



Young Members 2.0

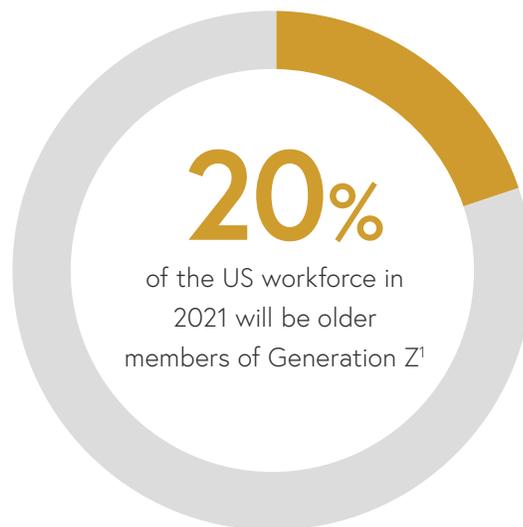
Understanding and Benchmarking the Membership Preferences of Millennials and Generation Z

Acquisition. Engagement. Retention.

While the world around associations continues to evolve, the essential stages of the membership lifecycle remain unchanged. Members must be compelled to join, take advantage of the programs, events and benefits offered and internalize the value delivered to remain onboard.

Recent years have seen the introduction of multiple studies designed to help associations understand these steps in context of the different generations within their membership, highlighting what makes each unique and providing guidance on how to best meet their particular needs. While the available research continues to provide value, as Greek philosopher Heraclitus once wrote, "Everything changes and nothing stands still."

Many of yesterday's young members, the Millennials, have grown in their careers and in their understanding of the value association membership provides. Meanwhile the older members of Generation Z, generally defined as those born between 1997 and 2012, are coming into adulthood and are expected to **constitute a fifth of the US workforce by 2021**¹.



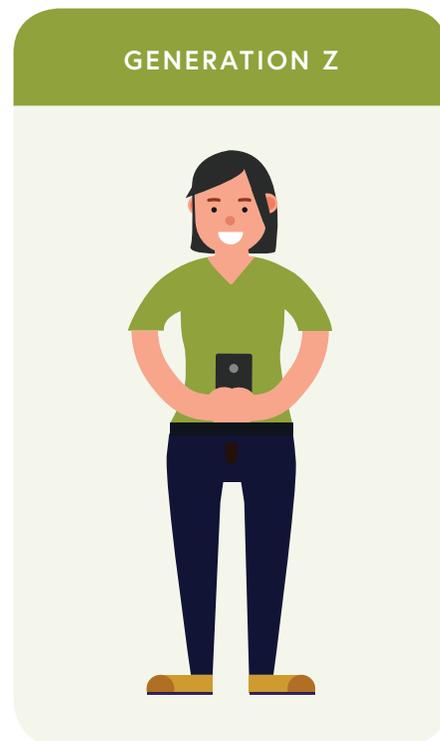
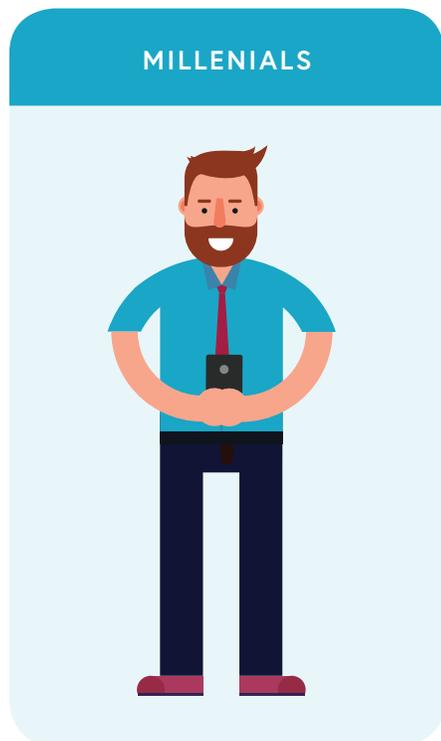
What's Next?

This study seeks to expand our understanding of younger members, revisiting those Millennials around whom many organizations have recently focused and including, for the first time, Generation Z to create a clearer picture of:

- Their perception of membership
- The programs and outreach techniques most effective in compelling them to join
- How they prefer to engage with an organization
- Why many are letting their memberships lapse at a surprising rate

While each organization's membership is unique, Personify believes our findings can inform membership-focused nonprofits as they look to create strategies to support the long-term growth and success of their organization. Organizations should take the opportunity to survey their own members and evaluate their responses against the trends noted in this study.

