



## **Member Benefits Usage and Awareness**

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The purpose of this study is to provide additional diagnostic tools for association executives that can help them make strategic and tactical decisions to improve the relationships between their association and their members.

While most research examines members' experiential ratings of member benefits, this paper focuses on the relationships between the percentage of available member benefits that members use, and a number of metrics that are routinely used to measure member satisfaction, member loyalty, and member engagement.

In addition to the percentage of benefits used, this paper also examines the percentage of benefits that were not used in spite of the member being aware of them, as well as the percentage of benefits that were not used because the member was simply not aware of them.

The data used in these analyses are derived from member surveys of eight professional membership associations representing professionals in healthcare, financial services, higher education, engineering, real estate, transportation and information systems.

Association members who participated in the surveys were asked to give an overall rating to every member benefit with which they had experience. For each benefit for which they provided a rating, they were deemed to have experienced that benefit. For those benefits they had not yet experienced, they were asked whether or not they were aware of the benefit prior to taking the survey.

The six metrics examined in this study to determine their relationship with benefits usage are:

1. likely to recommend the association membership
2. likely to renew their membership
3. overall value of their membership
4. membership dues
5. overall membership benefits package
6. member loyalty

## Percentage of Benefits – Used

The number of member benefits provided by associations in this study range from a low of 8 member benefits to a high of 35, with an overall average of 18 individual benefits. In order to standardize the usage level of benefits across organizations and professions, benefits usage is measured in this study as a percentage of available benefits that were used, rather than as the actual number of benefits used.

The percentage of benefits used among the eight associations ranged from a low of 48% of available benefits to a high of 77% of available benefits, with an overall average of 66%.

Individual associations who replicate this study may want to use the number of benefits used, rather than the percentage. Future studies may also want to differentiate between products and services, or between complimentary benefits and discounted benefits. In this study, all member benefits provided by the participating associations were treated equally.

Table 1 below shows where there are significant relationships between the percentage of benefits used and various loyalty metrics for each association in this study. Each check mark represents where there is a statistically significant increase in the percentage of individuals who gave a top two rating for that metric among groups who had higher percentages of member benefits used. (Note: a top three rating was used for membership dues.)

For example, there are significant relationships between the percentage of member benefits used and the likelihood of recommending the association membership, the overall benefits package, and loyalty, for every association in the study.

The relationships between the percentage of benefits used, and each of these six metrics, are discussed in this section.

**Table 1 – Significant Relationships With Percentage of Benefits Used**

Association	Likely to Recommend	Likely to Renew	Membership Value	Dues	Overall Benefits	Loyalty
1	✓	✓		✓	✓	✓
2	✓	✓	✓		✓	✓
3	✓		✓	✓	✓	✓
4	✓		✓	✓	✓	✓
5	✓	✓	✓	✓	✓	✓
6	✓	✓	✓		✓	✓
7	✓	✓	✓	✓	✓	✓
8	✓	✓	✓	✓	✓	✓

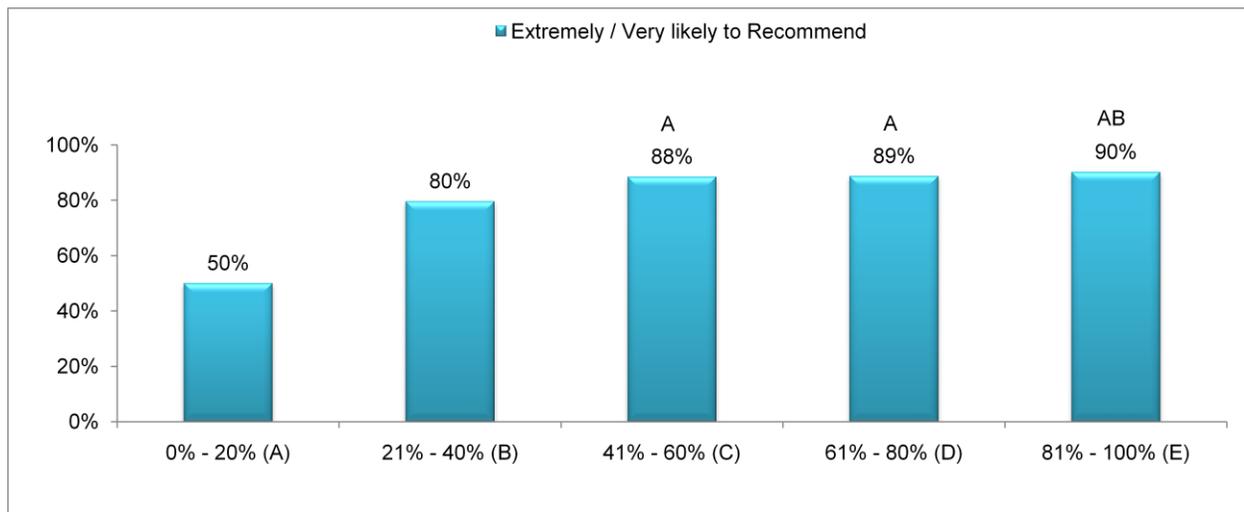
One of the most commonly used metrics to determine the strength of the relationship that members have with their association is to gage their **likelihood of recommending** the association membership to others. The belief is that an uncompensated endorsement, in which an individual is willing to risk his/her personal reputation, is one of the best indicators of the strength of that relationship.

