



**Essential Guide to
Building Your Membership**

Table of Contents

Introduction: Making a Plan.....	3
Step 1: Take a Good Look at Your Organization.....	5
Step 2: REALLY Get to Know Your Members.....	8
Step 3: Prioritize Your Efforts.....	14
Step 4: Determine Your Perfect Members.....	16
Step 5: Make the Package and the Price Right.....	18
Step 6: Retain, then Attract	21
Step 7: Test, Act, Track, and Assess	24
5 Ways 123Signup Can Help Your Association Grow	26

Introduction

Making a Plan

Every association is different, so instead of providing a one-size-fits-all template, this eBook is intended to get you thinking about how to better understand and target your members so you can make decisions that will fuel your organization's growth. You know your members best, so be sure to use the suggestions in this guide within the context of your organization.

7 Steps to Building Your Membership Strategy

When you're treading water in the endless sea of membership management tasks, it's difficult to peel yourself away from the details to look at long-term strategies – especially for smaller organizations where time and resources are hard to come by. But making the time to think, analyze, and plan is the single most important thing you can do to grow your membership.

Carve out definitive strategy times in your schedule and stick to them. Once a month, have a strategy day and invite Board members, committee members, and other key stakeholders to join you to discuss the future direction of your organization. You can use the steps in this guide as discussion points in your strategy meetings. If you can't get a group together, going through the exercise on your own will also be effective.

TIP: Designate one person (either a consultant if you can afford it, or someone internal) to be the facilitator of the strategy meeting to keep everyone focused, and be sure to have a rough agenda laid out ahead of time to ensure that you use your time wisely.

Making the time to **think, analyze, and plan** is the single most important thing you can do to grow your membership.

Step 1

Take a Good Look at Your Organization

Assess Your Organization

Making an honest assessment of your organization's strengths and weaknesses, and the barriers to achieving your goals, is an essential – yet often overlooked – step on the path to growing your membership. **Be warned: you won't like everything you see.** That's a good thing, because it will help you identify where you need to improve.

- What are the primary benefits of being a member of your organization?
- What are the most-used programs?
- What sets you apart from your competitors?
- How are you perceived by your members and prospects?
- What are the barriers to joining or renewing?
- How long does it take you to respond to member phone calls and emails, to process requests, and to complete transactions?
- What kinks in your day-to-day processes are holding you back from performing better?

There are a lot of questions you'll need to answer as you make your assessment. Resist the urge to jump to conclusions based on what you think you know about your association. Making assumptions can create a disconnect between what you believe is valuable to members, and what actually is valuable.

Understanding **how well your association is meeting the needs of its members** and fulfilling its mission requires time, research, objectivity, and long-term commitment.

How to Perform an Organizational Assessment

1. Write out your mission statement.

This will remind you of your organization's core purpose. Later, you will compare how your mission statement aligns with the benefits and programs you offer, and your members' needs.

2. Make a list of all of your current services, programs, and benefits.

Rank the most valuable benefit as "1" and continue from there. What is the unique selling point for each of them? What sets your organization apart from your competitors? Note the answers to these questions next to each benefit.

3. Audit your information management processes.

All the things that happen behind the scenes can have a huge impact on your customer service and overall performance.

For a week or two, every time you feel yourself getting frustrated by a time-consuming task, or you can't easily find information you're looking for, write it down. Get all of your staff members to do the same. When you put all of the information together, you should be able to see some obvious aspects of your processes that need improvement. If you can't find information about your members quickly, or you find that you're having to update the same information in several different places, you may need to look at better options for managing your data.

4. Crunch your numbers.

Good data should be the foundation of your decision-making process. If you have a decent member management system, you should be able to get the information you need fairly quickly. If not, you may need to estimate for now.

5. Analyze your Membership Stats.

Compare your membership statistics from the past two years. You could go back even further if you have good historical information. Looking at trends over time can be very useful. For starters, record the following data

segmented by membership type:

- Percentage change in membership
- Percentage change in new member acquisition
- Percentage change in membership renewal rate
- Percentage change in event participation
- Percentage change in program and benefits usage
- Percentage of your revenue coming from membership
- Percentage of revenue coming from other income streams.

