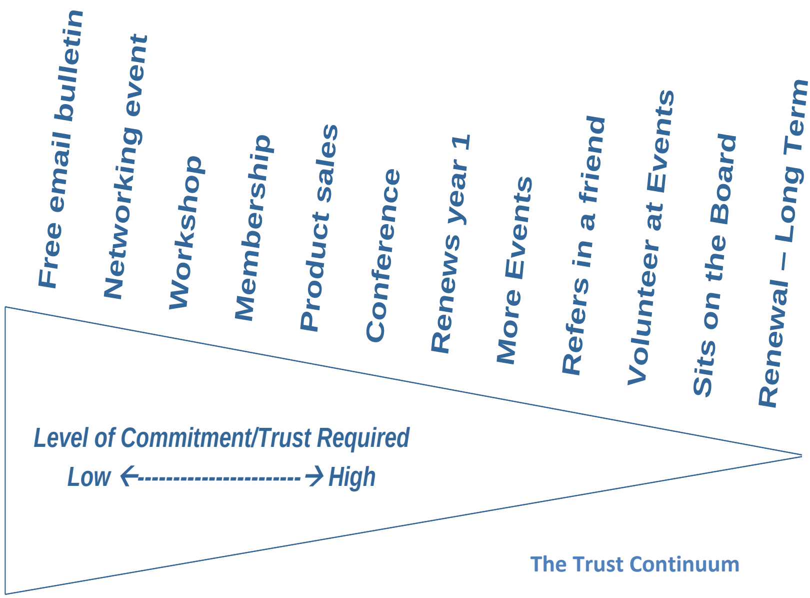
In the same way that people need to get to know each other before getting married, prospective members and new members need to get to know your association before making an initial or ongoing commitment of funds and time. Therefore you need to determine the most effective path for a prospective member to follow that will grow their trust and confidence in your association.

You can do this through constructing a trust continuum through which you can engage your members. The trust continuum starts with a low commitment, low trust step (such as subscribing to a free email bulletin). As it progresses, each step will require a little more commitment and trust. See the image below for a basic example of such a continuum.

Consider the effect of scale on this process ... Imagine that 95% of people approached elect to receive the free email bulletin; 45% of those people elect to attend a seminar within three months. 35% of those people further decide to attend the full day workshop. And 60% of those people then join.

If the prospects going onto the free email bulletin are effectively qualified then you should find that these percentages will generally hold no matter how many people are in the pipeline. Imagine then, if you were to invite 300 instead of 100 people to subscribe to the free email bulletin. Member numbers could soar!

Bear in mind though … different market segments will each have a slightly different continuum and you will need to tailor a different continuum for each.



The Trust Continuum

The Membership Machine

Effectively recruiting and retaining members is a process. Like any process, if you can streamline and ensure that every part works together smoothly then you will maximize the return from your efforts. The result should make the pathway to membership a very natural, easy process.

The membership machine is a model that divides the process of recruiting and retaining members into six stages:

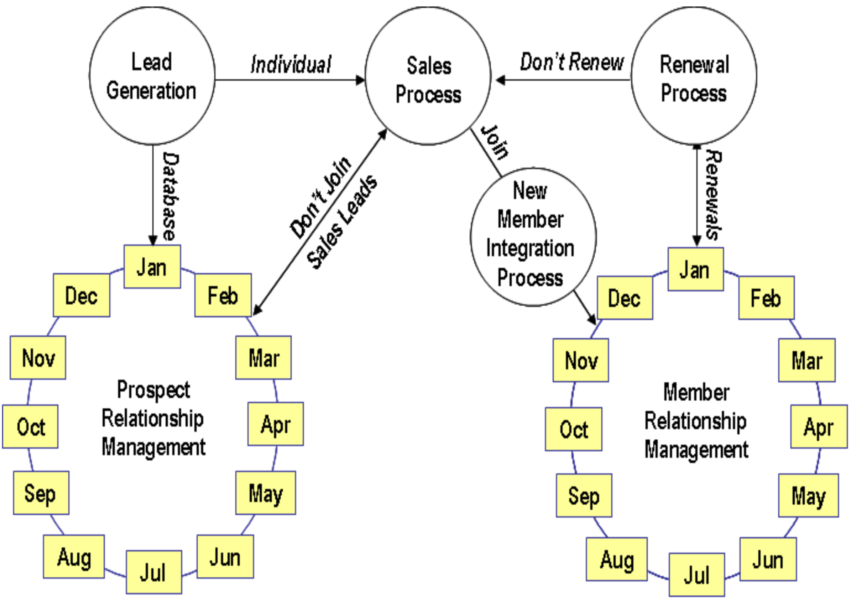
- Lead generation
- Prospect relationship management
- Sales Process
- New member integration
- Member relationship manager
- Renewal process

This model works on the premise that, in the same way that one missing cog can affect the output of a large machine, one small task done ineffectively can affect your entire member recruitment and retention process.

Therefore your membership machine needs to be carefully designed and constructed piece by piece. You need to find the best way for all the small jobs that need to be completed to fit together to minimise loss of opportunities or wastage of funds.

You should be able to map the progress of a lead through your system with ease – knowing exactly what will happen from the moment the lead enters the system until it eventually leaves the system.

If you can't do this it is not a matter of whether you are losing members, but a matter of how many you are losing. The rest of this book covers how you can assemble your Membership Machine.



The Membership Machine

LEAD GENERATION

The more leads you have coming into the association means more opportunities to gain new members. To maximise this process you need to have strategies in place to:

Generate fresh leads
The more leads you have coming into the association the more raw materials you are feeding into your membership machine.

Capture incoming leads
At every point where a prospective member comes into contact with the association there should be a mechanism for capturing that lead. This includes processes for recording telephone enquiries, collecting business cards from meetings or event and capturing online registrations via the website.

Qualify incoming leads
A smaller database of solid prospects is better to have than a large database of names and addresses who are not viable prospects. It is important to qualify incoming leads to ensure your future marketing communications only go out to valid prospects.

Classify incoming leads
To make future marketing messages as tailored, and therefore as effective, as possible all income leads should be classified with the source of the lead recorded. Classifications should represent target segments within your membership. Classifying prospects will make future recruitment campaigns easier to target and deliver.

Your communications

Your communications (including your website) are a great way to passively generate leads and build a relationship with prospective members.

Create a free email bulletin (e-bulletin)
On the website have a simple registration process to collect email addresses. Try to get names and company names where appropriate – that way you can personalise emails.

Get 'opt in' at every opportunity
Promote your free e-bulletin through both your hard and soft copy collateral and take every opportunity to get people to "opt in" to your prospect communications. This should include: asking all in-bound (non-member) callers if they would like to subscribe, promoting it on the website, in the e-bulletin itself (encourage forwarding on), on your strategic alliance partner websites and communications, on your email signatures and at your events.

