



MemberWise

Digital Excellence 2017 Research Summary Report



In partnership with:



2017 - Engaging Members Remains A Strategic Priority For All Associations



Welcome to our new look annual Digital Excellence (2017) survey summary report.

This great new research summary report (delivered in partnership with ASI Europe and Research by Design) replaces our popular annual *Harnessing the Web* survey summary report.

The report will provide you with deeper, richer and more targeted insight to more closely inform future digital focused review, planning, investment and development.

I would like to thank the 275 managers and directors working within the membership and association sector who took part in our fifth annual survey. We have some great insight and interesting developments to share with you!

This year our report focuses on key digital focused topics impacting the association and membership sector including online member engagement, member value, online content structure, system usage via provider, online marketing/promotion and marketing membership (and the associated benefits of membership) via the multiple online channels now available.

Why read this report? This survey summary report will provide you with statistically significant information/insight that will enable you to benchmark current (and proposed future) activity with the wider association and membership sector. Insight/findings can also be used internally to bolster business cases to support digital investment.

This research report compliments our national annual conference, *Digital Excellence (2017)*, that will take place at the Park Plaza London Victoria on 31st October. For further information visit www.memberwise.org.uk/events

I hope that you read this year's report with interest and I would encourage you to share this with colleagues.



Richard Gott

MemberWise, Network Founder



This annual report on the digital progress of membership organisations is a valued resource within the sector and we are pleased to have co-designed and managed the Digital Excellence

survey on behalf of MemberWise again this year. Thank you to all those who completed it.

We have a new format for the report this year, which I hope you will agree brings freshness and new insights that will help you further develop your digital offering to members, advance your digital engagement with members and improve your digital strategy.

The survey findings indicate that the membership sector recognises that increasing member engagement is key to raising member satisfaction, increasing advocacy, and retaining members. While measuring member engagement remains a significant challenge for many, Research by Design has developed an engagement model to help guide this and MemberWise has published the Member Engagement Toolkit to add its support (more details are given in Section 3). We predict that this, along with other digital initiatives, will attract further investment in 2017/2018 as organisations seek to strengthen their connections with members.

I hope you find this report an enjoyable and useful read, and look forward to receiving your comments on it in due course.



Heather Forrester

Managing Director, Research by Design



We are proud to partner with MemberWise to deliver the network's 5th annual survey on Digital Excellence. We congratulate Richard Gott, MemberWise Network Founder,

for another job well-done in leading this effort, and we wish to thank all the respondents who shared their experiences to make this such a valuable resource for the entire membership and association sector.

Once again, it's all about member engagement. If improving member engagement, operational efficiency,

and growth are key goals, reading this report is a crucial step in achieving them. Another important step in your progress towards improvement is to take the time to properly analyse your operational issues and build internal consensus on your priorities. This critical step is often overlooked by organisations as they rush to implement technology improvements on an ad hoc basis. Our work with more than 4,000 clients around the world has also shown us that the most successful ones always let their business strategy drive their technology decision making.

With this in mind, and the 2017 Digital Excellence survey in hand, I wish you success in reaching your goals!



Bob Alves

Chairman & CEO, Advanced Solutions International

Section 1: Key findings

1. Sector focus is on **increasing member engagement**; this is the top goal of 2017.
2. This is in light of just over half of organisations suggesting their **member engagement has risen over the past year**. A similar proportion indicates that their **overall membership level has increased**. Unfortunately **perceptions of member value, however, seem not to have kept pace**.
3. The key challenges in the sector are the **multiple databases** and data silos, **inadequate integration** of membership management systems (CRM/databases) and website content management systems (CMS) and **inadequate online member self-service options**.
4. Other challenges, considered significant by just over a quarter of membership professionals, include the **inability to measure member engagement, lack of website personalisation** and **inability of their integrated system to meet their requirements despite customisations**.
5. **Open rates, click-throughs and website views** are the most commonly used tools for measuring online member engagement, although membership professionals recognise that they are not sufficiently diverse and a wider toolkit is needed.
6. Many **different CRM systems are being used across the sector**; Microsoft Dynamics, Integra and iMIS remain the most popular choices.
7. Organisations continue to have very **mixed views about the performance of their CRM system**.
8. Just under **two thirds of organisations have integrated their website and membership database/CRM system** though, once complete, many have been left underwhelmed.
9. **Four in ten organisations are likely to replace their CRM system** over the next 12 months.
10. **Websites are still more likely to be structured by function or department** than by audience.

11. **42% of organisations would probably recommend their CRM system** and the company that supplied it.
12. The most common feature available on association and membership organisation websites is **sector specific news and content**.
13. **Most organisations offer a range of self-service facilities**, including the updating of personal information, member joining and e-newsletter registration. However, there remains scope to extend services further.
14. The general consensus within the industry sector is that **members expect an online experience that is value driven, interactive and engaging. They also expect an optimised online journey and a high level of self-service from their website**.
15. **No one CMS is truly capturing the membership market**; Drupal, WordPress and Umbraco attract the greatest proportion of users though many other suppliers are also being used.
16. **Website analytics tools are most commonly used to generate reports and track visits**. Just fewer than a quarter of membership professionals use them to track conversions (to joining or purchasing).
17. **93% now use an email marketing tool**, typically to remind members of the value of their membership and to provide content linked to special areas of interest.
18. **77% use their social media channels to share links to blogs and news featured on their website**.
19. It is generally felt that **between 6% and 10% of members are engaging with social media**.
20. **30% now employ a dedicated person to look after social media**, up 6% on last year.

