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Have you ever been faced with this situation – you conduct regular member satisfaction surveys and your scores are high, but you know your members don't generate as much non-dues revenue as they could, and you have members dropping their membership when you have a slight dues increase?

In the past, associations conducted satisfaction surveys and used those results to gauge how well they were doing in providing the benefits and services that members expected. But simply meeting expectations is not good enough. Members routinely report being satisfied with the benefits they receive, yet they go elsewhere for their continuing education or they drop their membership when they find a better deal on the benefits the association offers. Traditional member satisfaction studies do an adequate job of measuring a member's current state of mind, but research shows a weak relationship between member satisfaction and member retention.

Loyalty scores do a much better job of predicting which members are likely to remain loyal when faced with dues increases and fluctuations in service, and which members are susceptible to allowing their membership to lapse.

The underlying difference is that loyalty research analyzes behavioral intentions by calculating a member's likelihood to renew his/her membership, and to recommend your association to others. The responses to these questions can be used to develop loyalty segments and categorize members as being loyal, neutral or vulnerable.

By examining the characteristics that differentiate loyal members from neutral members and vulnerable members, management can use these segment profiles to attract more members who have the characteristics of loyal members, improve the association to strengthen the relationship with neutral members, and target vulnerable members with intervention tactics to retain more members.

The next step in the loyalty research process is to determine what the association offers that drives the loyalty of its members. This is done by conducting an assessment of all the process areas (touch points) where members interact with the association and form evaluations of their experience.

Process areas for associations typically include the quality of benefits, continuing education, networking opportunities, conferences, publications, member service representatives, and the website. In addition, all of the component attributes for each process should be evaluated in the same member survey.

Component attributes that might be analyzed in the area of member services would include: (1) the member services rep's knowledge of the association's benefits, (2) his/her attention to detail, (3) treating individuals as valued members, (4) understanding the member's needs, (5) being available when needed, (6) ability to solve problems, and (7) being professional.

Through multivariate analysis, one can determine which process areas have the greatest impact on member loyalty. A low performance rating within a process area by itself signals an area's deficiency. But the combination of a low performance rating and a high impact on loyalty would make this process area a high priority for improvement measures.

Once the process areas have been identified for improvement, the next step is to conduct the second phase of the multivariate analysis – determining which component attributes are the key drivers of the process areas planned for improvement. Drilling down to the attribute level enables management to focus improvement activities on a smaller scale. It is much more manageable to improve product knowledge within member services, for example, than it is to improve member services overall. Breaking each process down into components that are measurable and manageable is a much more effective and efficient way to improve the organization's processes.

Any association that wants to retain as many members as possible while allocating its resources effectively, should move from member satisfaction studies to member loyalty studies. The results of loyalty studies can be used to uncover trends that are common among hundreds of members, or to examine responses down to the individual level. This will enable the association's management team to develop a single marketing plan for the entire association or to tailor its marketing activities to specific member segments.

No matter how you use the results, member loyalty research is a valuable tool that gives managers results that are measurable and actionable.

About the Author

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