Offer an incentive
Offer an incentive, such as a free report or checklist, that people will receive for signing up to your mailing list.

Give away "tasters" of your product
Update your website home-page regularly, at least once a month, with new information that showcases your skill and expertise such as: articles, stories on members, lists of tips, checklists, recommended resources, free/discounted product samples (eg: events, books), and industry trends.

Use social media channels
Create a Facebook group championing on a "hot" topic in your industry, use your Twitter account to lead current debates and set up a LinkedIn group that enables people to engage with each other directly to ask questions, post jobs and share information. You will find that you start to attract a large number of non-members to these channels that you can later target for membership.

Member testimonials
Never say anything good about yourself that you can get someone else to say for you. Testimonials are a fantastic way to generate enquiries and sales. Resist the urge to doctor them to sound prettier. Use them everywhere. Make sure you get permission in writing before using the testimonial about your association.

Strategic Alliances

Create strategic alliances to generate leads
Look for government bodies and other organisations where people in your target market go for advice as well as for organisations with a similar target market to yours. Work to establish close relationships with those organisations and find win-win situations.

Have your strategic alliance partners distribute your collateral
If your alliance partners have a reasonable level of foot traffic that includes prospective members then you could put membership materials in their office (and perhaps put their information in your office). Distribute your membership materials for display in those organisations (most brochure holders require DL sized materials). Ensure that information placed out in the marketplace is kept up to date. Schedule regular calls to find out if they need more supplies.

Piggy-back mailings

When organisations send mail (invoices, catalogues, etc.) to people who fall into your target market see if it is possible for you to insert some membership material about your association into their mail out. The concept of piggy-back mailing is great as you can utilise their database without breaching privacy guidelines - and at a much cheaper rate than buying a database. This is most effective if your mailer contains a strong call to action.

Direct mailings on your behalf

Ask your strategic alliance partners if they will send out information to their mailing list on your behalf (no privacy act implications because no data is shared). You can then develop a direct mail campaign specifically targeted to the group that uses that information service.

Reward referrals from strategic alliance partners

This could be as simple as a thank you note, taking your contact out to lunch or sending a basket. It is important to adjust the reward to the value. If they regularly send though high quality leads that convert to members then consider something a little more tangible.

Target their customers

Often people who want to target your members for their products will approach you to form alliances. If you have the same target market, consider contra deals where you can also target their customers.

Build good working relationships

The best long term partnerships are where the parties have a good working relationship. Find the time to socialise with the key people from these organisations and get to know them on a personal level. That way, when things get a little rocky or when times get tough they are more likely to retain your arrangement.

Your staff

Make the lead generation program part of the office culture
Collecting membership leads needs to be a part of your office culture. All staff should understand that it is part of their role to be alert for membership opportunities and pass these along to the membership department.

Run an internal competition to generate leads
Even if you make selling memberships the role of the designated salesperson, your non-sales staff still need to pass through leads. Consider running a short term internal competition where you track the number of leads each staff member generates and each month reward the top referrer with a prize (eg: the afternoon off).

Have a clear policy on lead generation
This process can be assisted with a clear policy on lead generation. Such a policy allows you to let staff know what is expected of them. This policy needs to be made clear to all persons working within the association with reminders every six months or so. An example of a simple policy is:

Prospective members should not be given member-only information. All staff should verify the membership details of incoming enquiries. If the enquirer is not a current member then that call should be put directly through to the membership sales person or another person in the membership department. If no-one is available to take the call then please offer to send the person an information kit and take their details. Please collect the following details: full name, contact phone number, postal address, email address, their source and a brief description as to the nature of the enquiry. That message should be sent to XX in the membership department.

Your members

Encourage member referrals

Your members are your best source of leads because they are on the ground in the industry and will know of prospective members. So find out what motivates your members to refer and start encouraging referrals. Sometimes it is as simple as recognition and appreciation while others may want financial rewards.

Thank members for their referrals

A more subtle method of encouraging referrals is personally calling members to thank them for leads they have generated. Then, when the lead becomes a member, the referring member should be sent a letter containing a small token as a thank you. The member should also be publicly thanked in your publication for referring the new member. Small, regular gestures of appreciation can reap huge rewards.

Member-get-member campaigns

Many associations have tried formal “member get member” campaigns with varying levels of success. While these work for some associations, for others running blatant campaigns may be counter-productive. Prior to trying this first assess whether running these campaigns are appropriate for your association and your membership demographic. If you try it and it doesn’t work then research carefully to find out why it didn’t. This is hard to get right – but when it works it is fantastic as a recruitment tool.

Create member volunteers

Create special positions for members as “Member Representatives” or "Ambassadors". Their role is to encourage people to join. Track how well they do and highly publicise their work in member publications. When done correctly this can work extremely well for both new member recruitment and retention.

PROSPECT RELATIONSHIP MANAGEMENT

When you get large numbers of leads it is unlikely that you have the resources to follow up each one. A prospect relationship management process is designed to keep the leads you have obtained active and "warm". You can tap into those warm leads with targeted marketing campaigns as you have the resources available.

A good prospect relationship management process is designed to keep your association in front of your prospects' eyes at least once every three months – and ideally once a month. This process should be documented and assiduously maintained to enhance the prospects' trust in your association. A good prospect relationship management process should:

- Encourages prospective members to join
- Maintains contact with prospective members
- Promotes income generating activities and products
- Creates opportunities where prospects can interact with you
- Encourages prospects to think positively about your association
- Builds trust with prospective members

The prospect relationship management process can be as subtle as an article that mentions your association placed in a newspaper or as overt as a direct mail piece. Whereas the sales process is the personal way in which the association interacts with members both to get them on board and as they come on board.

There are two types of leads that you will deal with – databases and individual leads:

- Individual leads – Where a single lead comes in such as incoming calls and people you meet.
- Database leads – Generally where you have picked up a large number of leads at once. For instance, purchased databases, competition entrants and conference attendees.

An effective prospect relationship management process is characterised by:

Multiple channel options
Demonstrate that your association is open and welcoming via any channel the prospect chooses to use. Be accessible via telephone, email, website, in-person or via fax.

Targeting where possible
Segment communications so that publications and other communications reflect each group's needs and fears.

Multiple engagement options
Engaged prospects are more likely to remember you. Ideas for engagement include: checklists, quizzes, surveys, letters to the editor, fax back forms, etc.

Your communications

Create a regular prospective member communication
A regular communication for non-members is a vital tool in member recruitment. Whether hard or soft copy it should be less frequent than your "members only" email bulletin. It should tantalise the prospect rather than give away information and can include: articles on hot topics, a calendar of events, quizzes, checklists, surveys and membership offers.