Section 2: Organisations' goals and challenges in 2017/18

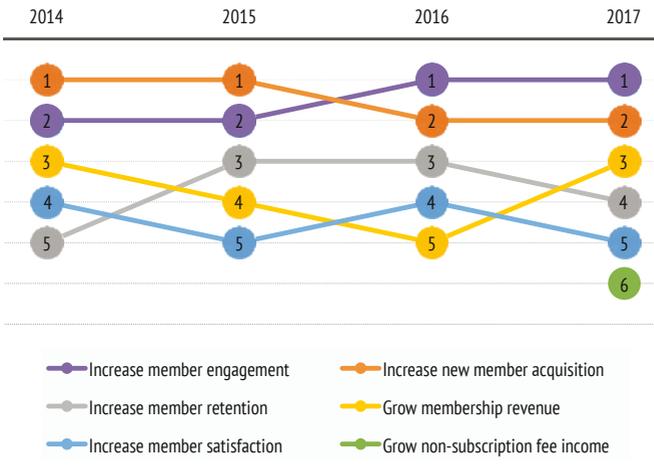
Each year, this survey enables the association and membership sector to understand the key goals of the sector. Mirroring the 2016 results and the rise in activity over the past 12 months, the key focus of associations and membership organisations continues to be increasing member engagement.

The top 6 goals in 2017:

2017 - key goals	
1 st	- Increase member engagement
2 nd	- Increase new member acquisition
3 rd	- Grow membership revenue
4 th	- Increase member retention
5 th	- Increase member satisfaction
6 th	- Grow non-subscription fee income

Calculation based on mean score rankings

Ranking overtime



Increasing new member acquisition nevertheless still also remains important, staying just ahead of growing membership revenue, which has leapt up the league this year.

Consistent with the 2016 results, the major challenges to achieving the key goals centre around having multiple databases and silos of information (up 8% on last year), inadequate integration between membership management system (CMS/CRM) and websites (no change on 2016), and inadequate online member self-service (up 7%).

Top three key major challenges:



Multiple databases and silos of information have been an issue within the sector for many years now and is one that senior management seem unwilling or unable to address. A membership database, event attendance database, accounting database, training database...the list goes on, with data being held in many different locations. Not only does this make it near impossible for membership professionals to gain a comprehensive understanding of member behaviours but there is a risk that some of these databases could be contravening the Data Protection Act.

The challenge around system integration is discussed in Section 5.

We believe many have put more emphasis on the inadequate online self-service options following a new trend in the industry landscape. A new generation of members has emerged; a generation which relies even more on online services and access to a wider range of digital tools. There is a clear drive from the membership sector to offer more to this new cohort. However, addressing such challenges is not an easy task.

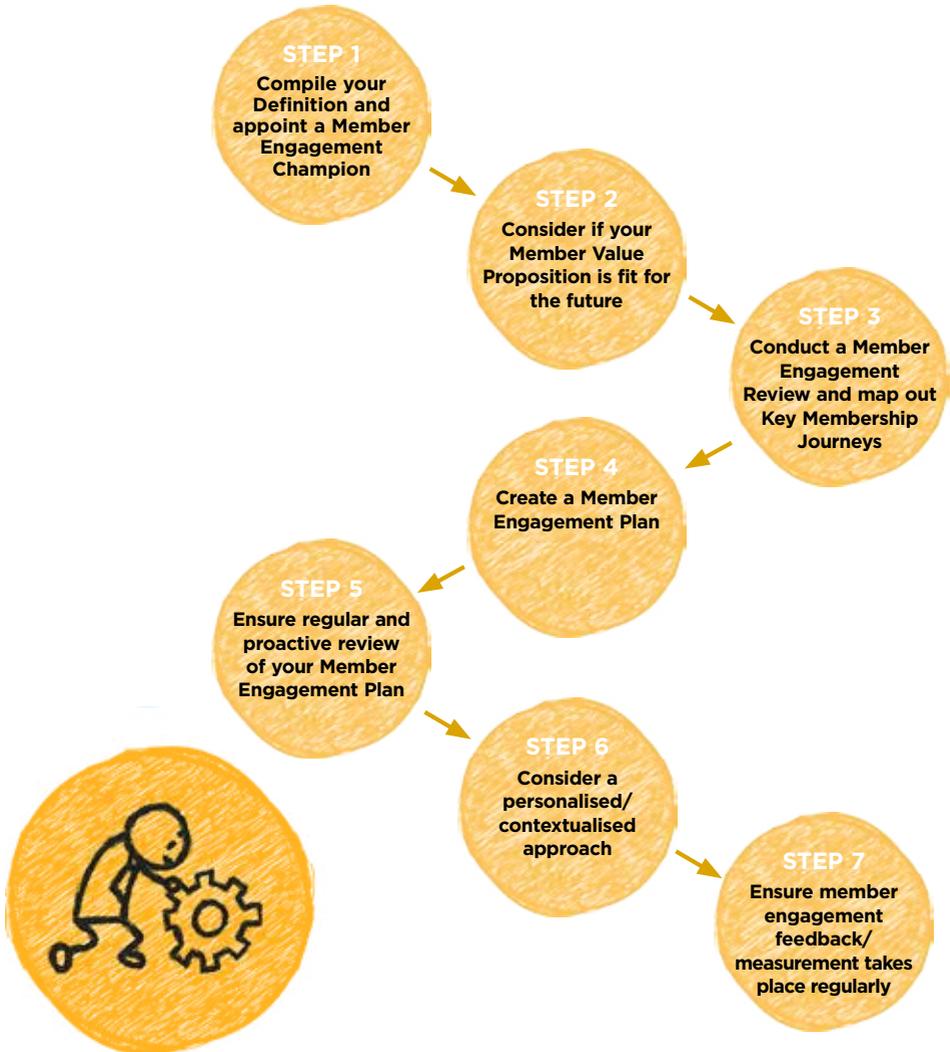
The inability to measure member engagement is another recurring challenge. There is a widely-held view that member engagement and member retention are highly correlated, and therefore maximising engagement is critical to the sustainability of those in the membership sector. This leads us to our next section, which looks at whether professionals are fully equipped to measure engagement.