When asked about their likelihood of recommending the association membership to others, survey participants were given the options of (1) extremely likely, (2) very likely, (3) somewhat likely, (4) not very likely, (5) not at all likely, and (6) don't know.

In Graph 1, the sum of the top two responses (extremely likely and very likely to recommend) are shown for each of the five usage categories. This graph depicts the actual results of one of the associations in the study, and is not a composite of the eight participating associations. In this example, a significantly higher percentage of members who experience more than 40% of the member benefits offered by the association, indicated that they are extremely likely or very likely to recommend the association to others, compared to members who use as few as 20% of the association's benefits. (This type of graph is used for all of the metrics tested, except member loyalty.)

While this association has a significant difference between the under 20% and the over 40% usage rates, the segments that differentiate between a high likelihood of recommending and a low likelihood of recommending, were not the same for every association in this study. For example, some associations found a significant improvement with as little as 20% of its benefits being used, while others did not see an improvement until 61%-80% benefits usage was achieved. Even though there was variation in where the improvement began, statistically significant differences between lower percentages of benefits usage and higher percentages of benefits usage were found among all eight associations.

**Graph 1 – Likely to Recommend – Benefits Used**



Participants were also asked about their **intention to renew** their membership in the coming year. Participants were given the same options for this question as for their likelihood of recommending the association membership, (1) extremely likely, (2) very likely, (3) somewhat likely, (4) not very likely, (5) not at all likely, and (6) don't know.

The results of this relationship are similar to those previously mentioned with the likelihood of recommending the association membership. Some associations saw a significant improvement at 21%-40% usage, some at 41%-60% usage and others at 61%-80% usage. What is different about the relationship between benefits usage and the intention to renew, is that the intention to renew is not a strong indicator for all associations. Significant differences in the intention to renew their membership based on their percentage of benefits used, were found among six of the eight associations.

We believe that the primary decision criterion for members when deciding to renew their association membership is whether they are getting sufficient **value** from their membership based on the money and effort it takes for them to participate as a member. The perceived value of an association membership is also one of the variables used to determine a member's loyalty classification in this study and in all of our member research. Therefore, testing the relationship between benefits usage and the perception of membership value was one of the objectives of this study.

When asked to rate the value they receive from their membership, participants were given the options of (1) excellent, (2) very good, (3) good, (4) marginal (fair), (5) poor, and (6) don't know.

In seven of the eight associations, there are significant differences in members' perception of the value of their dues based on different rates of benefits usage. While most associations saw significant differences, the improvement appeared as low as the 21%-40% usage mark for some associations, and as high as the 81%-100% usage mark for others. Even though the results vary by association, this type of analysis is beneficial in understanding the relationship between the usage of member benefits and the perceived value of their membership.

Over the years we have found that a number of member loyalty metrics are highly correlated. For example, the perceived value of an association membership is closely related to their perception of membership dues. That is, when members believe they are getting good value for their membership dollar, they usually believe their dues are reasonable. For that reason, this study also examined the relationship between the percentage of member benefits that are used and the perception of **membership dues**.

In this particular study, we found that the relationship between the percentage of benefits used and the perception of dues was significant in six of the eight associations. In the other two associations, members' perception of their dues was statistically the same across the board for all benefits usage categories.

When members were asked to rate their dues, they were presented with the following options (1) low, (2) somewhat low, (3) just right, (4) somewhat high, (5) high, and (6) don't know. Unlike other analyses in this study, the top three responses are used instead of the top two.

Similar to other analyses, we found that significantly larger percentages of positive dues ratings occurred as low as the 21%-40% usage category for some associations, but not until the 61%-80% usage category for other associations.

We have seen in member studies over the years, that the more benefits a person uses, the more likely he/she will give high ratings to the **overall benefits** package offered by the association. The analysis between the percentage of benefits used and the overall perception of the benefits package is included in this report as another option for determining the number (or percentage) of benefits that produce higher member ratings, particularly as it relates to their overall perception of member benefits.