Put a membership focus in your hardcopy publications
Focus on motivating and giving the prospect reasons to join – rather than reasons why you are such a good association. A good story is an excellent way to communicate a value proposition (rather than just a list of features). Including stories about members who are benefiting from membership serves both to encourage prospective members to join and current members to renew.

Additional product sales
Just because people haven't joined does not mean they can't still purchase your publications, attend your training or participate in your events. Promote all of these to non-members and when they purchase, it gives two benefits to your association – it generates income and gives you the contact details of someone who is interested in your products. Of course, as non-members they should be paying a higher price.

Make it easy to join
A website is open 24 hours a day. It's very convenient. So continue to make it easy for people to interact with you. On the home-page provide quick links to "join now" .

Your events

Market your conference to non-members
Getting non-members along gives you extra income (due to the higher non-member price) as well as a chance to showcase the benefits of membership and to meet potential members face to face.

Target your events marketing to different segments
This will assist you to generate a higher attendance rate. Your promotional mix should include a different mix of channels to your various member segments. While email and direct mail is appropriate in many case there are still industries where faxes are still popular.

Use the registration process to generate members
Incorporate a mechanism into your registration process. This should include an incentive to join on the registration brochure, a call when a non-member registers to offer them a members (to enable them to register at the lower price), an incentive to join at the event and follow-up contact after the event.

Get members involved
Use member ambassadors at your events who are responsible for engaging with non-members and encouraging them to join

Run events for prospects
Run events to generate interest in your services among non-members. Promote these events widely to non-members on your database to get them to attend. Of course members are welcome to attend. Invite a few members who are vocal proponents of your association as guests. Charge non-members a higher price to attend. At the event ensure you have mechanisms in place to engage people further - such as invitations to other, related events.

Get "Out There"

Attend other events
Actively get out into the industry and meet prospective members. Attend trade fairs, networking events, conferences and other events aimed at your target market.

Find relevant trade shows and take a booth
Exhibiting at relevant trade shows is a good way to generate leads - if the stand is worked correctly. As trade shows have many distractions it is important to capture leads for later follow up. Ensure you have a quick, easy and compelling lead generation activity and happy, outgoing representatives who can quickly and easily engage with show delegates.

Find and accept speaking engagements
If you can speak on a topic of interest to prospects in a way that stirs them to action then get out and start talking. Actively seek speaking engagements on “hot” topics.

Run external competitions
Where possible run competitions to generate leads. If attending an event where only a small percentage of the attendees represent your target market then offer a prize that is related to your business - the number of leads you will generate will be smaller but of better quality. If attending an event where a large percentage of your target market is present, the big ticket or high demand prizes will work well. Promote these through all you communication channels including social media.

Cultivate government and media contacts
Start raising your profile. Be active and be seen to be active by issuing regular press releases and being seen to be leading the debate. Develop relationships rather than bombard them with information.

Will you allow free advice?

Non-members may call wanting advice normally only provided to members. Eg: a non-member may call an industry body for wages advice. Free advice should only be given if you have:

- The staff backing – The staff answering the caller's query must be prepared to promote membership. Eg: If the answer is getting complex they must know at which point they need to say that further information will require them joining.
- The database – You need a database where existing and prospective members are recorded which enables you to check before providing advice to ensure this is their first time. To be effective this must be updated.
- The procedures – Follow up procedures must be in place where people provided with free advice are followed up for membership.
- Attempted to convert – Before providing the information you should first try and get them to join. Before they get the advice you need to collect their contact details.

If the above is not happening then it is not advisable to allow free advice otherwise you risk it affecting your retention rate, as members will hear that they can get members benefits for free. However, if you can make all of the above happen then you have a very useful tool for generating membership.

An alternative you may want to consider is having free fact sheets available for prospective members – but membership is required for personal advice. That can be quite successful and it allows you to minimise staff time (and therefore costs) and also regulate what information is free and what is members only.

MEMBERSHIP SALES PROCESS

The membership sales process is the process of actually converting a prospect into a member. It includes when a salesperson makes outbound calls into the prospect pool, or when a prospect has called into the association for more information or in response to a direct mail offer.

When this contact is made the leads should enter a formal follow up (sales) process which will generally involve regular contact being maintained with the prospect until they have either joined or deferred joining. If they defer joining for a set period, they should be flagged for follow-up at the end of that period.

If the salesperson cannot convert the lead into a membership then that prospect should go into your prospect relationship management process with the view that, through further building of that relationship, the prospect will join later.

With a good prospect relationship management process in place your membership salesperson will always have a pool of warm leads to draw from for membership campaigns.

Associations who perform best in recruiting new members tend to combine the following:

Passive member recruitment
Long term initiatives put in place to generate an ongoing baseline of membership. Eg: you may place brochures in locations where there is a lot of foot traffic from prospective members – and keep then regularly replenished.

Active member recruitment
Active member recruitment are short, medium and long term programs where you actively encourage people to join. Eg: you may undertake a marketing campaign to a lapsed member database to reactivate those members who may wish to rejoin.

Following are the three types of sales channels generally used by associations. Often associations will use a combination of these in a single campaign.

Telemarketing
This can take many forms – inbound or outbound, continuous or occasional. It is cheaper than personal sales, generally gets a better response rate than direct mail and is really easy to track. Outbound calls can be challenging but with a good list, a good salesperson and a good script you shouldn't go wrong. This is generally successful so if you do get weak results you should investigate carefully. It could be something as simple as badly timed calls.

Personal sales
This is when sales representatives are on the road promoting membership. This is only viable where there are high membership fees, prospects concentrated in a geographic area, volunteers who are able to make the visits or a visit is required for the prospect to join. You will also find this type of sales at events or in locations where prospective members congregate (eg: in a shopping mall for consumer members).

Direct mail (of E-Mail)
Sending direct mail by either post or email is a low cost, highly targeted way to sell into your target markets. As sometimes just a 1% return can cover costs for a hard copy direct mail campaign, this can be fantastic tool for membership recruitment.

Your membership kit

Your promotional materials should be tailored to your target markets. Don’t produce a brochure for the sake of having a brochure. Decide its purpose and target market then work from there.

The right information kit will vary between associations. Some associations produce hard copy membership kits, others email their kit and some provide their membership kit on a USB key or on a CD. Regardless of the medium, your sales materials should focus on the value, rather than the features, of membership.

If printing a membership kit, for some associations an A4 flyer will be more than enough. For others, a comprehensive kit will be more appropriate. To find out what is right for you, you will need to do the same as for any direct mail piece - test, test, test and test again.