Major operational challenges overtime



Section 3: Driving member engagement

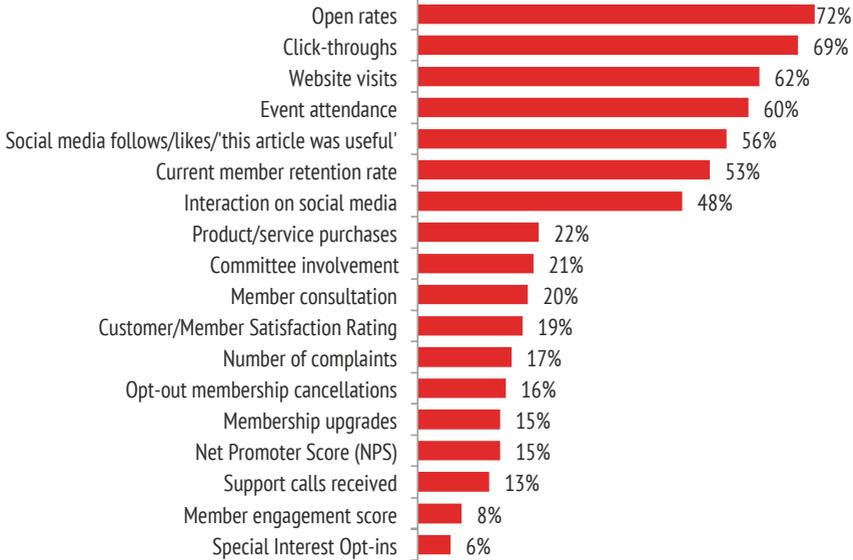
There is a need to ensure member engagement activities are developed and ingrained at all levels of organisations. The Member Engagement Toolkit, launched in Q4 of 2016, has been created to provide professionals with a full action list and a seven-step member engagement process:



You can access the Member Engagement Toolkit via our Member Engagement Hub. Visit www.memberwise.org.uk/engage

There is a clear need for professionals to define and measure member engagement, and many are currently using a variety of instruments. The most commonly used are email open rates, click-throughs, and website visits as well as event attendance and social media engagement, amongst others.

Tools used to measure online member engagement:



As we have uncovered, there is a general feeling that the tools being used are not sufficiently diverse and hence only scratch at the surface of member engagement. Whilst open rates and click-throughs are important measures and provide information around engagement with emails, these need to feed into a much wider measurement tool and a strategic engagement plan with a clear set of actions.

Encouragingly, this is recognised by many membership organisations and associations. Indeed, a quarter have a formal member engagement strategy/plan which includes details of current and future initiatives. For a third, their strategy is currently more informal. Only 4% have no intention of developing a member engagement plan, leaving four in ten to advance their thinking in the coming months and years.

71%
expect their engagement analytics to be much more developed and refined

By 2020, almost all membership organisations and associations expect their online member engagement analytics to be more developed and refined, seven in ten expect them to be much more advanced.

Encouragingly, just over half of professionals suggest that member engagement with their organisations has increased over the past year. This is a similar proportion to last year and so supports our findings that organisations recognise this is important and are channelling resources into initiatives that encourage member involvement.

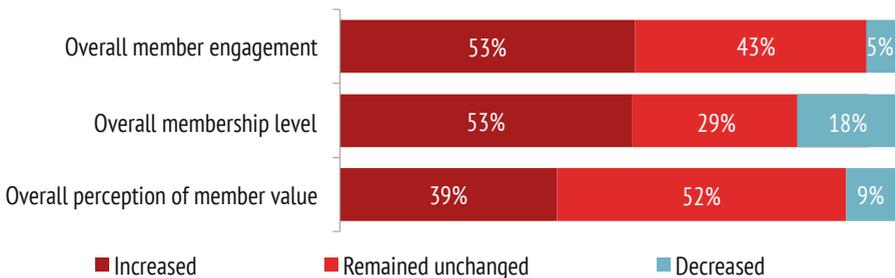
Just over half of professionals also indicate that their organisation's level of membership has increased over the past 12 months. Whilst this is positive, it is perhaps disappointing that this proportion has fallen by 8% compared to last year. This reflects the difficulties many are encountering in gaining and retaining members.

