

# How to Increase Membership Renewal



**M**embership renewal time is the moment of truth. It's like seeing the scorecard at the end of a sports competition. It doesn't matter what kind of performance you think you delivered. Olympic judges or members—they'll let you know what they think. Members will either renew or ghost you.

## Renewal vs retention: definitions and metrics

The terms “renewal” and “retention” get thrown around as if they were the same thing. But membership expert Elizabeth Engel, CAE, of Spark Consulting [explains the difference](#).

“Membership retention is your goal—renewal is the process by which you achieve your goal... it's a campaign that reminds members why they want to stick with you and asks them to invest in another year.”

What's the difference between a retention rate and a renewal rate? It depends on whom you ask. Some people define them differently, but membership consultancy Marketing General Inc. (MGI) keeps it simple by defining them the same way, so we will too.



Here's MGI's [formula for a renewal/retention rate](#). It tells you what percentage of members remained with the organization from twelve months earlier.

- Take the total number of current members.
- Deduct the number of new members in the past 12 months.
- Divide that number by the total number of members in the previous year.
- Multiply that number by 100.

In case you're wondering, the average association retention/renewal rates, per MGI's 2023 [Membership Marketing Benchmarking Report](#), are:

- Individual membership organizations: 81%
- Trade associations: 90%
- Combination associations (individual and organizational memberships): 83%

The retention rate is a primary indicator of association health. It reflects member engagement—however your members define that—and member perception of your value proposition.

A high membership renewal/retention rate is necessary to ensure your association's:

- Sustainable growth
- Revenue generation
- Financial stability
- Political strength
- Vibrant professional community
- Ability to fulfill its mission





## The latest research on why members don't renew

In the MGI survey, association staff identified the top three reasons their members didn't renew.

1. Lack of engagement with the association, mentioned by 51% of survey respondents.
2. Lack of value (33%), which is related to reason #8, mentioned by 19% of associations—too expensive. Both are issues of value, so we're lopping them together.
3. Forgot to renew (32%).
4. Left the industry or profession (29%).
5. Employer doesn't pay dues (23%).
6. Joined only for the conference/meeting discount (22%).
7. Company closed or merged (21%).

A few of these reasons are out of your control—people leaving the industry and company closures/mergers—but you can do something about the rest of them.

## Tips for membership renewals

The renewal challenges identified by MGI can be solved with these membership strategies.



### Increase engagement and build stronger relationships with members

Members don't engage because you haven't offered a compelling reason to engage or because they don't know how to engage. You either have a value problem, a communication

problem, or both.

Membership value is a slippery concept since it varies by member segment and changes throughout a person's career. To make it even more challenging, membership expectations have changed for many since the pandemic.

Member data in your AMS and other integrated systems is the key to understanding what members value because it reflects what they've told you and how they've interacted with your association. But make sure you keep this data up to date. Use surveys, engagement polls, and focus groups to regularly assess the value of existing and potential membership benefits.

You may discover you need to [change your membership model](#) to offer what different market and member segments really desire. However, you can only do this if your AMS allows you to offer a variety of [membership tier and pricing options](#) for different segments based on their interests, needs, and ability to pay.

# Communicate the value of membership

Members don't always know how to take advantage of membership benefits and association resources unless you tell them. You can't even assume existing members understand the benefits of membership because many don't. The team at Sequence Consulting describes [how a medical society was shocked](#) that their members knew about the journal but not much else the association offered.

**Deliver targeted, tailored communication providing news and information and promoting free and paid content and programs.** Only send messaging based on what you know about a member's demographics and interests. The data in your AMS and other integrated systems is the key to this relevant messaging.

**Automate marketing campaigns.** If a member attended a webinar, tag them for that topic so you can promote related content and programs.

**Track member engagement.** In renewal campaigns, you can remind members about the value they received in the past year and describe what you have planned for them in the year ahead.





## Follow best practices for renewal campaigns

The average renewal campaign starts three months prior to membership expiration. The most effective renewal channel, per MGI, is email by a long shot (82%). Other effective channels are phone calls, direct mail, telemarketing, and magazine cover wraps. Since one-third of members forget to renew, frequent reminders are a must. MGI suggests using a mix of channels, for example:

- Six emails
- Three pieces of direct mail
- Three texts
- Three phone calls from staff, board members, or chapter leaders

**30%**  
of members  
forget to renew  
their membership



## Make it easy for members to renew promptly

**Automate the sending of renewal notices.** With a [modern AMS](#), there's no need for staff to handle this job manually.

**Test your renewal messaging.** See what channels, subject lines, and copy work best for different segments.

Make it easy for members to renew by providing a **mobile-friendly AMS portal** where they can update their profile and make a secure dues payment. Have a FAQ section handy in case they need help.

Sequence Consulting says renewal rates are much higher for members who enroll in an **automated renewal plan**. Like an app or media subscription, members can opt to keep their card on file.

**Offer installment plans** that allow members to spread out dues payments over the year. This payment option reduces the affordability barrier for early-career professionals and others with tight budgets. It's also a goodwill gesture for company members with four- or five-figure dues payments.

Don't give up when members don't renew promptly. Per MGI, the average association offers a three-month grace period after the membership expiration date. Put these members into an **automated lapsed member campaign** that explains how they can stay connected and informed. You may also want to find out why they weren't paying attention and didn't know their membership lapsed.



## Promote membership and the association to industry employers

Many employers no longer support association membership because of budget cuts. Some employers, as a rule, never did. Help prospective and non-renewing members make a case for membership by providing a membership justification toolkit on your website.

Continue to treat non-renewing members as part of your community since many employers will pay for education and other association resources. Lapsed members can still contribute revenue through registrations and purchases, and provide support for your advocacy efforts.

# Convert attendees into loyal members

Members who join your association for a conference/meeting discount are transactional members. Somehow, you have to make an emotional connection with them so they will renew when their year is up.

The average first-year member retention rate is much lower than the regular retention rate:

- Individual membership organizations: 63%
- Trade associations: 85%
- Combination associations: 70%

If a member joins only for a discount, renewal is a tough sell. Experts say you have 90 days to earn a new member's loyalty. [New member onboarding](#) is when your relationship with that new member truly begins. Design an automated onboarding campaign for different members segments based on their member type (core vs supplier member), career stage, membership goals, and interests. In the early months of membership, prove you understand the member's needs and interests, and can deliver the value they expect.





In a [post full of renewal advice](#), Engel said:

“If you’ve been doing a good job with relationship building along the way... renewal should be basically a formality. You are already a vital partner in your members’ success. Paying up for another year is just the final step.”

Membership renewal is a crucial touchpoint in the member journey. After they pay—and only after—ask them to update their profile and answer a few quick poll questions that will help you understand them better.

Renewal is also the moment of truth. You’ll learn whether the member values what you offer and if you conveyed that value effectively. Find out how Impexium software can help your association improve the membership renewal process and all the engagement touchpoints leading up to renewal.

# Let Us Show You What's Possible With Impexium

Trade associations, professional societies, and non-profits of all sizes have transformed their businesses and exceeded member expectations with Impexium's membership management software.

Our vision is to provide powerful solutions that help our clients improve the world. Request a personalized demo today.

[REQUEST A DEMO](#)