6. Research your competitors.

Go through this process as a prospective member would. Search online for other competing organizations as well as employers or companies that offer similar products or services for free or at a lower cost. Compare benefits individually, and also consider how your packages stack up to your competitors.

Track and compare benefits and costs on a spreadsheet. Determine your 3 to 5 most valuable and unique products. If you discover that some of your products don't seem as valuable as those offered by your competitors, make a note of how you can improve or enhance those products.

7. Define your business objectives.

Once you have a better understanding of your strengths and weaknesses, and how you stack up to your competitors, you can define your goals and objectives. Are you looking to expand your market share? Expand into new markets? Increase your revenue? Increase participation and engagement?

Your objectives will ultimately guide the way you shape your membership structure, pricing, and marketing efforts, so it's worth taking the time to think them through.

Step 2

REALLY Get to Know Your Members

You might say, “I already know my members – I am constantly talking to them and getting their feedback.” That’s a great start, and will definitely help you make an overall assessment of your members’ needs. However, there’s a danger in assuming the attitudes and opinions of the select group of people you are talking to applies to everyone.

You’ll need to draw on more quantitative, objective information for your analysis. The insights that come out of your analysis should form the basis of the decisions you make from now on.

So how do you get to know your members? There are a lot of different research methods you can use. A combination of formal surveys and informal interviews is ideal. It’s best to start with broader surveys. Once you’ve analyzed the results, you can ask a handful of members to schedule informal interviews so that you can get a better understanding of why the survey participants responded the way they did.

There are a lot of good resources you can find to help you determine the format of your survey questions. For our purposes, we’ll focus on the key information and insights you should be looking to get out of it.

Disclaimer: If you use all of these suggestions, it’s going to be one long survey – too long. This section is just to get you thinking about the kind of information you should be looking for – it’s up to you to formulate your survey based on your needs.

An effective survey collects all the information you need while being as short as possible. Respondents should be able to finish it in 10 minutes or less. Anything longer can cause them to drop off before completion. It’s a good idea to have the survey available online and as a hard copy to increase response rates. Many association management platforms have built-in survey tools, which allow you to connect your members’ responses to their demographic information. This is really useful when analyzing the information.

4 Important Things to Learn About Your Members

If you’re looking at your members only in terms of their titles, industries, or membership levels, you are likely missing the key information that will help you create more value for your target members and prospects.

The really valuable insights come when you evaluate your members and prospects based on their needs, values, interests, motivations, and attitudes. Everything you do – from building membership packages to creating marketing messages – should be based on these key elements.

#1: What Makes Them Tick?

Demographic and personal information can help you connect your members' actions – attending events, purchasing subscriptions, or discontinuing memberships – to the motivations and attitudes that triggered the actions.

To get your members and prospects to take positive actions, you need to address their personal needs, and looking at their demographic information helps you identify the characteristics your key members and prospects have in common.

To understand how this information is useful in practice, consider the example of two engineers belonging to an industry association. One of them is new to the field, and the other has 35 years of experience.

The young engineer joined to access educational resources and advance his career. The more experienced electrician has already done all the learning he is interested in doing. To him, the value of being a member is having his interests represented through the organization's advocacy work. Promoting the value of advocacy to the young engineer would be totally ineffective because it doesn't really matter to him. To attract and keep members, you need to find ways to connect to what matters to them, and personal data helps you do that.

Examples of Demographic Information to Get You Started

Every association is different, so the types of information you choose to collect will vary according to your objectives. Some examples of demographic or personal information include:

- Personal information (age, gender, income, geography)
- Experience level (early-career, mid-career, or late-career)
- Education level
- Personality traits (quick to act or calculated decision maker, leader or follower)
- Access to and familiarity with technology
- Size of organization
- Other industry organizations the member belongs to
- Special interests or skills.

#2: Are They Getting Good RETURN VALUE on Investment?

Some experts are now suggesting that perceived value on investment is an even stronger motivator than actual return on investment for members to join and renew. Perceived value is what people are willing to spend on a particular product or service.

Comparing what members are spending with their perceived value of the benefits they receive can help you identify potential barriers to retention. It can also give you clues as to how your benefits could be packaged differently to provide your members with more value for money.