Changes experienced over the past year – Overall membership level



Worryingly, less than four in ten believe that member value has increased over the past year. This is a similar result to last year and clearly one that needs to be addressed.

Changes experienced over the past year:



Section 4: The challenges of CRM systems

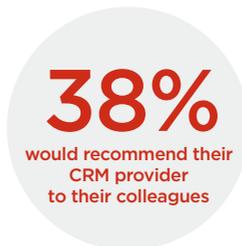
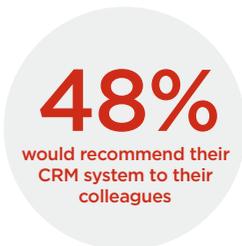
In the past, many organisations have been relying on outdated CRM systems, preventing them from fully meeting members' expectations. Last year around one in four organisations were saying they were very likely to replace their system. Clearly some have achieved their aim. This year replacement intentions are closer to one in five.

It goes without saying that those most dissatisfied with the performance of their CRM system are most likely to replace it in the next 12 months. Almost three in ten rate performance poorly, scoring it between 1 and 4 out of ten. However, as only 22% rate it good (8, 9 or 10 out of ten), our survey shows that the majority find performance is just about okay.

CRM systems currently used

Microsoft Dynamics	15%	Microsoft Dynamics holds the largest share of the CRM market, with 15%, followed by Integra and custom/bespoke systems at 10%, then iMIS and Salesforce at 7%. This indicates that a variety of different CRM systems are being used across the membership sector, and that there is no one clear market leader.
Integra/Integra NG (Advanced NFP)	10%	
Custom/Bespoke System	9%	
iMIS (Advanced Solutions International)	7%	
Salesforce	7%	
CiviCRM	5%	
Microsoft Excel	4%	
ACT	3%	
Microsoft Access	2%	
SodalitaS (MTL)	2%	
Thank Q (Access Group)	2%	
ProTech CRM for Members	2%	
Stratum/Stratum Black (APT Solutions)	2%	

Approaching half of association and membership professionals would recommend their CRM system to their colleagues, although just less than four in ten would recommend their CRM provider (down 10% on 2016). That said, almost half indicate they would most likely upgrade their CRM with their current provider.



Section 5: Integrating websites and CRM systems

Nearly two thirds of organisations have integrated their website and membership database/ CRM system, which represents a 7% increase on last year. Of these, a quarter undertook the integration within the last 12 months. There is evidence that more organisations will be integrating the two over the next 12 months.

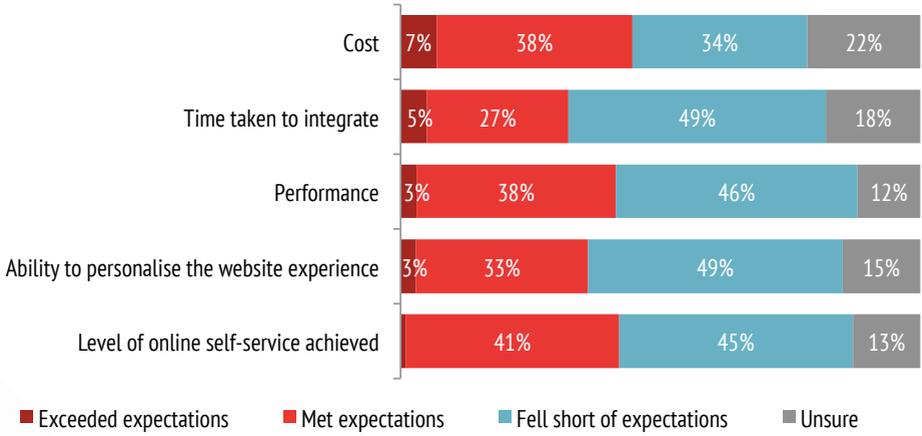
However, there are many barriers that prevent membership organisations and associations from integrating both systems, the main ones being:

- Cost
- Incompatibility between website and CRM system
- Lack of in-house IT skills
- Time required to integrate
- Poor quality of membership database
- Poor quality of website
- Size of database
- Don't know which supplier to use

Encouragingly though, the figures above show that the challenges are being overcome in an effort to improve the member experience and learn more about member behaviour.

Caution should be exercised however amongst those planning to integrate in the future. Around half of association and membership professionals claim that the time it took for their website and CRM system to be joined fell short of expectations, as did the performance, level of online self-service achieved and the ability to personalise the website experience. The cost of the integration was more aligned to expectations for the greater proportion.

Expectations following integration:



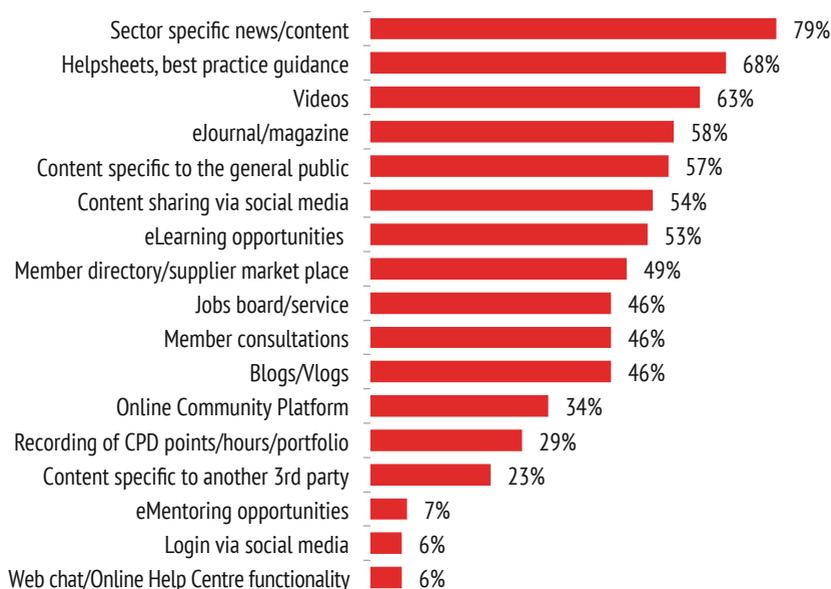
Section 6: Offering a website with member structured content

With the emergence of Generation Y, the digital landscape has changed. Amongst this audience in particular there is a clear reliance on digital tools to self-serve and access information quickly. Last year we highlighted the need to offer a more personalised experience to members through the website and the different services available. The story remains the same this year.

Organising website content in a way that is focused on member needs rather than internal structures is starting to permeate. Whilst just over a third of organisations claim their website is still very much function or department focused (e.g. policy, professional standards), almost half indicate they are mixing it up with the different audiences (e.g. members, public, suppliers) and important initiatives (e.g. campaigns) having their place too. In the coming years, we expect to see a continued change in focus.

Consistent with 2016, websites are commonly featuring sector specific news and content, helpsheets and best practice guidance, videos, eJournals and magazines, and content specific to the general public. Interestingly, the proportion now offering eLearning opportunities is up 7% on last year.

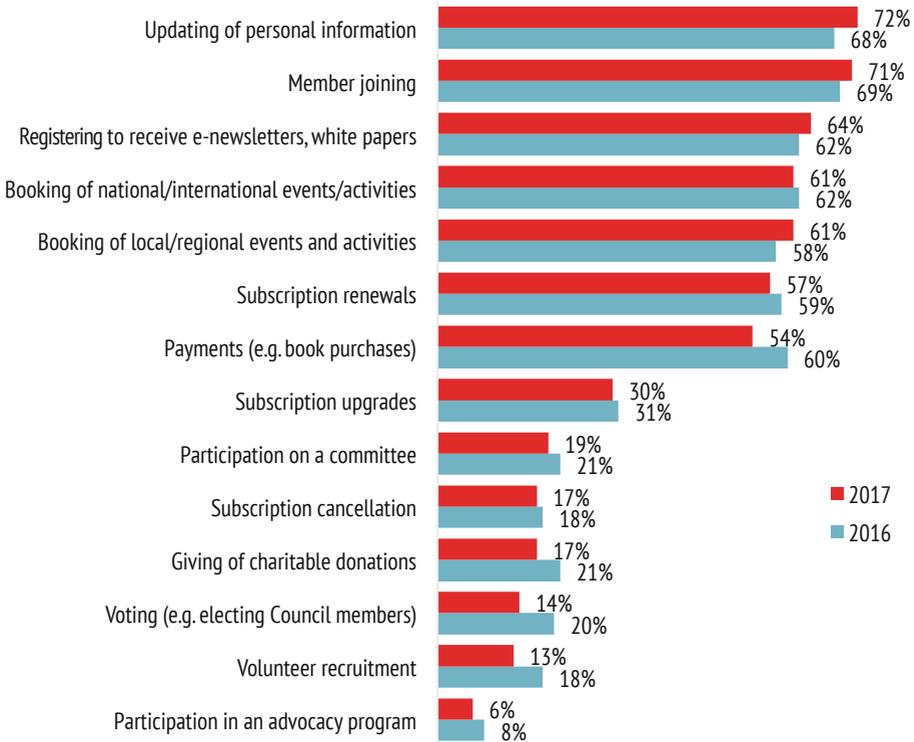
Website offering:



We are also interested to see a third of organisations offering an online community platform, giving members the opportunity to communicate and share information in a different way. With the focus being on engagement, we would expect to see more organisations and associations using these community platforms over the coming 12 to 24 months.

Earlier we highlighted a key challenge for membership organisations and associations being the inadequacy of self-service facilities. Whilst most offer services like the updating of personal information, member joining and subscription renewals, and registrations for e-newsletters and events, other initiatives and facilities like volunteering and subscription upgrades are not so readily available online.

Self-service facilities in 2016 and 2017



The general consensus across the membership sector is that members expect an interactive and engaging experience, a value driven experience, an optimised online journey and a high level of self-service from their website.

Member website expectations:

(strongly/slightly agree)



A crucial aspect of delivering an interactive and engaging online experience is the ability to personalise websites.

Membership professionals also believe their members expect more visual content, in the form of images, infographics, illustrations, and videos. Certainly we have seen a move in this direction over the past few years, and we suggest there is more to come.