When members were asked to rate their association's member benefits overall, they were presented with the options of (1) excellent, (2) very good, (3) good, (4) fair, (5) poor, and (6) don't know.

While all eight of the associations in this study have a significant relationship between the percentage of benefits used and members' perception of member benefits overall, three associations saw significant increases in the perception of member benefits at the 21%-40% usage category, three more saw improvement at the 41%-60% usage category, and the remaining two associations saw a significant increase at the 61%-80% usage category.

**Member loyalty** is a composite index that is used to measure the strength of the relationship that members have with the association. It combines members' responses to three survey questions previously discussed in this report (1) likelihood of recommending the association membership, (2) likelihood of renewing one's own membership, and (3) the perceived value of the association's membership.

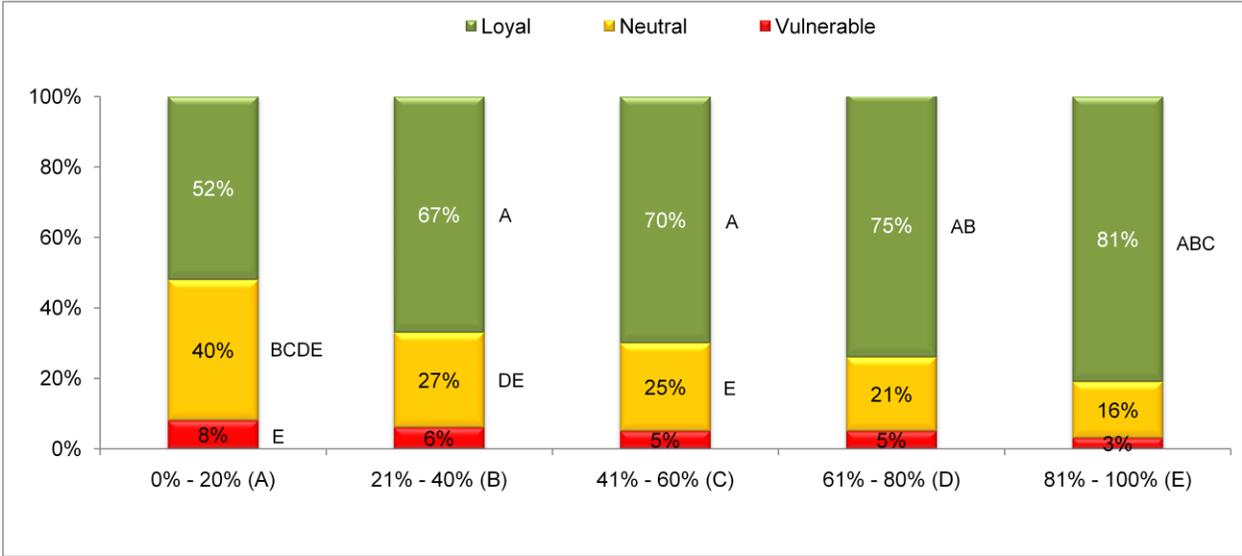
The combined responses of these three questions determine one of three possible loyalty classifications (loyal, neutral, vulnerable) for each member. Those who answer each of the three questions with a top two response are classified as loyal. These are the members who have the strongest relationships with the association, and are the most likely to recruit other members, to be the most forgiving when they experience problems, and are the most understanding when there are dues increases or service cutbacks.

Individuals who do not give all three responses in the top two, and do not give any responses in the bottom two, are considered neutral. These are the members whose relationship can best be described as moderate. These members are not as committed to the association and their neutral condition could be the result of being new to the association and not yet understanding what the association membership means to them, or their experiences with the association may have been a combination of positive and negative experiences.

Those who respond to at least one of the three indicator questions with a bottom two response are classified as vulnerable, and are considered at risk of leaving the association. This weak relationship can be the result of the association no longer serving the member’s needs because those needs may have changed over time, or the association may not be delivering a quality experience. Vulnerable members are likely to remain a member as long as the association’s membership is still their best available option, but the vulnerable member is not likely to be engaged with the association.

In Graph 2, there is a significant increase in the percentage of loyal members among increasing percentages of benefits usage. There are also significantly fewer neutral members among higher usage categories. For members who use only 0%-20% of their association’s available benefits, this group has a significantly larger percentage of vulnerable members compared to members who use most (81%-100%) of their association’s benefits. This type of graph is used throughout the report for illustrating the relationship between benefits usage/awareness and loyalty.