Survey questions were explored with more than 1,000 members in the United States. The online surveys were fielded in December 2018.



Key Findings

Here's what we learned.

Membership (still) matters.

Across the board young members remain steadfast in their commitment to membership with 87 percent of those responding to our survey reported it is important to be part of an association and more than half (51%) reported being part of an association is becoming more important than it used to be.

The effectiveness of Evangelists.

When asked about how all the ways they became aware of the association in which they were the most active, two-in-five young members report they were recruited by someone they already knew and two in five also report they were recruited in person at an event – not just online.

Insta-awareness.

Millennials are much more likely to say they might learn about an organization via Facebook, YouTube, Twitter or LinkedIn. Though Gen Z members are never more likely than Millennials for each of these platforms, they were disproportionately more likely to report learning about an organization through Instagram.

Practical, educational content.

What compels young members to finally come onboard? Career-focused messaging appears to be the most effective in getting young members to join as they look to organizations who provide content that can help them learn.

Reach out and call young members.

Associations shouldn't lose their personal touch. While three-quarters of young members report receiving email from their association often, a larger percentage of young members report that phone calls work, with 78 percent of all members saying phone calls are either somewhat or very effective in engaging them. Almost half of Generation Z found these phone calls very effective.

Events are good but follow-up remains an opportunity.

When asked whether they had attended an in-person event for their association in the last 24 months, 81 percent of those surveyed responded yes. 91 percent of young members report the events attended were at least somewhat valuable yet almost a third (29%) failed to receive any sort of post-event follow-up from their organization.

Community service is important.

When asked how important an association's mission was in the decision to join, 97 percent of young members said it was important with 59 percent going a step further, citing it as very important. This number is even higher for African American members surveyed, with 76 percent citing a greater good as very important in their decision to join an organization.

Demonstrating a strong ROI on membership has never been more critical.

Almost half of respondents in this study agree with the statement "There isn't a strong return on investment when it comes to participating in associations," with one in three respondents and two out of five Millennials agreeing with the statement "I have no idea how being in association actually benefits me." Only 40 percent of young members report their experience is "worth the dues (I) pay to be a member."



1. Identifying Your Members

Who's who?

When evaluating paths to ensure long-term strategic growth, many organizations have prioritized diversifying their membership and growing the percentage of young members in particular and with good reason. According to AARP, **10,000 Baby Boomers – long the cornerstone of many member-based organizations – are reaching retirement age daily**².

Millennials, generally identified as those born between 1981 and 1996, represented an opportunity for associations to not only mitigate the risk of retiring members but to also further broaden their audience for the 21st century. Millennials will make up half of the global workforce by 2020³ and brought to their early days of membership new ideas around work and engagement alongside a seismic shift in communication preferences. As a group, Millennials prioritized work aligned with their personal values over loyalty to an employer⁴ and sought flexible, collaborative work environments⁵. Associations responded by embracing new channels, introducing targeted programs and becoming adept storytellers that aligned their brand with a greater sense of purpose.

While these attributes continue to apply to many Millennials, they are undoubtedly a generation in transition. Our research found:

50%

of Millennials report they are married

46%

of Millennials report they are parent to at least one child

69%

of Millennials report they are currently in a senior management role at work or expect to be within the next year

50%

of Millennials report they are on track to save for their retirement

As Millennials grow into middle-adulthood, Generation Z has begun their ascent into the workforce with a notably different perspective. With early exposure to the financial tumult of the 2008 economic crisis, job security is top of mind for those in Generation Z, with recent data suggesting 70 percent prioritize stability and security in a job over lots of passion and flexibility⁶. Similarly, they are more likely to indicate a preference for a traditional bricks-and-mortar workplace as opposed to working remotely⁷.



2. The Importance of Membership

While both generations have enjoyed unparalleled access to on-demand career resources and networking opportunities via tools like TED talks and LinkedIn, across the board young members remain steadfast in their commitment to membership with 87 percent of those responding to our survey reported it is important to be part of an association and more than half (51%) reported being part of an association is becoming more important than it used to be. Within our survey data, several segments showed unique behaviors worth noting. Millennial members were 16 percentage points more likely to say being part of an association is growing in importance and African-American members surveyed were significantly higher than average (+18 percentage points) to agree that being part of an association is more important than it used to be.