Member website expectations:

(strongly/slightly agree)

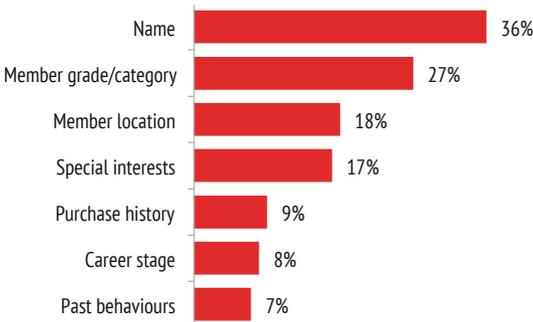


Online FAQs are becoming commonplace now, providing a bank of self-service frequently asked questions. Mega dropdown navigation menus, however, have yet to find their place in the sector.

Section 7: Personalising web content to ensure a more engaging online experience

Online personalisation remains a key challenge for many in the sector. Half of organisations still have not managed to achieve any level of personalisation on their websites. Of those that have, much rests on name and member grade. Fewer than two in ten are using member location and special interests to focus information and offers, and less than one in ten can personalise on the basis of purchase history, career stage or past behaviours. Further individual customisation is required to drive greater emotional connection between members and organisations.

Information used to personalise web content:



CMS currently used

Wordpress	15%
Bespoke	13%
Drupal	11%
Umbraco	8%
Joomla	4%
iMIS (RiSE)	4%
Sitecore	4%
PresideCMS	4%
NetXtra CMS	3%
Kentico	3%
Episerver	3%
Microsoft Sharepoint	2%
Centric	2%

A good, effective website content management system (CMS) can and should facilitate personalisation. Whilst Wordpress is the most widely used across the sector, holding a market share of 15%, there are very many other players, including Drupal (with an 11% share), Umbraco (8%) and Joomla, iMIS and Sitecore (4%). Clearly, as with CRM systems, there is no clear leader here.

Most of the time membership organisations and associations are relying on either their CRM system to store their member data and render personalised website content (44%) or their CRM and CMS (35%).

82%
use a login facility to enable personalisation of their website's content

Section 8: Understanding member engagement through web analytics

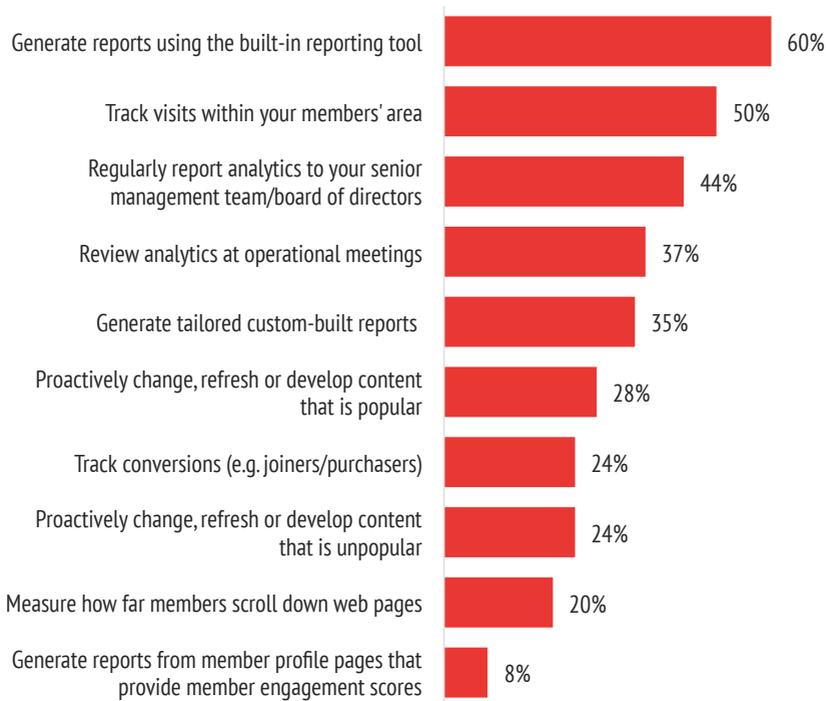
Whilst personalising website content is becoming so very important and expected, it is also crucial to understand and be able to measure online member engagement and impact. This is where website analytics come in – helping organisations understand how their site is being used and the improvements needed to drive online membership value and growth.



Consistent with last year's results, Google Analytics is by far the most widely used analytics tool (87%).

Website analytics tools are most widely used to generate reports and track visits within the members' area. Only a minority of the sector is using them to generate reports that provide member engagement scores.

Use of website analytics:

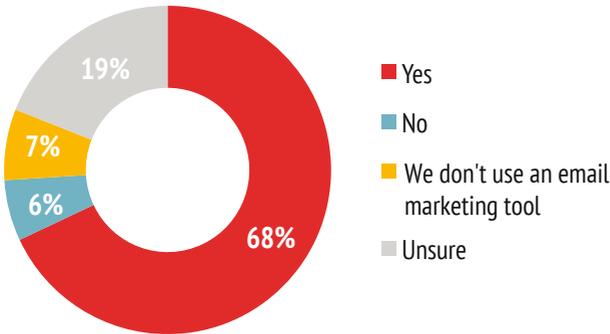


Section 9: The use of email marketing to keep members informed and engaged

Email marketing is well ingrained in membership organisations and associations; only 7% do not use an email marketing tool.