As your information kit is one of your most important pieces of collateral it is reasonable to invest a significant amount of time and effort to ensure that it works as hard as possible. Your information kit should be:

Targeted
Your information kit should be target to the different segments of your market and emphasise the specific value proposition for each.

Personalised
Personalise kits as much as possible. If someone has taken the time to request a kit it is important to take the time to personalise your reply.

Issued promptly
Information kits should be issued on the same day that the request comes in. That promptness will create a good impression on the prospect.

Follow up

Mail does not always arrive and kits often get misplaced. E-mails also go astray. Therefore all information kits issued should be followed up with a telephone call to ensure they arrived and to find out if the prospect requires further information within a week of being sent. The details of the conversation should be recorded and another call scheduled. The prospect should be communicated with until they have joined or indicated that they will not be joining, in which case they will be put in your prospect relationship management process.

Inclusions in your information kit

An information kit is a highly targeted direct mail piece. Avoid the temptation to "get rid of old brochures" hanging around the office. Each piece of your kit should be carefully considered and contribute to a single, compelling message … "Join Us". Your kit should very specifically convey the "join us" message. If posting a hard copy kit, a traditional information kit generally includes the following items:

- A personalised letter that talks about the value of membership (targeted to the recipient)
- A copy of your hardcopy publication
- Lift letter (a personal letter from a member encouraging them to join)
- Buck slip (special offer flyer)
- Application form
- Reply paid envelope

Letter to the employer

If the membership is generally paid by the employer then consider also including a letter outlining the benefit to the employer of having their staff members join your association. You may end up picking up more than one member from it!

Maximising sales

Make it easy for people to pay you
As many different payment types as possible should be made available via as many different channels as possible. People should be able to pay online, telephone, fax, post or in person. Payment methods should include: cash, cheque, Paypal, American Express, Diners Club, Visa, MasterCard, BPay, and direct debit. Ensure that all your collateral including membership application forms, conference registration forms, etc. advertise these channels. This makes you appear open and approachable. If you fail to utilise an available channel then you risk alienating those members who feel most comfortable with that channel.

Use testimonials – in all forms!
Use testimonials and include names and photos where possible. Don't restrict yourself just to active members. Get quotes from your board and committee members, members who resigned and then rejoined, members who aren't very active but still enjoy being members, and happy ex-members. Try video testimonials on your website or at events.

Look for the obvious targets
Sometimes there are opportunities waiting for you to find them. People who are not members but actively attend association events should be targeted with direct mail campaigns. An effective tactic is to send a simple letter bringing to their attention how much they could have saved to date if they were members and asking if they would like to join to start saving now.

Focus on hot issues
If there is a "hot issue" in your industry that you are actively working on, you should target affected prospects for membership. People are more likely to join when there is an issue close to their hearts on the agenda.

Supporting your sales team

Telemarketing outbound
Employing an outbound telemarketer to follow up information kits and also make outbound calls letting people know about upcoming events can provide a boost to your conversion rates. To make it affordable consider hiring them on a base salary plus commission basis.

Telemarketers need a continual supply of good lists. This is where the membership machine process can be very helpful in providing a supply of warm leads.

Ensure you train your telemarketers to operate in a way consistent with your association's values. It is also important they are provided with all the resources – including cheat sheets and copies of membership collateral – to ensure they can proactively engage with prospective members.

Create a volunteer telemarketing team
In some associations it is feasible to use volunteer members to follow up information kits. If you supply them with all the information (so all they need to do is make a telephone call) and emphasise the benefits to the member of doing this (networking, etc.) then you should be able to get volunteers. This kind of personal testimonial is a fantastic sales tool.

Sales courses for sales and marketing staff
It is important that marketing and sales staff are continually exposed to training in their disciplines. In terms of the effectiveness of outcomes, it is as important for the marketing and sales people to keep up to date on the latest techniques as it is for an accountant to keep abreast of the latest tax laws.

Establish a performance remuneration structure

If appropriate for your organisational culture, establish a structure to reward those who are proactive in getting members to join. You will need to clarify things such as what counts as a sale, what people can promise, what scope they have to sell to (such as a geographic area or membership type), the methods of selling they can use, the activity levels expected, the documentation they need to produce, key performance indications and the remuneration structure and similar issues.

Send an invoice – not an application form

It is important to create the perception with the prospective member that they have already joined. Otherwise, if you just send an application form they may reconsider their intention to join.

Therefore, if someone agrees to join over the phone then sign them up right away. They will never be as interested to join as they are at that moment. Take their credit card details, sign them up and send a new member kit. If they don't have credit card facilities then send them an invoice.

This is particularly important as the more quickly you can engage a new member the more likely they are to renew. Delays caused by waiting on approvals can affect your acquisition rate.

If your association has an approval process then investigating setting up a provisional membership that enables someone to join pending approval. If approval is not given, they get a refund and the membership is cancelled.

Membership sales tips

Use a relationship based sales philosophy
We are all familiar with the stereotypical, pushy salesperson. This kind of approach is not appropriate in complex service products such as memberships. The hard sell is a short sighted approach that can create untold long term damage to an association. The by-product of these types of salespeople is that they have given the entire profession a bad name and can discourage people from proudly entering what can be an extremely rewarding career.

In contrast, there are salespeople who have embraced a relationship based sales approach. This value adding approach focuses on finding solutions to customer needs and, due to its nature, has a cumulative long term benefit to any association that employs it. These salespeople focus on building trust and creating mutually beneficial long-term relationships. Partnered with a salesperson like this people can find genuine solutions to their problems and will return to this person time and time again. To be effective it is vital that this approach is applied sincerely.

The relationship based sales approach is particularly effective when the product being sold is complex, a service and/or involves many purchases over time. Therefore, it is ideally suited to member-based associations.

Create urgency to join
Your marketing and sales materials need to have a call to action. This is more effective if there is some element of urgency to join. While discounting is one option it would be worth considering other options first. A free gift or extra month on the duration of their membership may be both cheaper than a discount and more appealing.

Avoid "information purge"
Sometimes an objection can also be raised in reaction to an "information purge". Some salespeople simply spill the entire scope of their knowledge about membership to the prospect. As many associations have an extremely wide scope of services there is a good chance the prospect isn't interested in them all. It will be one or two services that will actually encourage them to join. When faced with everything the decision to join simply becomes too hard.

Build trust with prospective members
Trust is an integral part of the sales process. It is vital that you are both perceived as (and actually are) trustworthy and ethical. You can work to effectively convey that fact to prospects through demonstrating that you and your team are:

- Experts who can identify your prospects' challenges and provide an expert solution
- Dependable and will always do what you say you will do
- Open and honest
- Concerned about the prospects' interests as much as your own
- Likeable and are someone the prospect wants to deal with

Do a bit extra
If you have a high value, hot prospect then invite them to a networking event free of charge. At the event be sure they receive special attention – especially from board members or executives who may be present. Ensure they are subtly identified (eg: through a mark on their badge).

