

*A newsletter designed to help you build strong member relationships, retain supporters and improve communication with your patrons.*

October 2015

## 3 Cornerstones of Member Retention

In order to grow your association, it's obvious that you need to attract new members. However, if the *back door* is left open, and you fail to retain the members that you already have, your best recruitment efforts will be compromised. It's entirely possible to sign up more members than ever before, and yet remain stagnant or even decline in membership.

Great associations work hard at member retention.

While there are lots of strategies and ideas you can use, there are just a few foundational principles that you must have in place before anything else. Miss these, and all the "bells and whistles" of your retention program are unlikely to make much difference.

### 1. The Key to Retention: Provide Value

This has always been the bottom line. Members won't renew if they can't justify the expense with worthwhile returns or benefits. They always need to feel like they're getting value for money -- "bang for their buck". Since the economic downturn, association members are understandably being even more careful than before to evaluate how they spend every dollar. That's true whether the dues come from their own pocket, or from their employer's.

A mistake you can easily make is to react to this concern by thinking that the answer is lower dues. But understand this: people don't want to spend less money for nothing; they don't want to pay anything if they can't clearly see what they're getting for it. On the other hand, if you can demonstrate real value that members receive by belonging to your association, they will be likely to see even higher dues as an investment. In fact, charging too little could even backfire if it undercuts the perception of value. *"It doesn't cost much, it must not be worth much."*

#### ACTION QUESTIONS:

- What would happen if your association disappeared tomorrow? What would your members lose?
- How much value do members get from their association membership when compared to other alternatives that are available to them?

- How much of the language of your communications (web site, publications, mailings, etc) is focused on your organization rather than the members themselves? Is the unspoken message *"We exist for you, our members"*, or *"We exist for us."*

### 2. Retention Starts on Day One

You've just signed up a new member. It's tempting to think that you can relax now; they're onboard. Go look for some more new members, and think about this one again when it's time for them to renew. *Wrong.*

Retention is something you have to be working on throughout the cycle of membership. In fact, the first days are a critical time that provides you with both an important challenge and a great opportunity.

**The challenge** is to onboard them in a way that exceeds their expectations; reinforcing in their minds that their decision to join was a good one. This is actually the first step to renewal.

**The opportunity** that you get is to ask an invaluable question: Why did you join? Ask this question while the answer is still fresh in their mind. Use a new member survey to discover what it was that convinced them that your association could benefit them. What are they hoping to receive?

Don't assume. Maybe you'll discover that a number of people join for a reason that you haven't been stressing highly enough in your marketing. Values presentation ought to be based on members' felt needs and real wants.

Then, stay in communication with your current members all throughout the year. **When recruiting**, you need to tell them what they are going to get for their dues. **When they join**, you need to assure them again. **Regularly**, you need to keep reminding them of all the benefits of belonging, and work to get them engaged and utilizing everything that's on offer. And then **when it's time to renew**, you need to tell them yet again what they GOT for their dues.

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### ACTION QUESTIONS:

- Do you have a calendar and automation plan in place for communicating regularly with every member?
- Are your communications personalized? Do you take advantage of segmentation to target different demographics and preferences in your database for appropriate communications?

### 3. Make Renewals Simple

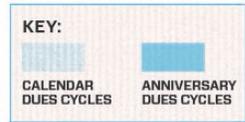
Having done all this good work to cultivate your members to renew, don't fumble the ball at the critical moment. If you are doing a good job of providing value, and keeping that value front-and-center in your members' minds,