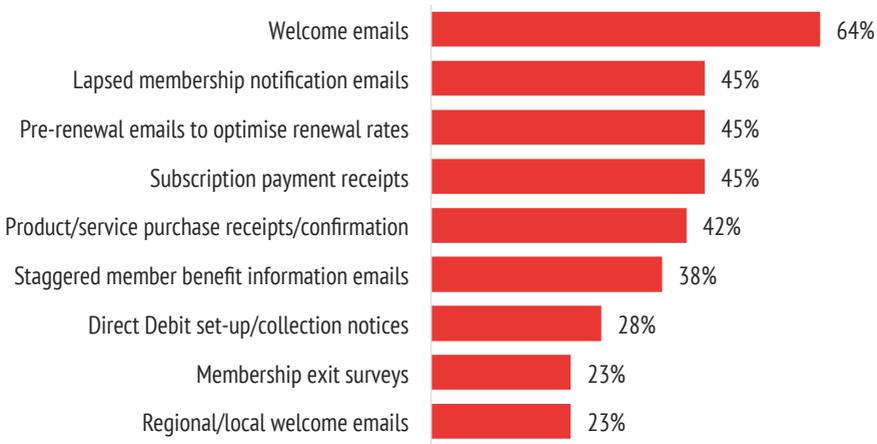
With the population increasingly consuming information through multiple devices (e.g. phones, laptops, tablets and smart devices), nearly seven in ten render the email content to display on multiple devices. A small proportion (about one in five) are unsure though.

Email content rendered to multiple devices:



Showing a slight increase on 2016, 68% use their email marketing tool to automate some of their emails (up 3%). Most commonly, automated emails welcome new members, deliver subscription payment receipts, and provide pre-renewal and lapsed member notices.

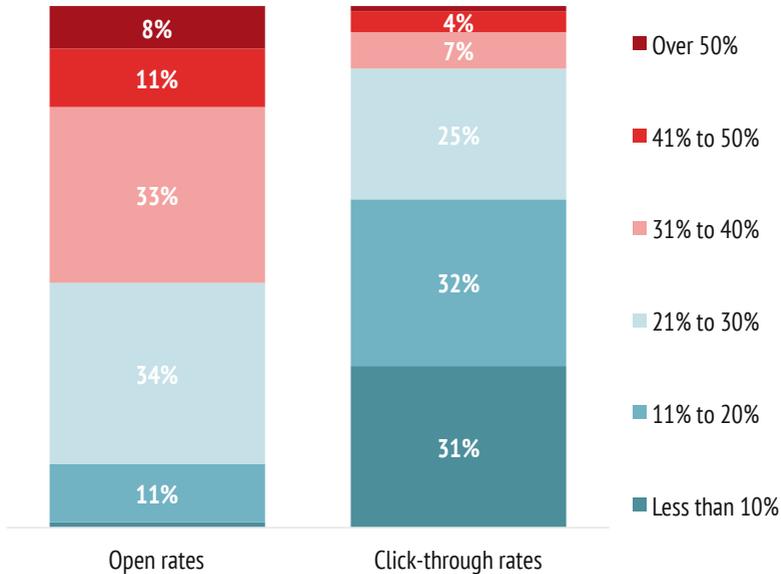
Functions currently automated:



In terms of performance measures, the average open rate for those who monitor them is between 21% and 40%, which remains consistent with last year. Just over two thirds of organisations achieve these rates.

Click-through rates are more dispersed though. Disappointingly, nearly a third attract less than 10% whilst over half (57%) sit between the 11% and 30% bracket.

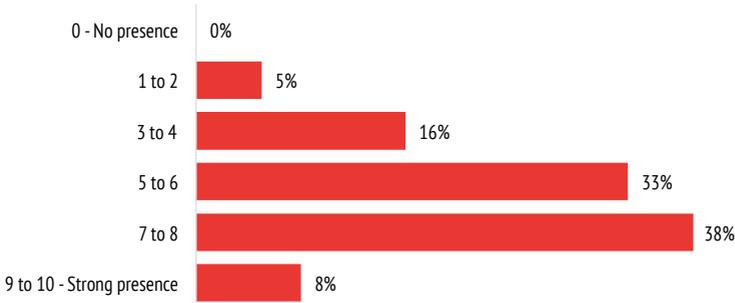
Average open and click-through rates:



Section 10: Use of social media to engage with members

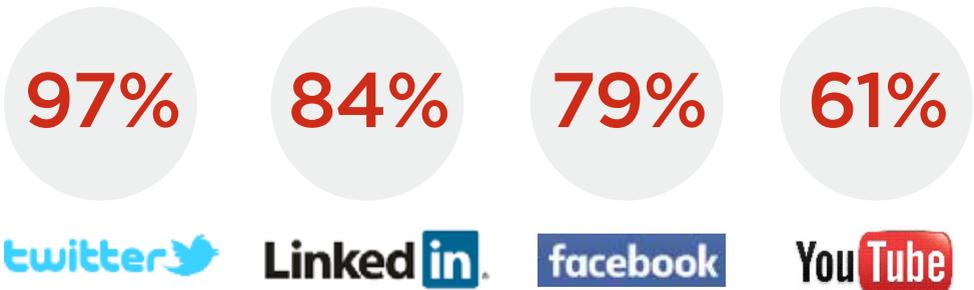
Whilst membership organisations and associations continue to show an active interest in social media, their perceived presence appears to have altered little over the past year. Using a scale of 0 to 10, some 45% of professionals rate their social media presence as strong (scoring between 7 and 10) while 33% suggest it is mediocre (between 5 and 6).