**Graph 2 – Member Loyalty – Benefits Used**



Member loyalty was found to be correlated to the percentage of benefits used for all eight associations.

## Percentage of Benefits – Not Used But Aware

Historically in voice-of-the-member surveys, participants were asked to rate their experience with each member benefit and were given the option of “don’t know”. Don’t know was typically selected by individuals who were unsure of how to rate the benefit, or had insufficient experience (or no experience) with the benefit and were therefore unable to give a rating.

The “don’t know” option is still used for survey questions in which members are asked to rate various aspects of their membership experience. However, when it comes to rating individual member benefits, current studies have replaced “don’t know” with two alternatives (1) have not used but am aware of, and (2) was not aware of. These new alternatives allow researchers to differentiate between members who have not used a benefit because they choose not to, and those who have not used a benefit because they did not know it was available.

By separating the non-use because of rejection and non-use because of a lack of awareness, associations can determine if the non-use by a member was the result of members’ perception of the benefit or its use, or was the result of a lack of information. In this section of the report, we examine the non-use of benefits by individuals who are aware of the benefit but choose not to use it.

In individual association studies, researchers may want to differentiate between the non-users who are in the target audience for that benefit and those who are not. Some may contend that retired members who are aware of the association’s job posting feature on its website, but do not use it, should not count as a rejected benefit, because these individuals are not intended users for this benefit. Some may also believe that associate members who do not use benefits designed for professional members should likewise not count as a rejected benefit. In future studies, holding out members for whom the benefit was not designed may be tested to determine if there is validity for an individual association’s members.

However, because this study involves eight associations that support various professions, neither member types, nor any member characteristics, were used to disqualify members from the “not used but aware” analysis.

Table 2 on the following page shows where there are significant relationships between the percentage of benefits not used but aware of, and the various loyalty metrics for each association. Each check mark represents where there is a statistically significant **increase** in the percentage of individuals who gave a top two rating for that metric, with corresponding **lower** percentages of non-use of benefits, in spite of being aware of the benefit.

Member loyalty is the only metric whose relationship with the percentage of benefits not used even though they were aware of them, is significant for all eight associations. Fewer metrics are significant with the non-use of benefits than with the use of benefits. However, non-use but aware of, provides additional information not found among the “benefits used” analyses.

**Table 2 – Significant Relationships With Percentage of Benefits Not Used But Aware of**

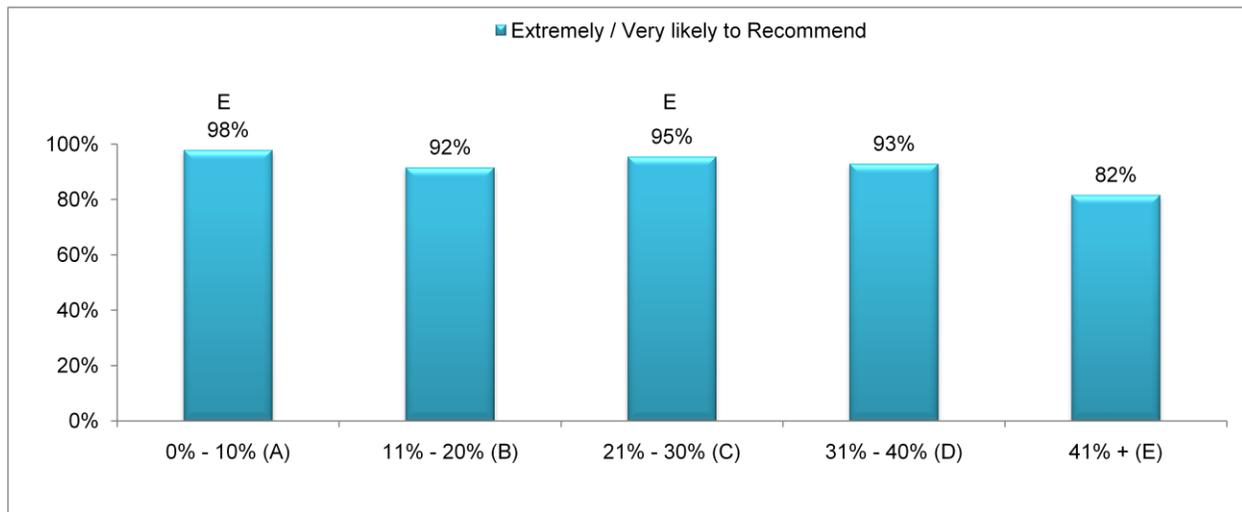
Association	Likely to Recommend	Likely to Renew	Membership Value	Dues	Overall Benefits	Loyalty
1	✓	✓			✓	✓
2	✓	✓	✓			✓
3			✓	✓	✓	✓
4	✓		✓			✓
5				✓		✓
6	✓	✓	✓		✓	✓
7	✓				✓	✓
8		✓	✓	✓		✓

The relationship between the **likelihood of recommending** the association membership and the percentage of benefits not used but were aware of, was significant for five of the eight associations. Perhaps this smaller number is the result of a smaller number (percentage) of unused benefits, or perhaps this is the result of benefits being rejected for a variety of reasons, leading to heterogeneity within this group. It is beyond the scope of this study to determine why members choose to use some benefits and to reject others.