When you **analyze perceived value in conjunction with your members' challenges**, you be able to determine how well you're delivering on your value promise.

Questions to Ask Your Members

- Which programs and benefits have you used during the year, and how often?
- For each benefit you've used, what dollar value would you assign to it?
- How much did you invest in our association during the year, including dues + add-ons?
- Do you believe your membership investment last year was fair, less than fair, or more than fair for the value you received?

#3: What are Their Challenges and Needs?

Your association exists to meet your members' needs. Staying ahead of the curve and leading the charge on new information and industry trends is an important feature of many associations. So it is surprising that there are so many associations that have been offering the same exact services for years.

Could it be possible that your services are designed to meet challenges that are no longer relevant or not as valued? **Your survey can help you find out.**

Questions to Ask Your Members

- What are the top three challenges you are facing right now?
- Rank our services based on what you feel is most important. (List all services)
- Is there anything you would like to see added or enhanced about our service offerings?
- What other member-based industry organizations do you belong to?

#4: What Do They Think About Your Organization?

Perceived value is the fundamental driver of membership, and different members value different things. If you consider your organization to be a leader in your industry, you should find out whether your members agree.

Questions to Ask Your Members

- What do you believe is the primary function of our association?
- Compared to other organizations in the industry, what are the advantages of belonging to our organization?
- How did you first hear about us?
- Do you intend to renew your membership?
- If not, what could we offer you that would make you renew?
- What do you like the most about being a member of our organization?
- What would you improve about or add to your membership experience?
- Why did you initially join the organization?
- How long have you been a member?
- How often do you read our newsletter, visit our website, etc?
- Rate each of our benefits / programs on a scale of 1 to 5, with 5 being most valuable and 1 being least valuable.
- What types of information and resources do you seek to stay on top of industry trends?
- How likely are you to refer a friend to join?
- Which of these words do you associate with our organization? (list several words, ie. Advocate, knowledge leader, innovator)
- How satisfied are you with our level of service?
- What is your preferred source for industry information? (magazines, websites, etc)

Step 3

Prioritize Your Efforts

Think about the old 80/20 rule – you get 80% of your results from 20% of your effort. As an association with limited resources, **you can't be all things to all people**. So it makes sense to be strategic about where you are investing your time, energy, and resources.

From your research, you should be able to segment your members by their perceived value of your organization, and then sub-segment them by how much they are investing on an annual basis.

You'll want to group them by:

1. Members who have a low perceived value of their membership, but are making large investments.

This can be the attrition danger zone, and there are countless reasons why these members don't value what you are offering. Unless you want to risk losing them, you'll need to figure out where your organization is falling short and take action quickly.

2. Members who have the highest perceived value AND who are making large investments in your organization.

Look at the survey responses to identify the benefits that are most used by this group and determine if there are any shortcomings or areas of improvement that could enhance the benefits that matter most to them. The name of the game is keeping this group engaged. Making small changes and additions – and then communicating the improvements you've made – can go a long way to keeping these members engaged.

3. Members who have a high perceived value, but make small investments.

The key for this group is to identify value-adds that could generate additional revenue streams. These kinds of members have staying power, but you'll want to be careful not to neglect them. As you have the resources available, adding and bundling products that appeal to lower-level members can help you retain, and even upgrade these members.

4. Members who have a low perceived value, and make small investments.

If this is a small group in comparison to your overall membership, you can focus on these members last. They may fall off eventually, but if that happens, you stand to lose a lot less from this group than you do from your higher income-generators. If this category comprises a large portion of your membership, this could signal a big problem in your membership strategies.

If you've come to the conclusion that certain members just aren't a match, that's not necessarily a negative thing. It's better to focus on keeping and attracting the right kind of members than to stretch your resources too thin in an effort to cater to everyone.

Now that you've segmented these groups, get ready to dive a little deeper into figuring out what makes them tick, and identifying the kinds of members that will help you build your organization.

Step 4

Determine Your Perfect Members

Understanding Your Perfect Members

Creating personas for each of your target audiences will help you understand who your perfect members are – those who stand to get the most value out of your organization and are willing to pay for what you are offering. Using the information you collected through your research, you can now look for common traits, needs, behaviors, and motivators for each of the groups identified above.