However, when asked why membership is important, the value young members are looking to organizations to provide remains largely focused on how associations can benefit them in their professional lives. They believe membership is important because it:

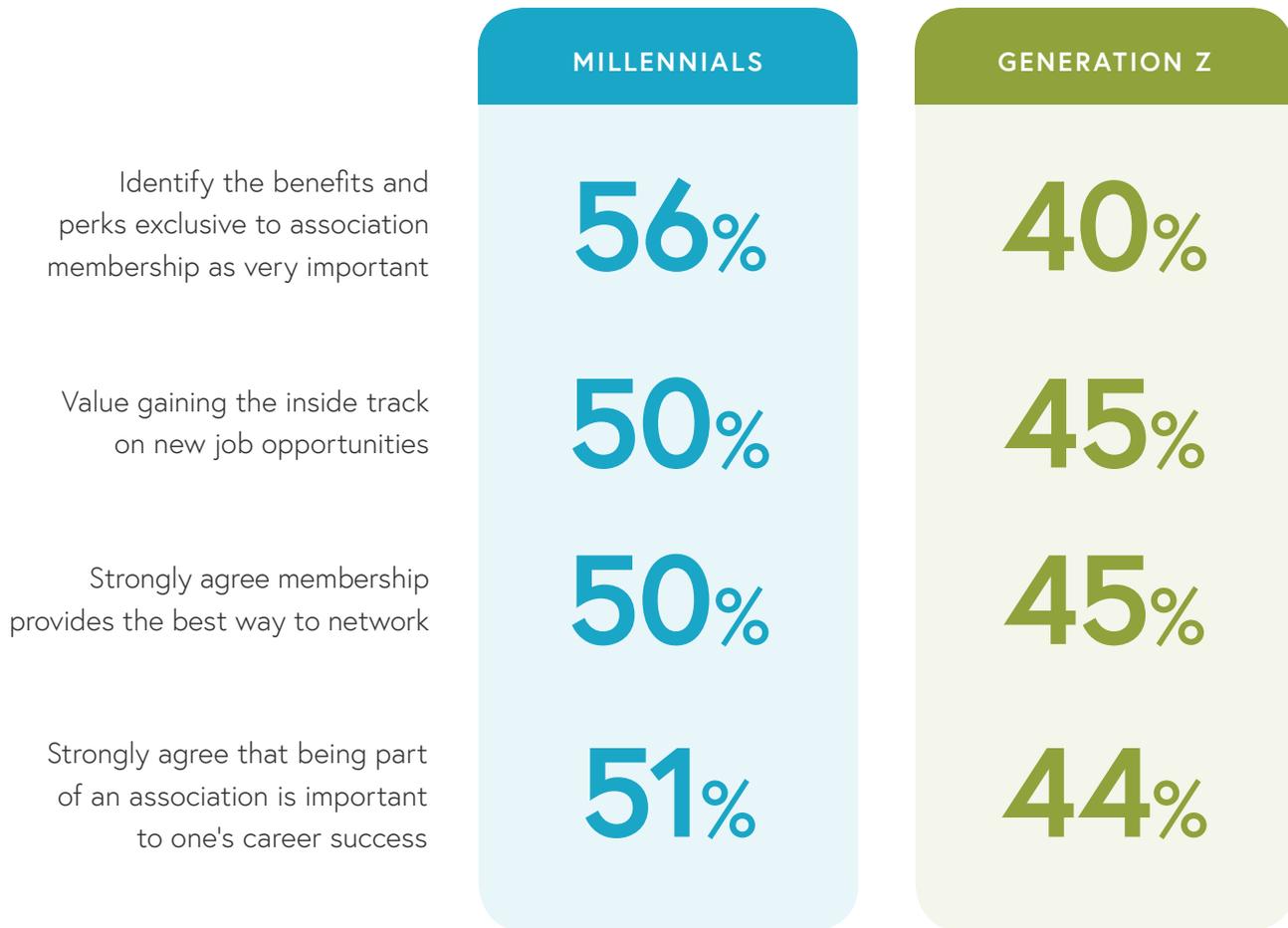
- Provides them with the opportunity to learn new skills relevant to their career
- Creates chances for both in-person networking and socializing with others sharing their interest
- Delivers access to benefits and perks exclusive to association membership
- Gives them the inside track on potential job opportunities
- Grants them access to industry conferences and events
- Allows them the status of belonging to a prestigious organization