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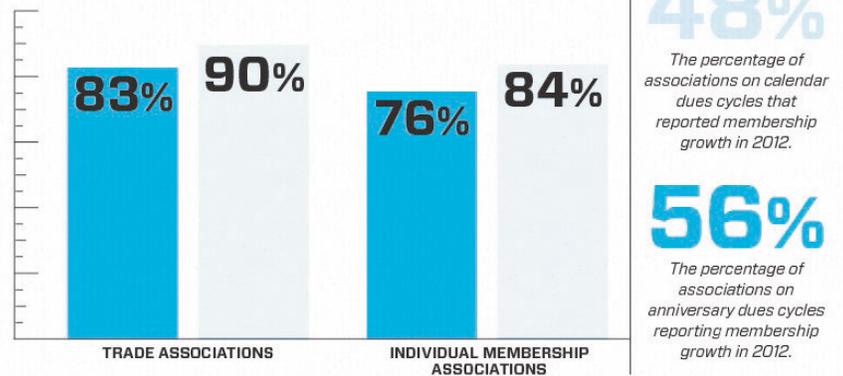
## MEMBERSHIP

# Dues Cycles Differences

How does an association's dues cycle relate to membership growth and renewal? New data from Marketing General Inc. sheds some light:



### AVERAGE RENEWAL RATES IN 2012



SOURCE: "2013 MEMBERSHIP MARKETING BENCHMARKING REPORT," MARKETING GENERAL INC.

**associations now**

<http://j.mp/138A0pg>

## The Power & Pitfalls of Auto-Renewals

According to Associations Now, by the end of 2013 about 25 percent of associations were offering their members automatic renewals using credit cards or electronic bank drafts. Those numbers are climbing. "Behavioral economists and marketers alike know opt-out is way better than opt-in."

Studies using lapsed member interviews and surveys reveal that many members who leave associations do so for reasons of omission rather than commission. It's not that they had a problem with the association, or no longer saw any benefit to their membership; they simply forgot to renew.

Offering auto-renewals can deal with a lot of this problem. Furthermore, the evolution of "apps" is quickly turning us into a "subscription culture". People are now very familiar and comfortable with the idea of auto-payments for everything from monthly software subscriptions to gym memberships, and reloading their E-Z Passes and Starbucks cards.

There are, however, still some challenges to be overcome. Auto-renewals do not mean that these payments are "hands free" for the association. They do still require

administrative time and attention. There will be the periodic need to notify members of expired cards, and of getting the updated credit card information.

Finally, there's also the very important issue of security; making sure that credit card information kept on file is encrypted and safe. Any association deciding to go down this path needs to do their due diligence to ensure that they understand and are compliant with the Payment Card Industry (PCI) security standards.

In an article entitled "Auto-Renewal and Monthly Payments: The Perfect Mix", Joe Rominiecki suggests that moving members to an automated monthly subscription can actually remove the question of "renewal" altogether. He writes, "There is no cycle. You're a member until you're not. That's a game changer." He goes on to say, "When you combine small monthly payments with the removal of a periodic decision point for renewal, you can put members on cruise control."

There are number of issues to be considered, but there's little doubt that auto-renewal is going to continue to grow, and offers real benefits to associations who approach it with care.

# The Simple Secret of Irresistible Member Benefits

Straight talk. People might see the value of having an association like yours around, but they don't usually join just because they want to be a part of making it stronger. They might like you personally, and be impressed with your communications, but they don't join in order to help you meet your goals.

People join associations because of *what's in it for them. Period.*

The golden rule, therefore, is that you need to blow the trumpet loud and long, touting all the benefits that come along with membership. That's no new revelation, is it? Go to almost any association website and you'll be able to download a "benefits brochure", listing all the perks that they have to offer.

**But there's a problem.** You might like to take out a copy of your own brochure, and open it up to check it for something that could be sabotaging the effectiveness of your marketing. What looks to you like a powerful list of reasons why everyone should join your association may, in reality, be weak, lifeless, unconvincing and non-compelling to your target audience.

Here's why. Good salesmen, advertisers, marketers and copywriters all understand one important thing: the crucial difference between **"features"** and **"benefits"**. The problem is that many "benefits brochures" don't convey many true benefits at all -- they merely list features. And features don't have the same power to persuade.

Let's flesh this out.

## The Difference Between Features and Benefits

The best way to sell any product or service is to talk about all the benefits or "advantages" it will bring to your prospect.