Cheat sheets
Have an A4 page with information about each segment, their main challenges, preferred services and other information that will enable you to deal effectively with the call.

Cold calling prospective members
With good lead generation in place you should be making fewer "cold" calls and more "warm" calls into your prospect pool.

When making any call it is important to appreciate that while you are ready to sell, many of these people may not yet be ready to buy. This is where a good understanding of your pipeline can assist you in turning a cold call into the start of a beautiful, long term relationship.

It is advisable to have prepared a script and also rehearsed how you respond to objections. During the call avoid reading verbatim from the script as that can turn off prospective members. Instead use it as a guide and ensure you follow good telephone etiquette – be informed, don't interrupt, keep background noise to a minimum, end the call at an appropriate time, speak and enunciate clearly, and be polite. If you are calling as the result of a referral mention that fact early on in the call.

Learn how to deal with objections
A skilled salesperson rarely receives objections as they have learnt to anticipate and deal with objections before they have even been realised in the head of the prospect. Generally, when you encounter an objection early in the sales call it is because you have started offering solutions before finding out what their problems are.

For example, if the objection is regarding the cost of membership then this is generally because the salesperson hasn't effectively communicated the value of membership to the prospect. This is a signal to further investigate the value of the membership with the prospect – if the key benefit of your membership is professional development then discuss with your prospect the value of that professional development in terms of their own career goals and aspirations.

Handing the sales call

Use the "three questions" approach

You are better off guiding the conversation to the most appropriate service through a careful choice of questions. Consider the following example:

Person 1:	Good morning, XYZ Association, Mark speaking.
Person 2:	I'm thinking about joining and was after some information about membership.
Person 1:	I can help you with that. First, can I ask you a few questions so we can determine what services are going to be most relevant for you?
Person 2:	Sure.
Person 1:	Thank you. First of all, what industry are you in?
Person 2:	I own my own practice. We have about four physios on staff.
Person 1:	Thanks. Generally people who own their own practice seem to be most interested in the discounts on things like merchant facilities, the ability to network with others in the same situation or the lobbying that we do. Can I ask which of those interests you the most?
Person 2:	I'd say I'm most interested in the networking.
Person 1:	OK. Why is that?
Person 2:	Because I've really been thrown in the deep end here. I've only had my own practice for a year and we've grown really fast. I'd really like the opportunity to meet others and find out how they deal with it all. I was hoping you might be able to help me with that.

Person 1: We certainly can. In fact we have a lunch for our special interest group in that area just next week. Did you want to book in?

Person 2: How much is it?

Person 1: As a member it would be $49. As a non-member it is $69. If you are interested in joining anyway you could do both now and save yourself the difference. If that sounds like what you're after, should we go ahead and organise your membership?

Person 2: Sure.

Person 1: OK, based on all the information you've given me your membership fee would be $583. Did you want to join up now and book for that lunch? You can pay by credit card over the phone.

Person 2: We generally pay via cheque.

Person 1: Not a problem. I can send you an invoice. Would you prefer that sent by fax, post or email?

Person 2: Post is OK.

Person 2: Fantastic. If I can just get a couple of details from you we'll get you booked in to this lunch and your membership activated…

Had he not been interested in going ahead with the membership you would have gone back to the list of three things and addressed the next one he was most interested in.

Closing the sale

Ask for the sale
A sale is generally a series of small commitments. Commitments are represented by the way the prospect moves through the pipeline - approval to receive information, to meet with you, to attend a seminar are all vital steps in the process. Therefore when all other aspects of the sales process have been effectively carried out the close should be a non-event.

It is important to avoid the "trick" closes so often promoted by hard sell proponents. These closes cause untold long term damage and should be avoided.

Keep alert for signals that the prospect is ready to purchase. Comments you may hear include "I like what you've said", "That price is lower than I expected", or "I didn't realise we could join that quickly". On hearing those questions you can use open ended questions to find out if the prospect is ready to make a decision.
Before attempting to close the sale it is important that you have fully investigated the prospect's needs, gained an understanding of the cost/value and summarised key benefits for the prospect. Focus on confirmed benefits rather than potential benefits. When closing you should:

- Ask for the sale – Directly ask them to join. Many sales have been lost simply because the salesperson was too afraid to ask.
- Provide two choices – You may offer them the choice to pay by the month or the total amount.
- Provide information about previous success stories – This can be as simple as a chat with a satisfied member in the same situation as the prospect. This can be extremely effective.

NEW MEMBER INTEGRATION

Many new members are lost in the first year or two of membership. There are a number of factors that cause this to happen including:

- Less commitment – New members are less committed as they have less experience and less knowledge of your services.

- The "gym" phenomenon – Many new members have all the good intentions of getting involved – but other things take priority and before they know it, it is the end of the year and they "didn't really use the membership".

- The "fear" factor – As with any newcomer entering into a group, there is always a settling in process. The first step in that process is for the new member to get to know new, unfamiliar people. This can involve scary things such as walking into a room full of strangers. This kind of activity opens them up to rejection – therefore many never take that first step.

In order to prevent these factors from having an impact on your retention levels it is a good idea to develop a special program for first year members. A good program can have an impressive effect on renewal rates as it increases their loyalty and their perception of the value of their membership.

It is important to have a range of strategies and tactics that engage new members in order to both fulfil and exceed their expectations. A well structured program will ensure your new members renew, and continue to renew, year after year.

Create a structured program

Set up an orientation committee
An orientation committee is helpful when developing and implementing a new member integration program. They can assist in planning and research as well as being actively involved in implementation and interaction with new members.

Research
Talk to current members. Find out the five most common things new members do in their first six months. This gives you a benchmark against which to monitor new member activity. If you find that a new member has done only one of those things in the first six months then you know you need to approach them personally. You can also provide incentives to encourage your new members to participate in these.

Plan the first year of communications
The first step in effective new member integration is planning. Look at the year from the perspective of the new member and picture the contact you will be receiving. Plan contact throughout the year that would make a new member eager to renew. Test it. Get feedback from members to find out what's working — and what's not.

Institute processes for tracking service usage
Put processes into place to ensure staff record all contact with members in the database. That will enable the membership department to carry out research to ensure that externally offered services (such as discounts through a supplier) are of a high standard. It also provides information on the frequency the member has used the services of the association - which can be useful when speaking to members unsure about renewing.

