



10 Tips to Increase Member Renewal Rates

For those who use a calendar-based membership term, December and January can be the scariest months of the year. A few years ago, a Chamber CEO called me in February and she said in a panic-stricken voice, “25% of our members did not renew! How can that be when just several months ago members gave us a 95% satisfaction rate?”

High satisfaction rates don’t guarantee renewals or long term loyalty to an association. Satisfaction has more to do with the “rear view mirror” than it does with the “windshield” or the future. No one gets too far driving while using past success indicators. Although most associations employ a fiscal year based membership based on the join date, similar panic attacks can still occur. What can you do to ensure higher renewal rates in 2012?

The first 5 of these tips are ways you can increase renewal rates by changing the process or payment options. The other 5 require more commitment to focus on proactive, long term retention strategies. Consider using all or some of these tips to increase member renewal outcomes:

1. **Allow 24/7 online renewals**—Send out renewal reminders via e-mail with a link for members to renew online through a secured shopping cart. Allow members to update their profile and their preferences.
2. **Offer renewal incentives**—Some members are enticed with getting something extra by acting with a sense of urgency. Offer a free seminar or webinar, small ad in a future publication, or an enhanced listing on the web site if renewals occur before a stated deadline.
3. **Enclose postage paid envelopes**—Make it easy for members who want to mail in their renewals by providing an easy way to do so. You’d be surprised what stays on someone’s desk top because there are no stamps readily available!
4. **Offer multiple year memberships**—Rather than hit members up for a renewal year after year, consider offering a discount on a 2 or 3 year membership. It could provide a needed tax deduction for the year and gives members an incentive to “lock in their rates” for the next few.
5. **Allow for automatic credit card renewals**—Whether it’s done annually, quarterly or monthly, this is the age of the “pleasure to forget” and “use it or lose it” society. If fitness and wine clubs, prescription refill plans, and fundraising pledges can all take place with an initial consent to charge our credit cards, why can’t we do it for membership dues? Offer members the ability to pay their dues on a pre-defined term and cancellations can occur with a minimum of 30 days written notice. If the transaction occurs monthly or quarterly, members may not question the “value” of membership since they only see an incremental cost each time.
6. **Use a touch plan to reach out to members on a meaningful basis**—A “touch plan” is a pre-designed template of interactions that is implemented over a period of time. For instance, you can employ a 1st Year Member Touch Plan that includes a welcome letter, orientation

invitation, mid-year survey and face-to-face visit. Some “touches” may be virtual while others require time invested for staff and volunteers.

7. **Increase engagement levels through multiple platforms**—Studies show that higher levels of engagement result in higher renewal rates. Engagement is more than attending events—it includes open rates on e-mails, response to feedback mechanisms, interactions on social media or list serves, and volunteer participation. Make a point of having staff and volunteers post on members’ Facebook pages, and start and respond to conversational threads among members. Contact members who are not highly engaged and find out why. Some members may enjoy being observers and not have a high need to interact with other members to receive value.
8. **Realign your programs and services with members’ changing needs**—Take the time to seriously evaluate what you offer, the real usage rates by members, and gain feedback from members on how to enhance their benefits. Use a rating system to honestly determine how well each program and service aligns with the mission, its real costs (time, staff and financial resources) to provide, its ROI for the organization, and how many unique members are being served. Create task forces of members to provide key insights on current and emerging needs and don’t be afraid to “kill the sacred cows” that no longer serve the members or the organization.
9. **Target members with specific benefits based on past behavior or current preferences**—Amazon has perfected this strategy by using its membership software to monitor, track and target offerings based on customer demand. Depending on what you purchased over the last couple of years, which products you clicked on and the length of time you viewed specific web pages, and the items on your Wish List, Amazon targets you with similar opportunities. Consider allowing members to indicate their preferences on their profiles and use these “tags” to send them special offers. Monitor member activity and learn who’s interested in what and target accordingly.
10. **Develop a real retention plan**—A retention plan shouldn’t be reactive tasks based on delinquent renewals. A real retention plan involves identifying retention trends, setting retention goals, developing strategies and tactics, and dedicating resources to implementing and managing the plan.

I hope these tips help you increase your membership renewal rates for the upcoming year. Don’t assume the renewals and take time to employ these tips to ensure they occur. Next year’s budget depends on it!

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