87%

of those responding to our survey reported it is important to be part of an association



While the generations are unanimous in their belief in membership and largely aligned across the value drivers making membership important, several responses appear to validate the idea of the maturing Millennial with a more robust understanding of the total value provided through their association:



3. Deciding to Join

Driving Awareness

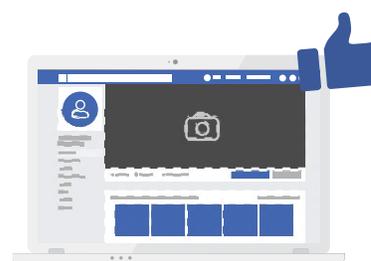
Young members recognize the importance of membership and are eager to join. But how are they finding out about organizations? When asked about all the ways they became aware of the association in which they were the most active, two-in-five young members report they were recruited by someone they already knew and two in five also report they were recruited in person at an event. Other top activities include:



Via email

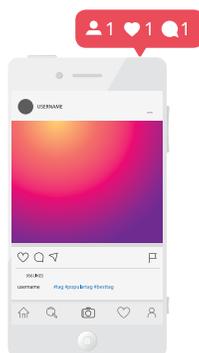


Through an online ad



Via Facebook

While Facebook performed well in our survey with regards to awareness, other social channels delivered mixed results in terms of their effectiveness in building awareness. Noticeably, LinkedIn ranks last among younger association members when it comes to initial recruitment with only seven percent of respondents becoming aware of an association via LinkedIn. In fact, twice as many (15%) attributed early awareness to Instagram.



Supporting Conversion

Awareness is only the first step in a prospective member's decision-making process. After learning about an organization, particularly if dues are significant in price, most members take the additional step of investigating it further, exploring an organization's mission and programs and ensuring the association and membership is aligned with their personal goals.

When asked where they would be likely to go to learn more about an organization they'd consider joining, young members report turning to other members.

In-person conversations, whether at an event (49%) or with someone they already know (42%), proved the most effective in driving conversion. These one-on-one conversations with real people matter and remain essential in both demonstrating value and creating a meaningful experience. When asked how important it was that an association facilitates connections with authentic people who understand their unique needs within the initial part of their journey, 94 percent of young members identified this as important, with almost two thirds suggesting it's very important.

What's one thing associations do wrong when marketing to people in your age range?

MILLENNIALS

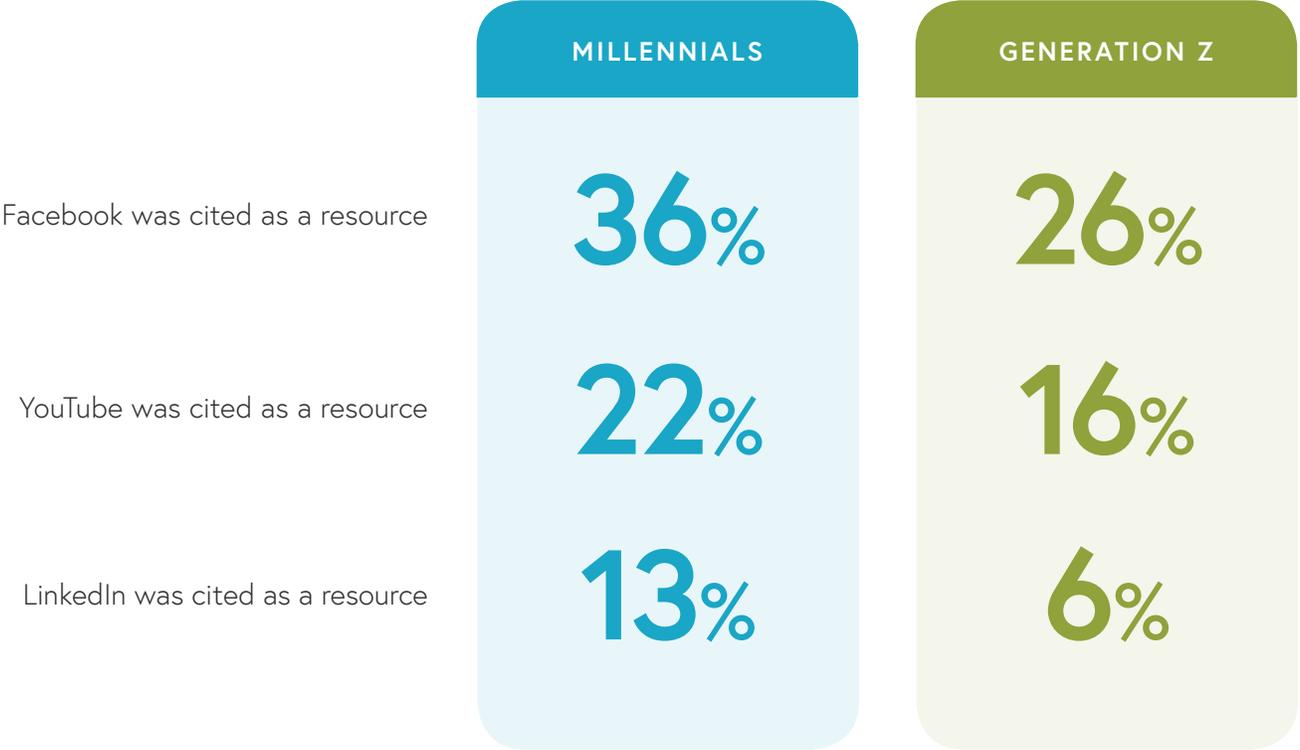
- "Too high membership fees, too much time commitment"
- "A little vintage in terms of recruiting, outreach and general practices"
- "They don't have things online, which is the paramount thing that young people need these days"
- "Assume young people are not capable of meeting the ability of more experienced members"