Drip feed new members

Often an overly large new member kit won't get read. People simply don't have the time. Consider putting together a drip feed program of information. You can schedule to send emails or hard copy materials at different intervals throughout the year. By distributing information in smaller, one message bites, new members are more likely to absorb all of the information.

Run a six month survey

Six months into their membership call the new member and ask how they are going with the membership to find out if it is living up to their expectations. If it isn't you then have six months to change their mind. This is a great way of identifying those most likely not to renew and take pro-active action.

Make it easy for new members to communicate with you

It is important that you have as many channels as possible through which people can interact with you. Examples of contact channels include: telephone, fax, post, internet, email or in person.

New member sample bags (or boxes)

A nice freebie that you can give new members is a product pack. In most industries there are a variety of suppliers who provide products to that market. Many of those should already be your corporate members. Speak with those suppliers and ask them to supply samples of products to go out to new members. In order to gain this exposure they need to contribute the product plus a "sponsorship fee" that covers the cost of mailing. The sample bags can be produced at no cost to you but, especially if it is a good, sought after bag, can provide a good incentive to join. Avoid the pressure to simply fill it with promotional brochures and paper.

Engage with the new members

Start engaging as soon as possible
The new member integration process needs to start immediately after they have joined. Often the decision to renew or not to renew is made many months before the renewal notice arrives. A good new member integration program is needed to ensure that the decision made is a positive one.

Make a welcome call
Once the member approval has come through give the new member a call and congratulate them on joining. Find out what services they are interested in and offer to sign them up to any they have not already taken advantage of. This is a great opportunity to get the member involved and therefore more likely to renew. You could also arrange for an existing member to make the call. This is a good time to invite them personally to a welcome event for new members.

Personalise new member letters
The member has taken the time to join so the association should take the time to personalise new member letters. At the most basic level it is important to use their name rather than "Dear Member". Where possible, it is also effective if you personalise their letter with the services they will be most interested in (based on previous conversations, their industry type or the market segment into which they fall).

Issue new member kits promptly
Any delay between receiving a completed membership form and issuing a new member kit gives a poor impression to the new member – regardless of the reasons behind it. Good customer service is vital – as it is reflected in renewals.

Tailor your new member kit
New membership kits can be as simple as a letter or as comprehensive as a pack. However if you do decide to go the "pack" route avoid the temptation to include all the brochures you are trying to get rid of. Instead, keep it focused on the purpose of retaining the member. A comprehensive kit can include:

- Welcome letter
- Membership card, Membership certificate and/or sticker
- A list of the benefits and how to access them (targeted if possible)
- Membership directory
- Latest copy of your publication/s
- An introductory discount or credit for an association product (to give them an incentive to get involved and to reward them for joining)
- Upcoming events information,
- New member manual

Include a voucher in the new member kit
Give new members a discount on their first training or networking event. Attending the first event is the hardest step for many people. Getting them along to their first event is an important step in getting them involved in the process. So give them a discount to try and encourage attendance.

Interview your new members
Don’t just list the names of your new members in your magazine instead highlight one new member each month. You could include a photo and information about their personal and professional interests and why they joined.

Your events

Welcome event for new members
Host a new member reception, for instance, at your conference. This gives new members a chance to meet others who are in the same position. New members can start creating relationships with each other that will ease their way into networking with others in the association. Make sure you include some “old hand” members at the event to mingle and engage with the new members.

Plant members
At networking events plant existing members who have volunteered to introduce themselves to new members and make sure they have a good time.

Identify new members at events
On event name badges you can use special ribbons or stickers to identify new members to assist existing members to identify them and take the time to welcome them.

Provide new members with a forum
At networking events, where appropriate, encourage new members (who are willing) to take a minute to speak about themselves.

Promote networking
Provide incentives and personal invitations for new members to attend networking events. At those events provide icebreakers that involve them talking to strangers. If your association does a lot of networking ensure that you also have mechanisms to subtly teach people how to network. This can be as simple as articles in your publication or something more formal like seminars on the topic.

MEMBER MANAGEMENT

The key to effectively retaining members is the ability to create and maintain the perception that they are better off as a member than a non-member. Therefore when someone has become a member, there must be a very noticeable difference in the perceived benefits they receive and the level of contact they have with you.

As a prospect they were used to receiving a certain amount of information from your association. The level of contact must be far higher after they become a member. Therefore great care must be taken in designing a member relationship management process that complements other activities.

Member retention is crucial. It should be an ongoing process, not something that is neglected for a while and then causes panic when people realise how bad the retention rate has become. It costs money to get new members. So don't waste that money by not doing what it takes to get them to renew.

Don't put barriers between you and members. Have as many points of contact as possible so members feel welcome to talk to your association via email, telephone, fax, forms on the website or coming in to visit. Computerised telephone management systems are not recommended.

Most importantly, the more engaged a member is the more likely they are to renew. However different members have different preferences when it comes to engaging with the association. Some wish to engage with the association but most wish to engage with each other. Therefore it is important to offer a range of engagement opportunities that represent differing time and travel commitments to cater for all tastes available.

Engage, engage, engage

Use member ambassadors
At every event there should be members there whose only role is to ensure that other members and potential members have a good time. They should spot people who are by themselves and introduce them to others. This is a great way for a member to expand their own networks and can be a permanent position or vary event to event.

Get members volunteering at events
Have a structured process in place to encourage members to volunteer. Don't just ask for volunteers without any additional explanation. You simply won't get a response. Instead invite people to fill specific jobs such as: speaking at events, being an event photographer or reviewing your event programs, speakers and marketing materials.

Get members volunteering to build your online community
Not all members want to attend events. So encourage members to become online community facilitators – people who generate conversation and engage on your online communities. The more of these people the better as online activity begets more online activities.

Get members volunteering for your publications
For members who like to write invite them to write articles, letters to the editor, review books and/or interview other members. Some members like to be interviewed themselves. If you are on a budget and are looking for some assistance writing articles then consider contacting your local university and inviting some journalism students to volunteer – and get themselves published at the same time.

Make it about members

Create a customer service focus
Fantastic customer service is a vitally important component of retention. Your members may make a decision to renew based on one or two interactions with your team so make every interaction with members a good one. See the customer service section for more tips.

Acknowledge and further utilise recruiters
Thank people who introduced new members and give them a bonus (or thank you gift) if the new member renews. It is helpful if that recruiter is willing to follow the new member up prior to renewal.

Protect member only benefits
Don't give away membership benefits. There is no impetus to join when anyone can get the information they want for free. By keeping member information protected (and visibly so – ensure that callers are always asked if they are a member) in a way that members can see, it conveys the perception that members are part of something exclusive. The one exclusion to this is the provision of "tasters" to prospective members (whether in the e-bulletin or once off advice) as incentives to join.