Since a relatively high percentage of benefits are being used (66% on average), and the non-users are split into two groups (aware vs. unaware), the range for the categories was reduced to ten percentage points in order to generate categories that are roughly of equal size. Therefore, the five categories for the percentage of nonuse but aware, are (1) 0% - 10%, (2) 11% - 20%, (3) 21% - 30%, (4) 31% - 40%, and (5) 41% +. This is the horizontal scale used for all graphs in this section of the report.

For the association whose results are depicted in Graph 3 on the next page, the lowest percentage of members who are extremely likely or very likely to recommend the association membership is found among those who do not use but are aware of, at least 41% of the association’s available benefits.

**Graph 3 – Likely to Recommend – Do Not Use But Aware**



The relationship between the **likelihood of renewing** one’s association membership and the percentage of benefits not used but were aware of, was significant in four of the eight associations. The likelihood of renewing one’s membership has one of the weakest relationships to the percentage of benefits not used but aware of, for all of the loyalty metrics tested in this study.

For the four associations where there is a significant relationship, their graphs are similar to Graph 3, which shows the percentage of members who are extremely likely or very likely to renew their membership for each non-usage category.

The relationship between the **perceived value** of their association’s membership and the percentage of benefits not used but were aware of, is significant in five of the eight associations. While this relationship may not be significant for every association, it can be a good indicator of the relationship between member value and the amount of benefits that members choose not to use, in associations where the relationship is significant.

For three of the associations, a significant increase in the percentage of members who rated their membership value as excellent or very good, occurred for groups who did not use but were aware of, 21%-30% of their member benefits. The other two associations saw improvement much earlier, with one showing a significant increase of high value ratings with 31%-40% non-use, and one showing improvement when non-use was 41% +.

The relationship between the perception of **membership dues** and the percentage of benefits not used but were aware of, was significant for only three of the eight associations. Even though this indicator may not uncover significant relationships in every case, for one association, the percentage of members who rated their association’s dues as low, somewhat low, or just right, was significantly greater among those who did not use, but were aware of, no more than 10% of their association’s available benefits.

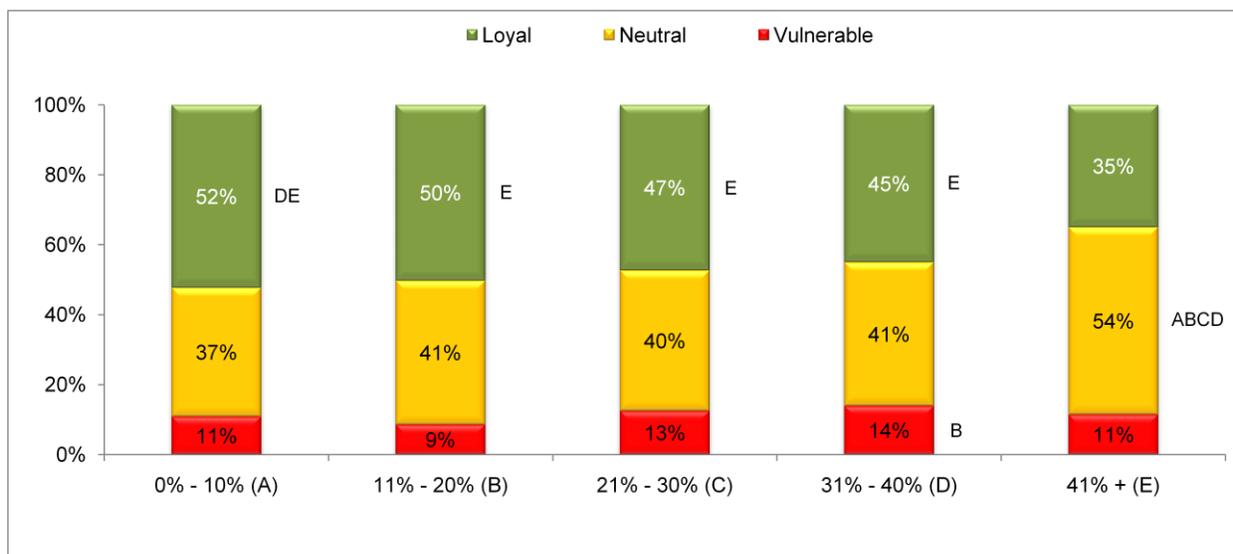
The relationship between the perception of **member benefits overall** and the percentage of benefits not used but were aware of, is significant for four of the eight associations. The rating for the overall perception of member benefits is more strongly correlated to the percentage of benefits used, than it is for the percentage of benefits not used but aware of.