GEN Z

- "Underestimate our ability to work hard"
- "They usually make it sound like it's for older professionals"
- "Too pushy"
- "They try to be too hip rather than being true to the brand"
- "Bland advertising. It seems very boring and it's often overlooked."
- "They exclude younger people a lot because of no experience"
- "They don't word things correctly with the younger generation"
- "Come off too strong"



Overall, social media channels performed well in getting young members across the finish line although many showed more significant differences in how effective they were with the specific generations.



Suggests Millennials more established in their career may be more frequent users of the site and familiar with its content.

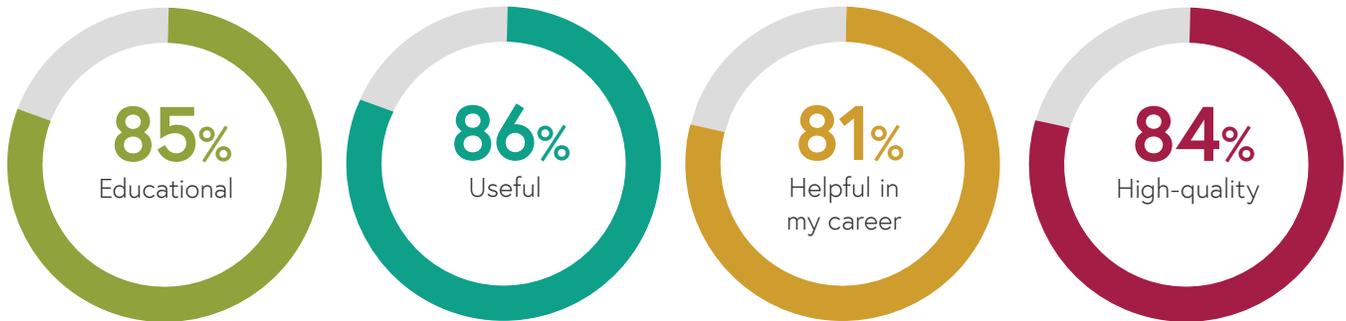
Reasons to Join an Association

	ALL YOUNG MEMBERS	MILLENNIALS	GENERATION Z
I will be given content that helps me learn more	92%	93%	88%
It will help me in my career	87%	88%	85%
The time and money spent to join will be worth it in the long run	87%	79%	85%
It will lead to networking opportunities	87%	79%	83%

Millennials are much more likely to say they might learn about an organization via Facebook, YouTube, Twitter or LinkedIn. Though Gen Z members are never more likely than Millennials for each of these platforms, they were disproportionately more likely to report learning about an organization through Instagram.



Overall the content received from associations is delivering on young members' desire for continued learning and career support. Surveyed young members report the content received from their association is:



When asked if the content was "in touch" with the way they think, e.g. it seems authentic, does not condescend and speaks the way they speak, 91 percent of members responded yes. However, when asked whether they agreed with the statement, "Most content I receive from associations seems to be written by someone who doesn't understand how people my age think," nearly two-thirds (62%) agree the content misses the mark.

Why the discrepancy?