Create member only information
There are many different mediums for delivering information. Consider websites, forums, blogs, magazines, email bulletins and all other channels. Then select those that your members will actually use. Just because every other association has a magazine doesn't mean you need to if your members would rather read an email bulletin.

Your communications

Recognise members
Conduct reward programs to recognise member achievements – both in their industry or field and also for the association. Your membership base is a community of people brought together for a common interest. Find ways to enhance and build that sense of community.

Use your annual report
Your annual report can be so much more than just a set of financials. Take advantage of the retention opportunity that it presents. In 20 years time, often it is annual reports that are the record of your achievements so highlight members and their achievements during the year. Consider a more interactive version on your website.

Reflect your identity
Your association should reflect its mission in all aspects. It can look odd if you start to act like another type of association. For example, if you are a professional body then a certificate of membership being issued when someone joins or renew is generally appropriate. On the certificate include a "member from XX/XX/20XX" – to encourage members to continue to renew.

If you are an industry body then membership stickers that can be displayed in workplaces may be more appropriate.

Be careful not to cause confusion. For example, when professional bodies produce window decals it can cause confusion over who you represent – especially if you are targeting more than one person in the organisation for membership. Seeing a sticker on the front door may lead non-members working in that organisation to believe they are covered for membership.

RENEWALS

Renewals are simply a referendum on member satisfaction and as such many members have already made the decision on whether to renew or not. However, the way in which you set up your renewal process can still have a significant impact.

For many members, the decision to renew or not to renew has been made well before renewal time based on their experience with the association throughout the year. But there will always be a significant proportion of members who fall into one of the following groups:

Undecided
They have thought about their membership and are not sure whether they want to renew or not. Generally you won't pick these guys up on the first renewal notice. If you only send out one notice they will most likely not renew.

Moved
These people have changed their email address, postal address and/or fax and have not advised you. Without something coming back "return to sender" (which doesn't always happen) they will not get your renewal notice – whether they want to renew or not.

Busy
These people are really busy and will receive your renewal notice and put it … somewhere. And then promptly forget about it. It's not that they do not want to renew. It's just that they are busy and they need to get around to it. Unfortunately, without the processes in place to prompt them this will not happen and their membership will be lost.

Disappointed

For people in this group the membership has not lived up to expectation. While this should have been addressed during the new member integration process, an effective renewal process can correct misperceptions and encourage them to renew (with different expectations).

Actively dissatisfied

People in this group have had bad customer service or other negative experience with the association. It is more than just a lack of living up to expectations. You are likely to be aware of the people who fall into this group. In a good renewal process these people should be flagged for special attention prior to renewal time. Otherwise, you might not just lose them – you might also gain someone who is actively discouraging others to join!

You need to have in place strategies that will increase your chances of having people from the groups above renew.

And if they don't renew? If they are still a valid prospect they should go back into the prospect relationship management system - with a special tag to show they have previously been a member so they are treated a little different.

Types of renewal periods

There are many different types of renewal periods. The type of renewal period you have will likely have some effect on the renewal processes you develop.

To choose the most appropriate renewal period look at the size of your association and the bottlenecks that currently occur in your renewal process. Ensure that your renewal period isn't having an adverse effect on retention rates. Some common types are:

Anniversary date
When the renewal date is one year from receipt of application that is generally rounded to the end of the month. This method enables an even workflow and renewal income throughout the year. As no pro-rata of fees is required the application process is straightforward and the collateral needs less updating.

Reporting can be more complex due to the need to both invoice and report on membership each month. In addition budgeting can be more difficult as it may be difficult to forecast future renewal income accurately.

Calendar year (1 Jan – 31 Dec)
Where all members are paid through until 31 December. While similar to the financial year in many ways, at this time of year it is traditionally difficult to get staff (as many people are on holiday), many suppliers are closed, postal delivery times are slightly delayed and many people are short of cash. Therefore this type of renewal period is only appropriate for a very few associations.

Financial year (1 July – 30 June)
Where all members are paid through until 30 June. It also means that the association collects the majority of their membership income at one time and can therefore budget more realistically for the rest of the year. This also creates a lump sum of income that can be invested for a return. With this method reporting is more straightforward and provides decisive annual figures. In addition, some members are more interested in the tax deductibility of many memberships at this time of year and that can influence their decision to renew.

However it also creates a peak of work at renewal time that will often require either temporary staff to be hired or staff from other areas to be allocated to assist. While this can be inconvenient many associations prefer this method as it enables renewals to be turned into a "campaign" that the whole association can get behind.

Quarterly (1 Jan – 31 Mar, 1 Apr – 30 Jun, 1 Jul – 30 Sep, 1 Oct – 31 Dec)
There are different variations of this system but, in most cases, the member only pays once a year depending on the quarter they joined. This type of renewals is like a compromise between an anniversary date and financial year renewal. It can even out the workload to enable membership work to be carried out by one team throughout the year. However, it adds a layer of complexity to collateral development, application processes and reporting that make it quite unpopular. In addition, the quarter ending in December experiences the same challenges as the Calendar year option.

Maximising renewals

Establish procedures for billing and cancellation
You should have a step-by-step process (down to the tiniest detail) for undertaking your billing and membership cancellations. This should be regularly reviewed as this is your last opportunity to save a potential resignation.

Make it easy for members to renew with you
It is important that you have as many channels as possible through which people can interact with you both for member interaction and also for payments. Examples of contact channels include: telephone, email, fax, post, internet, or in person. Also many different payment channels as possible should be made available. For instance, pay by credit card over the internet, phone, fax, post or in person.

Direct debit
Allowing members to pay by direct debit will increase your retention rate. When you create a situation where people need to take action in order not to renew (ie: give notice in writing that they do not wish the direct debit to continue) then retention will go up. Each year you send a notice letting them know the new fee for the year and letting them know that the direct debit will continue at the same or a higher fee level unless the member notifies you in writing that they wish to resign.

Designing the renewal

Use a simple invoice mailer
Your renewal mailer should be as simply laid out and with as much information pre-filled as possible. You should also make the payment methods very clear - a stand-out box at the bottom of the page is good. Test, test and test again to see which format works best.

Make it look like a invoice. Or don't. Or both.
Industry opinion is divided over how renewal notices should look. Some insist that making it look like an invoice is best as the member will then pay it automatically. Others believe you should include information with the invoice to let the member know about the benefits of renewing their membership. Others believes that the first notice should look like an invoice and only subsequent notices should incorporate additional information. Associations have had success with all three approaches. Test the three approaches and find out what mix works best with your members.