Most people are bombarded with so much advertising every day, that they have become accustomed to tuning out marketing messages that don't strike a chord with them. So to catch your ideal members' attention and compel them to act, you need understand them really well. Creating personas enables you to better relate to your target audiences so you can interact with and attract them more effectively.

The purpose of creating personas of your ideal member groups is to help you package and price your benefits to provide the highest perceived value for each group – and tailor your messages and communications to each type of member.

How to Create Member Personas

First, create a different sheet for each of the member groups from the “Prioritize Your Efforts” section. Then, look through the data for each group and begin to record some of the characteristics that the members within that group share. Here are a few characteristics and themes you may want to explore:

- Membership type
- Age
- Level of experience and expertise
- Common challenges and problems they are trying to solve
- Size of their organization
- Title or job function
- Specific common interests (events, subscriptions, educational programs)
- Annual investment
- Level of participation in events and programs
- Why they joined, what they like about the organization, what they dislike
- What other industry organizations they belong to
- What they are looking to get out of interacting with your organization
- Most-used benefits
- Website and social media interaction
- Primary needs
- Level of satisfaction with your organization
- Barriers to renewing or joining.

When you're done, you'll have the profiles that you'll keep re-visiting as you create your membership strategy. You will have a picture of which members are getting the most out of your organization – and willing to pay for your services. You may find that you need to create several different member profiles for each group. That's absolutely fine – and expected. See if you can limit it to two profiles per group.

Step 5

Make the Package and Price Right

Promoting the right membership packages and add-ons to the right people at the right price is fundamental to both acquisition and retention. Now that you've taken the time to understand the needs of your membership, you can develop more flexible pricing strategies to generate reliable revenue streams.

It's important to consider your overall business objectives before setting prices and packaging benefits. Is your goal to capture more market share? Are you looking to expand into new markets? Do you want to encourage your lower-level members to upgrade?

Review and Revise your Membership Structure

Every association is different, and there is no absolute formula for effective membership structures. The key is to cater for the kinds of members you want to appeal to. Compare your organizational assessment with the profiles you've developed. Analyze each member profile, and make a note of where your organization is falling short of delivering value. Then think of ways that you can enhance your current offerings or introduce new benefits to better align with your members' needs. This is particularly important for members who make a large membership investment, but have a low perceived value of their membership.

Look at which products and benefits should be bundled together to match the needs of each group, and then see if you can put a value on the total package. You may just need to tweak your current membership levels, but if you find that your current membership options don't align with your key targets, overhauling your membership structure might be your best option.

It's not realistic to make your membership packages meet every last need of your target audiences. Even within your segmented groups, interests and needs will still vary. Try to balance price and perceived value, and leave room for purchasing add-ons separately to account for these variances.

Develop Your Pricing Strategy

Many associations use a cost-plus pricing model, a simple method in which a markup percentage is added to operational costs to make a profit. This is by far the easiest price structure to calculate, however, it is often not in an association's best interest.

Many associations purposely try to keep their costs low for members, but this thinking has its downsides. In cases of unforeseeable economic downturns, for example, it can cause members to drop off when times get tough.

Value-based pricing has emerged as a much more effective way to set membership prices. It enables an association to set prices based on the value it is offering members, instead of the actual cost.

"Because members and prospects vary in their price sensitivity and preferences, you should consider a variety of pricing strategies to enhance your marketing efforts and sell memberships and products." (Jacobs, 2014)

Strategic Pricing Ideas for Growing Your Membership Base

1. Price for value.

Don't undervalue what you are offering, particularly if it's a need-to-have product, your competitors can't match it, or there is prestige associated with being a member. This rule is especially important when determining the price differences between your membership levels.

2. Increase dues little by little, rather than all at once.

Many members already expect yearly incremental increases, and they are much easier to swallow than large increases every five years that come as a surprise.

3. Offer VIP options.

Add an additional layer to your pricing, and additional revenue, by allowing members of any status to register for events or programs under a VIP category. Added benefits for VIPs might include reserved seating, invitations to cocktail receptions, or special gifts.