Perhaps eager to attract younger members, associations have done the right thing in taking steps to sincerely understand the world in which they live and to treat them with the respect deserved. This is reflected in the tone of the content delivered and subsequently well-received by young members. But while the style may be on target the topics explored may not align as closely with the priorities of young members. Organizations may not yet be writing about the challenges faced by younger members or offering suggestions helpful to those who may be earlier in their career.

4. Engaging Younger Members

Understanding how young members gain awareness of, and learn more about, an organization is important for acquisition, but application of these learnings remain important as associations look to engage these members.

According to Pew Research, **only 14 percent of U.S. adults had access to the internet in 1995⁸**, but **by 2014 87 percent had access**. Millennials were pioneers in the digital age, witnessing the introduction and rise of multiple social media platforms, smartphones, rich media and more. Born beginning in 1997, Generation Z were born into a world where these innovations were commonplace. Ubiquitous connectivity, highly curated information, on-demand video and 24/7 news cycles are native to Generation Z.

These observations have not only shaped how associations sought to engage young members but help contextualize how they could take steps to stand out.



Content to Go: Email

Almost three-quarters of young members report receiving email from their association often, either in the form of a newsletter (72%) or a more personalized message (73%), and both are effective in keeping young members informed and up-to-date.

Yet when asked which marketing tactics young members wish associations used more frequently, email was near the top of the list, with **more than one-third of survey respondents (36%) eager for the one-stop-shop convenience of a newsletter and another third eager to see more personalized emails from their organization.** A majority report a preference for content that is sent weekly or more often, with Gen Z members having a slightly higher appetite for greater frequency. About one-in-four report wanting to hear from their association monthly or less.

36% of survey respondents eager for the one-stop-shop convenience of a newsletter



1/3 of survey respondents eager to see more personalized emails from their organization

Follow and Friend: Social Media

In addition to email, more organizations have looked to engage young members via the growing number of available social media channels:

	FREQUENCY PERCENTAGE SAYING THEIR ASSOCIATION REACHES THEM OFTEN VIA THIS CHANNEL	EFFECTIVENESS PERCENTAGE REPORTING THIS CHANNEL IS EFFECTIVE IN KEEPING THEM INFORMED
Facebook	58%	80%
Twitter	40%	74%
Instagram	46%	76%
Snapchat	35%	68%
LinkedIn	37%	74%

Although published data has noted shifts in the number of users engaging with Facebook, its flexibility to share and promote a variety of content types make it the top social media channel in terms of outreach and effectiveness. Surprisingly, few young members – just over one in ten – report engaging with their organization via LinkedIn.

Instagram ranked a surprising second, with almost half of young members reporting they use it to keep up with their association and over three-quarters saying it's an effective way to stay in touch. The growing popularity of Instagram may be rooted in the importance of influencer marketing with Millennials and Generation Z. Too, Instagram presents multiple modes of engagement with opportunities to share images via the main feed and tell more of a narrative via Instagram stories.



Traditional Marketing

You've Got (Snail) Mail

When it comes to marketing to, and engaging, young members an old favorite shows potential, with almost one-third of young members (28%) reporting they receive direct mail from their organization and **76 percent reporting it as either very or somewhat effective**. Why? Both commercial businesses and nonprofit organizations recognize the digitally fluent Millennial and digital native Generation Z as spending much of their lives online, either in email on a handheld device or scrolling through social media. In a landscape where young members are inundated with digital marketing tactics, direct mail can feel fresh and more personalized. That the association took the time to send something to them directly can help an association stand out.

Picking Up the Phone

Direct mail isn't the only traditional outreach tactic enjoying a renaissance with younger members. One third of young members report receiving phone calls from their association and another third (34%) report they frequently receive text messages.

Yet a larger percentage of young members report phone calls work, with **78 percent of all members saying phone calls are either somewhat or very effective in engaging them**. Almost half of Generation Z found these phone calls very effective. Despite having grown up surrounded by screens and social media, the emerging Generation Z has shown a preference for the transparency and value of an in-person, 1:1 relationship. Additionally:

- Mounting research suggests digital interaction may be linked to health issues including anxiety and depression.
- Increasingly targeted advertising and location tracking has created privacy concerns among many.
- Gartner recently reported the first ever global decline in smartphone sales⁹.

Digital communication isn't going anywhere but the value of the personal communication afforded via a simple phone call may prove a powerful option for many associations looking to demonstrate value and create connections.