For three of the associations, significantly higher ratings were found when the percentage of non-use but aware of, dipped below 30% and for the fourth association, the percentage of non-use but aware of, only had to be below 40% for improvement to be significant.

The relationship between members’ **loyalty** classification and the percentage of benefits not used but were aware of, was significant in all eight associations – making it the only metric that has universally uncovered significant differences among non-use but aware of groups.

As expected, there is a negative relationship between non-use and loyalty, and a positive relationship between non-use and neutrality. That is, members who have a lower percentage of non-use of member benefits are more likely to be loyal, while those who have a higher percentage of non-use are more likely to be neutral, or even vulnerable.

**Graph 4 – Member Loyalty – Do Not Use But Aware**



## Percentage of Benefits – Unaware

The scale used for rating individual member benefits in the survey gave members the option of selecting whether or not they were aware of each benefit prior to taking the survey, if they had no personal experience with that benefit.

The previous section of this report examined the percentage of benefits that were not used, but for which the member was aware. This section of the report focuses on the percentage of members who had not experienced a particular benefit because they were unaware that the benefit was offered by the association.

Whether or not members are aware of each benefit determines the appropriate strategy for increasing the usage of benefits. For those benefits for which members are aware, their non-use could be seen as a rejection of the benefit, and further investigation is needed to determine the reason for the rejection. Was the benefit not used by the member because it was not a good fit for them, or perhaps they found a suitable substitute elsewhere?

For those benefits where there is low awareness, an appropriate strategy would be to promote the individual benefits where awareness is low or perhaps to remind members periodically of all that the association offers with its membership.

It was hypothesized that new members may not yet be aware of the full array of benefits that are available and should be treated as a separate segment in the analyses. That hypothesis was tested and no significant difference was found between new members and more tenured members. Therefore, the lack of awareness analysis includes all member respondents, regardless of their years of membership.

Table 3 on the next page shows where there are significant relationships between the percentage of benefits not aware of, and the various loyalty metrics for each association. Each check mark represents where there is a statistically significant **increase** in the percentage of individuals who gave a top two rating for that metric, that corresponds to **lower** percentages of unawareness.

The likelihood of recommending the association membership to others is the only loyalty metric that has a significant relationship with the percentage of benefits unawareness for all eight associations.

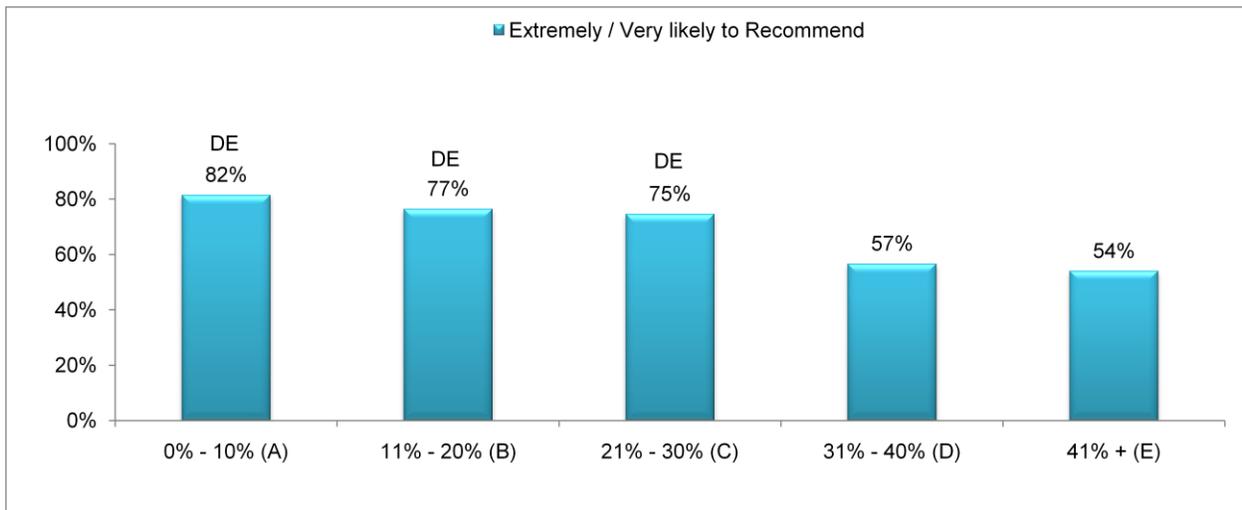
**Table 3 – Significant Relationships With Percentage of Benefits Not Aware of**

