



Recruiting & retaining members

Introduction

Trade associations need to be clear about the activities in which they will engage to attract and retain members. It is important, of course, to offer a range of benefits and services to members – so that they will be willing to pay, and to continue to pay, their annual subscription – but not all members will be attracted by the same services. This fact sheet assumes that you have already decided on your overall strategy and your service offering¹ and focuses on what associations need to do to interact effectively with members. How do you persuade business people to join a trade association? And how do you persuade members to renew their membership – and to keep paying their subscription – every year?

Attracting members

Businesses join an association because they value something that the association is offering. If there is not at least one thing that they value, they are unlikely to join – and they will certainly not renew. The challenge to an association is that businesses join for different reasons – so there could be merit, like a for profit business, in segmenting the market and making a different pitch to different segments.

Prospecting

Seeking members requires an approach that is very similar to that adopted by a for profit business when it is looking for customers. The starting point is to think carefully about, and to define, your target audience. Then you need to consider how you will reach them – advertising, peer group introductions, leaflets, telephone calls etc.

You need to think carefully about the message that you wish to communicate – the XYZ association can help you by... – remembering that this needs to cover benefits rather than features.² If you are using printed material, you may want to include testimonials from existing members.

Member engagement

Once you have signed up a new member, you need to work hard immediately to engage with that member. That is, the association needs to be proactive in encouraging interaction. Interaction does not have to be complicated. It could be:

- Welcome new members with a membership pack and provide a membership certificate to put on the wall, say in the business's reception area;
- Profile a selection of new members in your newsletter – this gives them some publicity but also ensures that they feel warm towards you;
- E-mail new and recent joined members, reminding the member of the benefits and encouraging them to use a particular service, say the website (and providing a password if part of the website is members only);
- Printing, or at least making available on the website, a programme of meetings with dates, locations and topics for presentation or discussion;

¹ See fact sheets on Strategy and Member Services.

² See fact sheet on Marketing

- Get new members involved quickly, if you can. Make them feel important. Invite them to participate in an event, such as a breakfast or a lunch, or in a meeting to discuss sector needs and association responses;
- Give a voucher offering a discount on a paid for service provided by the association.

The interaction can be as simple as a phone call. ASAE tells the story, for example, of the US Aircraft Owners' and Pilots' Association who report that members who call the association's '800' number have a higher retention rate than those who don't.

Understand why businesses join

Soon after a business has joined, possibly even straight away, ask them about the most important reasons for joining. This will help you refine both the services that you offer and the messages that you use to attract new members.

Paying subscriptions

It is important that members pay a subscription to be a member of an association, otherwise they will not value their membership and will not participate effectively either. Even associations that have been successful in securing their income in other ways should expect to charge something to members not least because the income from members is unrestricted, that is, it can be spent on anything deemed appropriate by the board.

Some associations allow a grace period after a subscription has expired before members are expelled from the association. Too often, in developing countries, it seems that the grace period never ends. For an association to be perceived as credible, the grace period should be short, say no more than 30 days.

Retaining members

In common with all businesses, it is far easier to retain a member than it is to recruit a new member.

ASAE, the Centre for Association Leadership (formerly known as the American Society of Association Executives), reports that the mean renewal rate for a trade association is 91 per cent. They do note, however, that associations with a rapidly growing membership tend to have lower renewal rates than associations with a steady or declining membership. This is because associations which are growing quickly have a higher proportion of first year members and first year members typically renew at a lower rate than long term members.

Incentives may assist in persuading businesses to join an association, but generally the stronger the incentive, the lower the renewal rate compared to members who joined with no incentive.

So once businesses have joined and, perhaps, had time to experience some of the different services provided by the association, it is sensible to ask members for their views about what they value most:

- Undertake surveys of the membership periodically to understand which benefits and services are most valued;
- Put in place a communications plan so that you can keep segments up to date with the benefits and services that are of most interest to them – as well as providing general intelligence about the business environment, the economy etc – and ask members for feedback;

Think carefully about the opportunities to engage with each segment of your membership – do it – and evaluate the outcomes.

You may already have a website – if so, you may want to think about using social tools (such as Facebook or LinkedIn) to encourage more networking; consider

creating a wiki within the members' area of your website to encourage peer group support. Think about ways in which you can use your website to offer additional content to members. Many people join associations for the networking opportunities – so ensure that you provide the means for networking and encourage members to exploit the opportunities.

Think ahead

Associations need to lead – rather than to follow – their members, not least because one of the benefits from association membership is that associations can be drawing members' attention to what is happening in the environment.

Look at the likely changes in the environment in which you operate – using a technique such as PEST³ – not least because you may want to be advocating change in public policy to respond to some of the changes in the environment. Consider how your members' expectations might change – and think about possible future competition.

Undertake research formally when necessary but never forget to gather information and market intelligence informally from a range of sources. And use that to keep your members up to date.

Membership plans

None of this will happen without a plan, so associations should prepare a written plan for attracting and retaining members, probably as part of their overall business plan. A typical plan might include the following elements:

- **Background:** membership trends over the last couple of years, membership potential (size of sector by number of businesses and contribution to GDP), competition etc
- **Assumptions:** it may be necessary to make assumptions about the state of the economy, availability of resources etc and the effect that these might have on the successful implementation of the plan
- **Targets:** the association's strategy will set out objectives for membership (and these should be summarised in the membership plan if it is a separate document) but there will need to be targets for number of new members recruited during the period and number of existing members who are retained
- **Recruitment:** describe the activities that will be undertaken to recruit new members including, inter alia, visiting prospective member businesses, telephone calls to prospective members, marketing via a third party, e-mailing prospective members, advertising in the press, seeking press coverage in the news pages (advocacy success often leads to the recruitment of new members) etc; this section requires a description of how businesses will be targeted and should include lapsed members
- **Retention:** describe the activities that will be undertaken to ensure that the association continues to offer a range of benefits and services that are valued by the members; this includes communications, surveys etc
- **Budget:** there needs to be a budget for the plan
- **Timetable:** not everything can be done at once, so there needs to be a timetable for the plan
- **Evaluation:** as with all other activities undertaken by the association, there should be recognition of the need to evaluate the plan; describe how results will be tracked and analysed. Look at the cost and the benefits to you. Build up the services that work; ditch those that don't.

³ See fact sheet on SWOT

Tricks and tips

Remember that every interaction with a member is important. If handled well, it will make them feel warm about the association but, if handled badly, it will be more likely to encourage them to leave, or at least not to renew their membership.

Some associations may be large enough to have a membership officer, or even a membership department, whose role is to attract new members. But the whole organisation should feel responsible for engaging with, and thus retaining, members.⁴

⁴ See fact sheet on Putting Customers First for tips on this