4. Build perceived value.

You can do this by offering add-ons without charging more. Examples might include free professional advice or free publications for certain types of members. With this strategy, you'll need to price your other programs, products, and services so that they cover the cost of the "free" offering.

5. Offer monthly memberships and billing.

Many associations are already starting to offer monthly installment options on annual memberships. Why not consider taking that one step further and offering a monthly membership option? This strategy could help you attract some of your on-the-fence prospects and eventually sign them as long-term members. To them, it's a low-risk way to try out the benefits of membership.

6. Create urgency.

Think early-bird special. This strategy works well for events and other programs. Combine limited quantities with special pricing that expires at some point to encourage your members to register quickly.

7. Attract with high-value, low-cost products.

For example, you may offer a large discount on the price of your annual conference to draw members in, and then subsidize the cost of the event by charging for related events and activities on an a la carte basis.

8. Offer discounts for group members with high participation.

If you don't already have a group membership option for corporate and other industry organizations, now is the time to think about putting one in place. You could offer these members generous discounts for enrolling a certain percentage of their employees.

Step 6

Retain, Then Attract

Start with Retention

The best way to grow memberships is often debated, and many believe that driving new sales is the way to go. However, keep in mind that “an association that adds 5,000 new members a year and maintains a 75% renewal rate will grow to 20,000 members. While an association that adds the same 5,000 new members but maintains an 85% renewal rate will grow to 33,000 members.” (T. Rossell, 2012)

Keeping Your Members, and Keeping Them Happy

1. Spread the news of your improvements.

Communication is one of the key pillars of retention. When you make improvements, achieve big milestones, or have new information that will be helpful to members, be sure to share it with the right people. Wherever possible, segment and personalize your communications so that your members get the information that really matters to them.

2. Turn up your reminder frequency.

You don't want to annoy your members, but it's a fact that a lot of people simply forget to renew. Experts are now suggesting that seven is the most effective number of renewal reminders. If you don't have a good member management system, this task can be difficult – a good reason to look into low-cost technology options that will enable you to automate your renewal reminders.

3. Offer different payment options.

If you haven't started accepting payments online, you should make this a priority. It is becoming the preferred method of payment for many people, and user-friendly processes are great retention-boosters. As a bonus, it will cut the time you spend manually processing payments down significantly.

4. Incentivize.

Offering a discount for early renewals can give your members a good reason to submit payments right away, instead of pushing the task to the bottom of their to-do list.

5. Use multiple marketing channels.

Don't rely on email or your website alone. Send your

members news and information through your website, social media, postcards, newsletters, and even contact key members by phone to remind them of deadlines. To keep your members engaged, your marketing strategy should include multiple tactics.

6. Highlight non-member prices.

On all of your products, events, and services, make it a point to remind your members of the value of their benefits by publishing non-member prices.

7. Partner up.

Keep your eyes open for potential partnership opportunities with other organizations that will be mutually beneficial. Often, you can tee up arrangements that will bring added benefits to your members, and make them more likely to value their memberships.

8. Review your member welcome program.

Inviting new members to free orientation events where they can meet other members is a great way of building the sense of community that is necessary for retention. If you don't have the time or budget for that, send them a welcome pack or give them a personal welcome phone call at the very least.

9. Reserve members-only web pages.

Having access to exclusive and valuable content is a big benefit for a lot of members looking to build their knowledge.

Add New Members

Current members will have different reasons for staying than prospects have for joining, but the strategies that help you retain your current members will make your organization more attractive to prospective members if you're targeting correctly.

There's a good case for focusing on retention before attraction. Once you've confirmed your membership structure and the processes that support it, you will likely need to work out some kinks. It will be much easier to handle additional members and ensure that they are receiving good service once you've gone through this process.

Tips for Finding and Attracting Prospects

1. Start where your current members are hanging out.

In your survey, you asked your current members where they get their industry information. If a good portion of your current members are reading a certain publication or website regularly, it would stand to reason that your prospects are exposed to the same channels. This is a good place to start.

2. Focus on the top three benefits.

In your messaging, talk about only what matters to each target segment. Focus on the top one to three benefits that would solve their biggest challenges.

3. Push for Word of Mouth.

Run an event and let each of your current members invite a colleague in the industry for free, or offer discounts to your current members for referring a friend. Establish a

presence on social media and publish valuable information that your current members will be likely to share.