Association	Likely to Recommend	Likely to Renew	Membership Value	Dues	Overall Benefits	Loyalty
1	✓	✓	✓		✓	✓
2	✓	✓	✓		✓	✓
3	✓		✓	✓	✓	✓
4	✓				✓	
5	✓	✓	✓	✓	✓	✓
6	✓	✓	✓		✓	✓
7	✓	✓		✓		
8	✓		✓	✓	✓	✓

The relationship between the **likelihood of recommending** the association membership and the percentage of benefits not used because the member was unaware of the benefit, was significant in all eight associations. As hypothesized, this is also a negative relationship, where lower percentages of “unawareness” correspond to higher percentages of top two responses.

For the association whose actual results are shown in Graph 5 below, the percentage of members who are extremely likely or very likely to recommend an association membership is significantly higher among those members who were unaware of no more than 30% of their association’s member benefits, compared to those who were unaware of more than 30% of available benefits. Even though it is desirable to reduce the percentage of unawareness to as low a level as possible, a significant improvement in the likelihood to recommend this association occurs at 21%-30% unawareness.

**Graph 5 – Likely to Recommend – Unaware**



The relationship between the **likelihood of renewing** one’s association membership and the percentage of benefits not aware of, was significant in five of the eight associations. Though not shown in this report, the results of this relationship are very similar to the likelihood of recommending the association membership shown in Graph 5 on the preceding page.

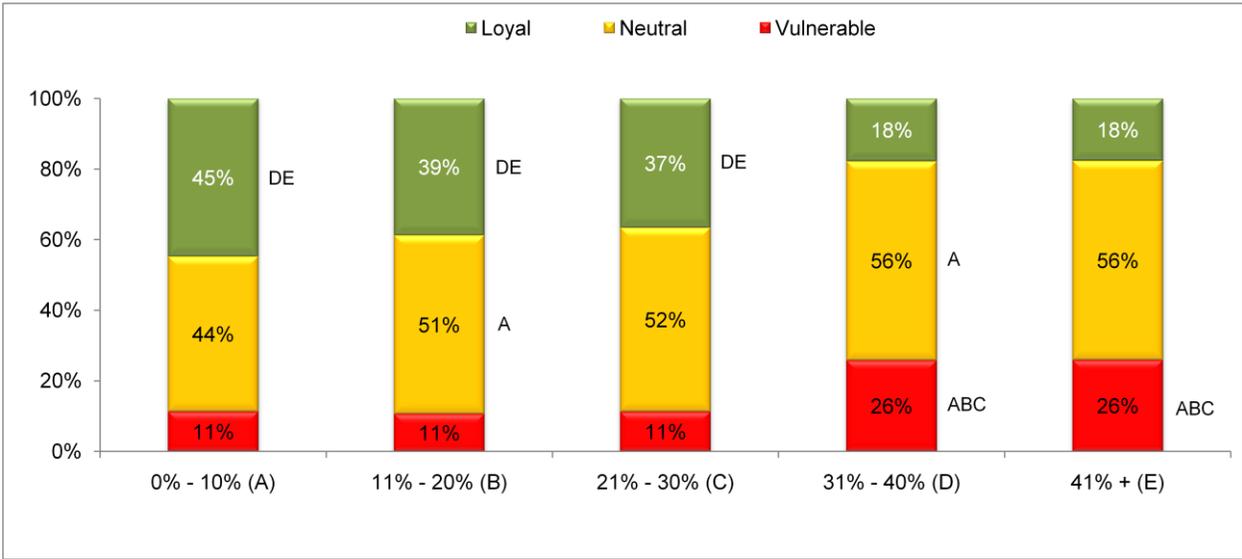
The relationship between the **perceived value** of their association’s membership and the percentage of benefits not aware of, is significant in six of the eight associations. The rate of awareness where top two responses improved ranged from 31%-40% unawareness in two cases all the way down to 0%-10% unawareness for one association.

The relationship between the perception of **membership dues** and the percentage of benefits not aware of, was significant for only four of the eight associations. As with other relationships, there is a variety of levels of unawareness needed to achieve a more positive perception of dues. This relationship is different in that all of the significant differences occurred by the time 20% unawareness was realized. None of the associations needed to get unawareness down to 0%-10% for there to be a significant improvement in the perception of membership dues.