Young Members and Events

Digital channels offer a convenient, compelling way to stay up-to-date on the latest information. Yet, as this study has found, in-person conversations play a large role in influencing a prospective young member in their decision to join and content is king, serving as a primary value driver for membership. The confluence of personal interaction and content as provided by an association via events remains an important cornerstone in not only delivering on what young members are looking for but ensuring their short- and long-term success with the organization.

When asked whether they had attended an in-person event for their association in the last 24 months, 81 percent of all respondents responded yes, with the number of Generation Z members attending events slightly lower than the overall average (77%). 91 percent of young members report the events attended were at least somewhat valuable, but a surprising 29 percent failed to receive any sort of post-event follow-up from their association.

What kind of events did young members report participating in?

	ALL YOUNG MEMBERS	MILLENNIALS	GENERATION Z
Workshop or training	48%	49%	44%
A fun run or race	21%	21%	22%
A gala or party	31%	35%	23%
An event involving community service	26%	25%	29%
An auction	12%	14%	10%
A networking event	30%	29%	31%
Telethon or concert	10%	10%	8%
Golf or sporting tournament	7%	9%	2%
An annual conference	15%	15%	15%

With a strong emphasis on content and learning, the fact that young members report the strongest participation in workshops and/or trainings comes as no surprise. However, several other findings suggest additional opportunities to either better promote events to young members or align them more closely to their needs.

Community Service

Even early research identified the philanthropic leanings of both the Millennial generation and Generation Z.

Data from this study appears to validate the importance of an association's mission including a commitment to greater good. When asked how important an association's mission was in the decision to join, 97 percent of young members said it was important with 59 percent going a step further, citing it as very important. **This number is even higher for African American members surveyed, with 76 percent citing greater good as very important in their decision to join an organization.**

Yet despite the overwhelming majority identifying giving back as important, only one-quarter (25%) report participating in these events.

Additional promotion of community service events to young members, ensuring there are opportunities to give back aligned with their availability, skills and preferences may provide low-hanging fruit in creating additional, high-impact, engagement opportunities.



Annual Conference

Many organizations host a yearly-event that serves as the nexus of their programming. Annual conferences continue to serve as a huge area of emphasis for organizations, combining all of the things members seemingly want into one event: content and learning, networking opportunities, social functions and more.

Yet when asked whether they had participated in an annual conference, **only 15 percent of members reported they had**. As associations look towards future non-dues revenue streams this low figure should raise a red flag.

To improve annual conference participation, associations should meet young members where they are. Ensure programming provides value with workshops featuring practical, applicable information that can be immediately applied in their careers. Help cost-sensitive young members articulate the value to those who may be paying for them to attend and consider installment billing to make annual conference attendance affordable. Reinforce the value through a strong follow-up process, with testimonials from members who look and sound like them for greater relevance. Think beyond digital, leveraging the effectiveness of phone calls to create a personal connection.



5. Retention

Keeping Younger Members on Board

Even in a world with boundless free resources, membership is not only still relevant but, in the eyes of younger members, is becoming more important. But is that enough?

When asked if their association seemed out of touch with younger members, both Millennials and Generation Z respondents were more likely to agree than disagree, with African-American respondents in particular suggesting their associations were missing the mark (25 percentage points higher than average). Almost half agree that their experiences with associations have been "underwhelming."

More concerning:

- **Almost half of respondents in this study agree with the statement "There isn't a strong return on investment when it comes to participating in associations."**
- **One in three respondents and two out of five Millennials agree with the statement "I have no idea how being in association actually benefits me."**

What don't associations "get" about you when they ask you to renew your membership?

MILLENNIALS

"They need to increase the value of benefits if they are increasing fees"

"Sometimes the process is too lengthy when they could produce an online form instead of a paper membership form."

"They typically don't ask if there is anything that they could do better"

"That they are using your money for what they think is best and not always taking into (account) everyone's ideas"

GEN Z

"Sometimes I need a payment plan"

"The more they push or use sales pitches the more they're are losing me as a customer"

"They do not understand that I want to feel like an active member of the association."

"I would automatically renew if they targeted my age better with more members of my age and our shared interests incorporated as well."





Only 40 percent of young members report their experience is "worth the dues (I) pay to be a member." These perspectives show in questions asked to young members about retention.