So, if you're selling a microwave oven, you won't get far merely telling them it's got 1.52 kilowatts and is 24 inches wide. Those are features. *Ho hum.* You need to show a person how it will make their life infinitely simpler. How he'll be able to prepare gourmet meals for friends and family in 15 minutes or less. How she'll never have to worry about cleaning a dozen pots and pans. And so on. These are the benefits that come from owning a microwave oven.

Basically, a feature is something that the product is or contains. A benefit is what the product does.

The reason that benefits are so compelling (far more so than mere features) is because they create a link between the needs and desires of your prospective members, and the solutions you provide.

A typical association "benefits brochure" might list an exclusive, members-only online forum. Many association executives print that thinking that they have just offered a powerful benefit. They have not. They have merely listed a feature of their website; a feature that they offer to members. Instead, they should focus on talking about the benefits that the online forum offers: the opportunity of networking with other industry professionals, and instant access to a database of hundreds of hard questions that have already been discussed.

Here's another example. Does your association send out legal briefings? That's a feature. The benefits to the member are avoiding exposure to costly litigation, and the possibility of easing tax burdens.

### ACTION STEP:

Reflect on your current list of "member benefits". Are they really benefits, or are they features? If you realize they are merely a list of features, don't despair -- they give you an excellent place to start.

Take out a legal pad draw a line down the middle to create 2 columns. On the left hand side make a list of "features" that you provide to your members; you can start with all those features you previously listed in your brochure, and then add to it as many others as you can possibly think of. You might like to brainstorm it with others. Make the list as long as you possibly can.

Next, go carefully down the list and in the right hand column across from each feature think of at least one clear benefit that feature gives to your member. Take your time with it; this list is going to become a most valuable resource for years to come. You can review it, and keep on adding to it, but you will use it over and over again.

Now that you have this list of true benefits, you're ready to start rewriting all your communications -- brochures, web pages, mailings. Of course you will list the features that you offer, but never again will you do so without clearly focusing prospective members on the powerful benefits that these features bring.

# MEMBER-CENTRIC COMMUNICATIONS

A newsletter designed to help you build strong member relationships, retain supporters and improve communication with your patrons.

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then renewing ought to be a “no-brainer” for them. But there’s still one more thing you need to take care of: you need to make the renewal process as simple as possible.

If you have not yet begun offering an online payments facility, you should make this a priority. It is now the preferred payment option for many people, and it will greatly help you as it cuts the time that your staff would normally spend manually processing payments.

Keep other payment options available, though. Some people would prefer to write a check, and if you insist on online payments they may be deterred. Offer options, make it simple and user-friendly.

### ACTION QUESTIONS:

- Do you offer auto-renewal, and incentives for members to take that option?
- Are you reminding your members about their renewal date early and often?
- Do you have a multi-layer approach that provides your members lots of chances to say “yes”?

## Book Review *“The Art of Membership” by Sheri Jacobs*

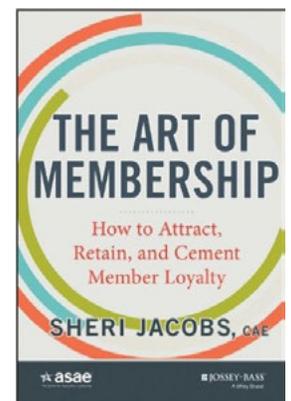
Member engagement, recruitment, and retention are fundamental activities that all membership organizations must master to ensure the growth and viability of their organizations over the long term. *The Art of Membership* by Sheri Jacobs, provides associations and membership organizations with the practical tools they need to build a loyal and diverse membership base over the long term. Readers will be able to put the tools to work immediately regardless organization size, budget, culture, type, or environment.

The book will help organizations to:

- Understand the difference between members and its customers
- Personalize the process
- Define their audience
- Share how to sell unique benefits of your organization

Sheri Jacobs, CAE, is the president and CEO of Avenue M Group, a full-service association marketing agency with in-depth expertise in member behavior, engagement, and retention.

*Highly Recommended!*



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