The relationship between the perception of **member benefits overall** and the percentage of benefits not aware of, is significant for seven of the eight associations. The results of this analysis are the same as for many of the other relationships examined – top two ratings for the member benefits package was found in larger percentages among the 31%-40% unawareness group for some associations, while others needed a reduction to 0%-10% unawareness.

The relationship between members’ **loyalty** classification and the percentage of benefits not aware of, was significant for six associations.

**Graph 6 – Member Loyalty – Unaware**



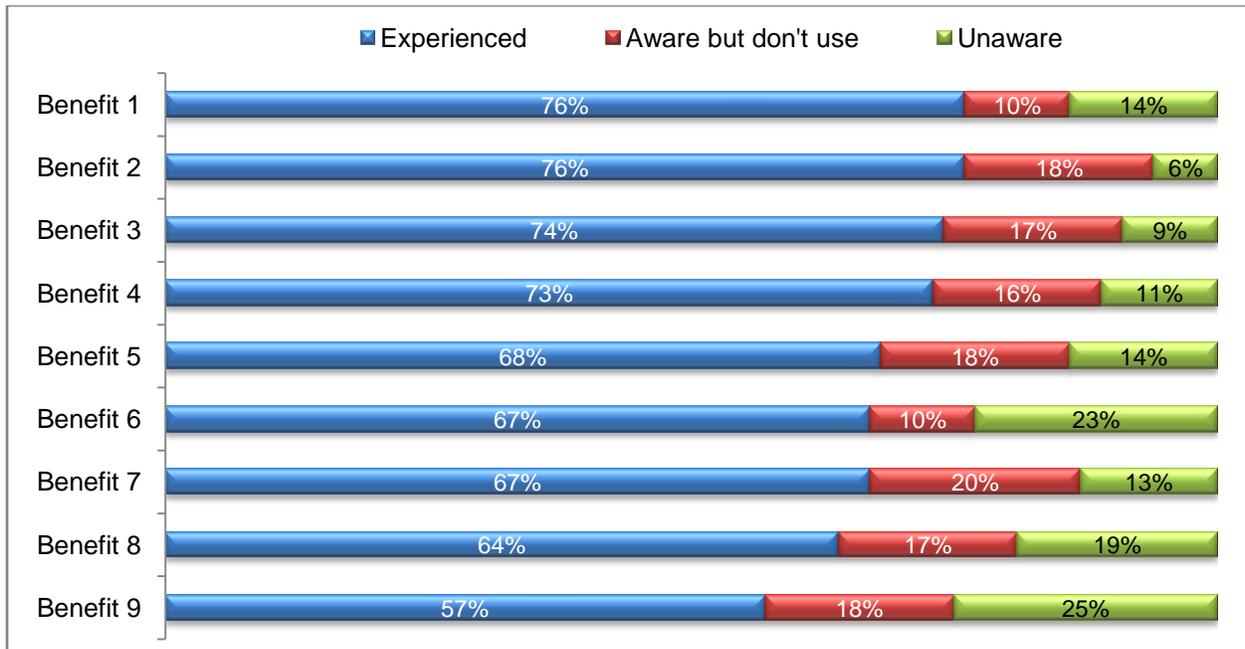
Graph 6 on the preceding page shows a negative relationship between unawareness and loyalty, and a positive relationship between unawareness and neutrality. Members who have a lower percentage of unawareness of member benefits are more likely to be loyal, while those who have a higher percentage of unawareness are more likely to be neutral and vulnerable.

### Summary

Not every metric tested in this study has a significant relationship with benefits usage, non-usage but aware, or unawareness, for every association. Even though the actual results found in this study may not be applicable to every association, the analyses can be used by individual associations to understand the linkage between benefits usage/awareness and members' perceptions of their organization.

Graph 7 shows the results of another analysis that can be used in conjunction with the usage/awareness analyses to determine which benefits may be the best candidates for increasing usage and awareness. While the current study examined the percentage of usage and awareness for all available member benefits as a single group, the graph below shows which individual benefits have higher rates of usage, awareness and unawareness. This information is useful in determining, for example, which benefits have a higher rate of rejection than others.

**Graph 7 – Measuring Benefits Usage, Awareness, and Unawareness**



The analyses in this report are based on descriptive statistics, and do not reflect causality. Even though causality cannot be proven, it seems intuitive that increasing the awareness and usage of member benefits as a whole or individually, would have a positive impact on members' relationship with the association.

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#### About the Author

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