4. Offer an irresistible introductory membership rate.

The market is so competitive that prospects can often be reluctant to commit. Offering a good introductory rate takes the risk out of trying your association out.

5. Highlight the difference between member and non-member prices.

This works for both members and prospects. For non-members who are attending your events and purchasing your products, this simple tactic will remind them of how much money they can save when they become a member.

Step 7

Test, Act, Track and Assess

7 Things to Remember When Implementing Your Membership Strategy

1. Always test.

You've done your homework and thought up some smashing new membership strategies. Don't rely on your hunch – test your ideas on your members. Select a sample that represents your ideal member types and conduct informal interviews with them. Once you have their feedback, there will undoubtedly be things you need to change or refine before you launch your new strategies.

2. Plan and document your processes.

Plan out all the processes that will support your strategy, including how you will communicate changes to your members and promote to non-members, what actions members need to take to sign up for new benefits or transition to other membership levels, how you will keep track of the different types of members, who will be responsible for each step of the process, how you will set up reporting to help you track the effectiveness of your strategies, and what systems and technologies you will need to manage your members. If you're looking to modernize your member management system, make sure you can integrate it with your other systems, like Quickbooks.

3. Test again – this time focus on logistics.

How will you administer your new membership structure? If you're really serious about growing, you will likely need the help of a software solution to manage your member data and automate many of your day-to-day tasks. Even if you're only keeping this information in a simple database, it is a good idea to do some run-throughs with your staff on how to properly process and record information. Once you've confirmed your processes, document them so that every member of your staff is consistently following them.

4. Pilot your programs.

If you are introducing new programs, identify a sample of members or prospects to test the waters before launching.

5. Communication is key.

For any new event, initiative, program, or service offering, it is a good idea to create a communications plan that outlines the key stakeholders, messaging for each, timeframes for communications, how you will deliver the communications, and overall goals. If you are making changes that impact your members in any way, always let them know well in advance, and continue to remind them as the scheduled changes approach.

6. Set specific, measurable goals.

Setting goals helps to create a sense of accountability for you and your staff. The basic metrics to measure will include participation in programs and events, sales and revenue from products, renewal and acquisition percentages, data from member satisfaction surveys, and your return on marketing investment. You may also have more specific metrics depending on your objectives.

7. Re-assess.

Make it a point to touch base with your members through informal phone calls every month to get their feedback on what's working and not working for them. Conduct another survey a year from now. It can be effective to use the same survey from the previous year so that you can make direct comparisons in the various areas. Analyze the data to see if your strategies helped you reach your overall goals, and continue to make adjustments on an ongoing basis.

5 Ways 123Signup Can Help Your Association Grow

1. Makes it Easier for Your Members to Join and Renew.

With 123Signup, your members can enroll and renew online quickly and easily at any time, including right at the time of registration, saving you the time and tedium of manually entering and changing your member information.

2. Lets You Add Value through Events with Ease.

123Signup's Association Manager includes full-featured event management functionality. Incentivize prospects to become members with preferred member pricing for events. You'll significantly lighten your administrative workload by managing your event registrations, payments, and communications through our reliable system. (Event Manager is also offered as a stand-alone product.)

3. Gives You the Flexibility of Setting up Customized Membership Options.

We know every organization is unique. 123Signup's Association Management software enables you to set up customized membership levels and options to meet your organization's needs. The system supports a wide range of business models, including group and family memberships.

4. Makes Accessing and Analyzing Your Data a Painless Process.

You can access a wealth of reports to get all the information you need to measure your progress and make good business decisions.

5. Saves Time with Automated Communications.

For many of your time-consuming tasks, 123Signup can do the work for you. Save yourself hours a week by setting up automated renewal campaigns, event reminders, and more.

[Click Here to Learn More About 123Signup](#)

References:

Jacobs, Cheri (2014-01-06). *The Art of Membership: How to Attract, Retain, and Cement Member Loyalty*. Wiley.
Rossell, Tony (2012). *Marketing General, Inc.*, www.marketinggeneral.com.
Rossell et al (2013). *2013 Membership Marketing Benchmarking Report*. Marketing General Incorporated.