Almost one-fifth of all young members have let a membership lapse in the last year. When asked why, young members report:

	ALL YOUNG MEMBERS	MILLENNIALS	GENERATION Z
Company would no longer pay	32%	38%	21%
Decline in benefits or quality offered	37%	34%	43%
It became too costly	29%	31%	26%
Forgot to Renew	28%	31%	21%
Could get the same benefits elsewhere	21%	22%	18%
Changed industry/employment	17%	21%	10%

While membership is viewed as important by young members, the need for membership organizations to articulate a clear return on investment in order to stay relevant has never been clearer. Leaders interested in attracting, and retaining, young members must be capable of not only proving a the real-dollar value of their membership but also coach young members in bringing this message to their own leadership teams and other prospective members.



6. Where Do We Go from Here?

Growing in numbers and influence, young members remain an imperative for any organization looking to create a strong foundation for long-term success. Understanding their preferences across the membership lifecycle – acquisition, engagement and retention – and using those key learnings to make corresponding adjustments to operations and plans can yield tremendous results. Here are some places to start:



Acquisition

If you're not already, explore expanding your organization's use of Instagram for awareness building. Instagram ranked a surprising second, with almost half of young members reporting they use it to keep up with their association and over three-quarters saying it's an effective way to stay in touch.

Articulate value from the first interaction by sharing and highlighting the experiences of other young members who look like them and are relatable in terms of their level of experience. Authenticity matters.

Ensure your site is robust and team is accessible. When asked about all the ways they became aware of the association in which they were the most active, two-in-five young members report they were recruited by someone they already knew and two in five also report they were recruited in person at an event. Young members are looking for a digital experience with a personal touch.



Engagement

Young members' need for connection expands beyond recruitment. Create ample opportunities for 1:1 engagement, not only within your programming but also in communication. 78 percent of all members say phone calls are effective in engaging them with **almost half of Generation Z found these phone calls very effective.**

Ensure content is aligned to the needs of young members, with highly-applicable, practical information designed to reinforce the value you provide, and role you play, in helping them learn.

With a strong orientation towards doing good, provide young members ample opportunities to give back. When asked how important an association's mission was in the decision to join, 97 percent of young members said it was important with 59 percent going a step further, citing it as very important. Those with a strategic goal around improving diversity should recognize the number is even higher for African American members surveyed, with 76 percent citing greater good as very important in their decision to join an organization.



Annual conference attendance is another opportunity for organizations to connect with young members. Consider installment billing to make annual conference attendance affordable and leverage a strong follow-up process, with testimonials from members who look and sound like them, to make a lasting impression. Think beyond digital, leveraging the effectiveness of phone calls to create a personal connection. For those looking to leverage online channels, consider creating a bespoke community for your organization to create a rich, digital space for members looking to create – and deepen – those relationships.



Retention

Almost half of respondents in this study agree with the statement "There isn't a strong return on investment when it comes to participating in associations." Only 40 percent of young members report their experience is "worth the dues (I) pay to be a member." Reinforce the value you're providing every step of the way. Consider taking a page out of the consumer sector and provide members with a year-end summary statement of benefits, quantifying the value of the benefits they've received. Too, take an opportunity to show community-minded young members the impact of your organization in the community.

It's been said before but bears repeating: Make membership affordable. Explore opportunities to align your existing membership offers with the preferences of subscription-savvy young members with monthly billing options.

Make renewals easy with a streamlined, online process and automated workflows to send proactive reminders.



Wrapping Up

Whether you're looking to understand the role that younger members play in your organization, taking the first steps to introduce more personalized programs for Millennial and Generation Z or enhancing sophisticated existing programs technology plays a critical role. The ability to capture membership information at the time of acquisition and throughout the various ways they engage – from in-person events through interactions within a community or social media – provides important insights into their behavior and helps ensure your relevance. Too, access to centralized data creates opportunities for the transparency younger members crave with strong access to proven value metrics and to the information that will help them recognize, and internalize, their return on investment.

Membership matters. Young members, Millennials and Gen Z, like generations before them are turning to organizations for leadership, knowledge and the personal connections as a springboard to their personal success. The time has come for organizations to do the same.

About Personify

Personify is the market-leading Constituent Management and Engagement (CME) platform that empowers nonprofit organizations to better engage their constituents, maximize revenue and optimize operations. For over 20 years, Personify has served as the technology foundation for organizations of all sizes from the largest associations, charities, YMCAs and JCCs to emerging nonprofits. Nearly 25 percent of the U.S. population interacts with Personify through their involvement in nonprofit organizations. For additional information, visit www.personifycorp.com.



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