Progression of tone
Try using progression of tone where you change the tone of each of the invoice mailers to reflect the position in the cycle. For instance:

- Renewal - Renew now for your free gift/discount
- Reminder - Don't forget that your membership is due. Call this number to renew quickly and easily over the telephone
- Urgent Reminder Notice - Have we done something wrong?
- Resigned Notice - Your membership has lapsed. Contact us right away to have your membership reinstated.
- Three to six months later - We were wondering how you were doing…

Before the renewals go out

Remind people of the value of their membership
By reinforcing your value prior to renewal time you will decrease drop-out. For instance, if you have a common renewal date you may send out your annual report a month prior to renewals. If the annual report is a showcase of your achievements for your members, rather than just financials, this can have a positive impact on renewals.

Database update
If you use a common renewal date, time your database update or member survey to occur just before the renewals go out. This can decrease your turnover rate as it gives you a chance to ensure members' details are up-to-date - reducing the possibility of notices going astray. It is also a positive contact before renewals.

Pre-renewal mail out or telephone call
About a month prior to their renewal, contact new members thanking them for being a part of the association, talking about the things they did this year, and mentioning what will be happening next year after they renew. A telephone call is especially good for this – especially from another member. You can use the opportunity to ensure that the database is still up to date for the renewal mail out.

Sending out renewals

Segment your renewals
Consider segmenting your renewal forms depending on the market segment that the member falls into (at least a special renewal for members who have complained during the year and seem unlikely to renew). On the renewal form highlight a couple of key benefits that their sector finds very attractive. With the right database this can be done automatically.

Tiered invoicing
Start sending renewal notices out three months before the membership lapses. This gives members many opportunities to rejoin before personal follow-up needs to take place. For instance, if a member's renewal date is 30 June the process will be:

- 1 April - Renewal Notice
- 1 May - Reminder Notice
- 1 June - Urgent Reminder Notice
- 1 July - Resigned Notice
- 15 July - Telephone Call

You may want to put an explanatory note on the early renewals – such as "We are sending this renewal notice out early to ensure that those who need to budget for the payment have ample time to do so. We do appreciate early payment as it assists us to budget for member services."

If they don't renew

If they resign, find out why
Track resigned reasons to identify trends. If a trend emerges act on it quickly. Many resigned members will simply state that they didn't use the member services. If this is the case it is important to determine why, for instance, did they have a bad experience? Are they aware of the range of services?

Put resigned members back into the prospect relationship management process
Should a member resign, don't delete them from your mailing list unless they are no longer a valid prospect (eg: dead or left the industry) or if they indicate that they would like no further correspondence from the association. Otherwise all resigned members should go straight back into your prospect management process because they have become prospective members once again. Quite often membership campaigns generate higher response rates from ex-members.

Limit grace periods for resigned member
Long grace periods can be problematic. If you continue to provide services to a member after their membership has lapsed it does you very few favours. At the very minimum, you are conveying to a member that they can still get services even without paying. It rarely appears as a generous gesture. More often it comes across as the association being lax in updating the status of members. At worst, word gets around and members start rorting the system and lose respect for the association in the process.

A well put together renewal process can abolish the need for all but a small grace period and effectively convey the perception of your association as a professional, proactive and efficient association.

Lapsed member re-activation

Special marketing program for former members
Some of the most successful membership campaigns are those targeting resigned member lists. A resigned member doesn't need to know about the history of the association, the total range of services or the type of events you run. All a resigned member needs to know is what's changed since they were members. It's a simple message that you just need to target correctly.

Marketing to former members is so successful that it should be planned into your renewal process. Consider adding in a process 6-8 months after the member has resigned where they receive a "We want you back" email or letter followed by a personal telephone call. Note that these campaigns will only be successful if the members' benefits were discontinued at the point (or shortly after) their membership lapsed.

DEVELOPING YOUR STRATEGY

When planning your membership strategy it is important to have clearly defined membership goals and to identify the key required to get these moving. Each goal should be specific and incorporate a deadline and a mechanism for measuring performance (where possible).

Once goals are identified they need to be prioritised into a logical order where foundation elements (such as member categories, pricing, product and collateral) are addressed first, then addressing retention issues, implementing long term passive member generation strategies and then get into active new member generation once all the other strategies are in place. Examples of possible goals include:

Financial

- **Efficiency savings** – To review membership servicing costs to create $400,000 in efficiency savings by 31 December 2015.
- **Fee increase renewal income** – To generate $400,000 in additional membership income from existing members as a result of the membership fee increase.
- **Fee increase new member income** – To generate $100,000 in additional membership income from new members as a result of the membership fee increase.
- **Donations** – To achieve $500,000 in donations from membership renewal notices by 31 December 2015.

Internal processes & support

- **Collateral Review** – By 28 February 2015, review prospective and membership collateral to ensure it is tailored to each segment.
- **Payment Methods Review** – By 31 January 2015, review payment methods to ensure all possible methods and channels included.
- **Membership Category and Fee Review** – By 31 January 2015, review membership categories and pricing to ensure these are appropriate.
- **Product Review** – By 28 February 2015, list all existing products and services and identify whether they are member or non-member services. Review list to assess where products should be discontinued. Identify new product opportunities and implement a process for ongoing product review.
- **Policies and Procedures Review** – By 28 February 2015, review existing internal staff polices and resources. Develop an internal FAQ document to ensure that all staff are aware of membership policies and can answer common questions.
- **Support** – By 31 January 2015, develop a process to liaise with internal departments whose assistance and buy-in will be required to implement the membership strategy.
- **Staff Training** – To develop a schedule for staff training and development by 28 February 2015.
- **Checklist** – To develop a monthly checklist to ensure all ongoing membership tasks are completed by March 31 2015.
- **Database** – By 31 March 2015, ensure that the database has the capability to produce reports that will accurately and usefully inform membership decision making.

Membership overall

- **Financial Members** – An increase in financial members from 50,000 as at January 31 to 60,000 by 31 December 2015.
- **Overall Members** – An increase in overall members from 60,000 as at January 31 to 70,000 by 31 December 2015.

Member recruitment

- **Passive Member Recruitment** – Implement a proactive process for ensuring centres of influence have membership brochures including supply checks by 31 March 2015.
- **Leveraging Centres of Influence** – Identify partners, suppliers and other centres of influence (where prospective members congregate) and develop a process to proactively leverage the channels for membership by 30 August 2015.
- **Social Media** – Have a 10,000 Facebook followers and 10,000 Twitter followers by 31 March 2015.

Member retention

- **New Member Integration** – Implement a new member integration structure by 31 March 2015.
- **Members Renewals** – Review membership renewal process to achieve an increase in the rolling member retention rate from 86% to 90% as at 31 December 2015. (after the removal of deceased members).
- **Resigned Member Reactivation Campaign** – Run a campaign to reactivate 12% of lapsed members approached for re-activation by 31 March 2015.