Rating of social media presence:



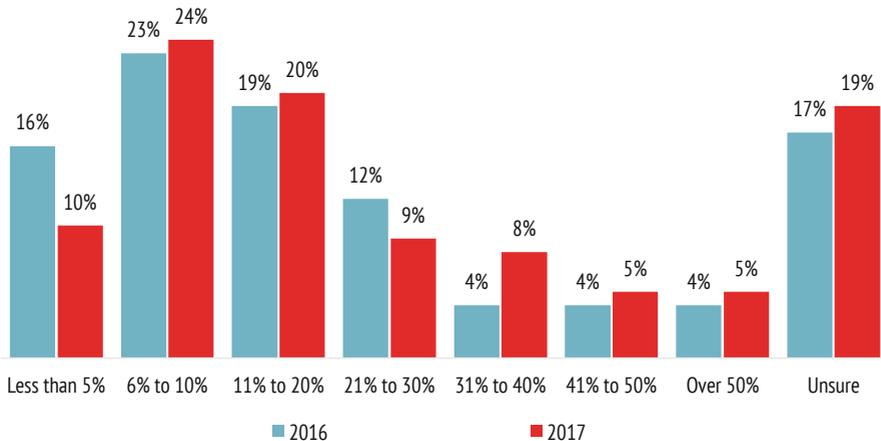
Consistent with last year, Twitter is the most commonly used social media platform, followed by LinkedIn, Facebook, and YouTube. Instagram continues to grow in use (to the detriment of Google+ though) but nevertheless remains a small player.

Main social media platforms used:



Most commonly, membership organisations and associations believe that between 6% and 20% of members are engaging with their social platforms. Whilst the perceived patterns of behaviour are similar to 2016 in most instances, there are signs that social media engagement amongst members is slowly creeping up.

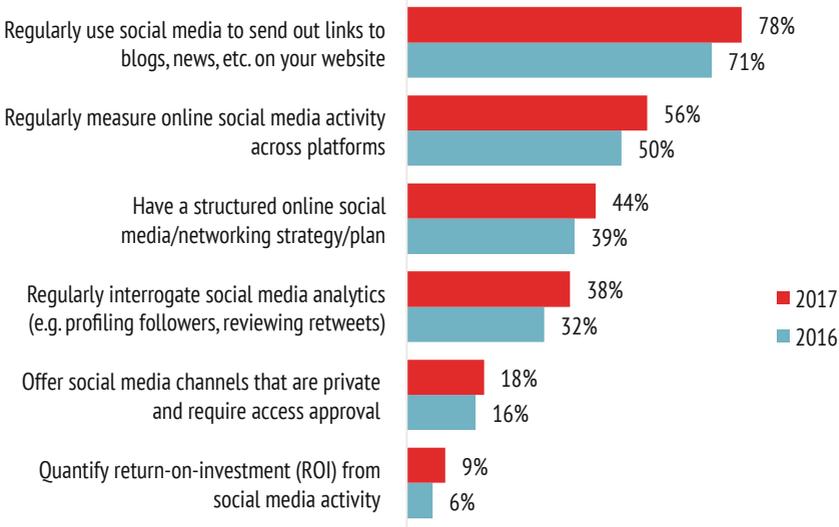
Engaging via social media:



Encouragingly, professionals are making more use of social media; nearly eight in ten regularly use it to drive traffic to their websites. This is up 7% on last year.

Over half are regularly measuring online social media activities across platforms and almost four in ten are regularly interrogating social media analytics. With all this activity going on it is perhaps a little surprising that over half of organisations have yet to develop a structured social media strategy or plan. Maybe we will see a development in this area next year.

Activities around social media:



30%

Employ a dedicated person responsible for social media presence

With the increased use of social media platforms and activities, three in ten organisations currently employ a dedicated person to look after this (such as an Online Social Media Coordinator/Manager or Online Community Manager). In 2016 this figure was 24%, and in 2015 it was 16%, demonstrating the resources that are now being invested in this aspect of member engagement.

Section 11 – Profile of participants and organisations

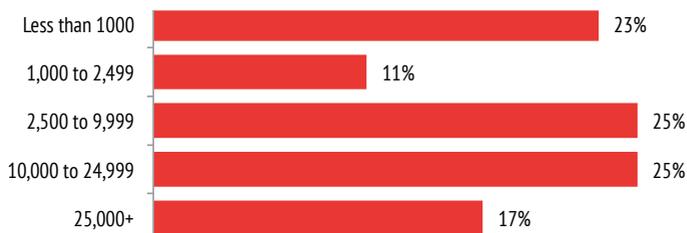
275 Directors and Managers working within the membership sector completed the survey this year on behalf of their organisations.

Member types:

Just under 4 in 10 organisations offer individual membership whilst 20% offer corporate/organisational membership. 43% offer both individual and corporate memberships, which is similar to last year.

12% of organisations currently offer 'web only' membership, 4% fewer than last year. This year we are also seeing slightly fewer considering a 'web only' offer.

Membership size:



Survey participants represent a good cross-section of the membership sector; a third have fewer than 2,500 members while half have between 2,500 and 25,000.

Organisation type:

Just under half of survey participants represent professional bodies, 30% charities and third sector organisations, and 17% trade associations. This year has seen a small increase in organisations from the charity/ third sector and trade associations.

Current role:



The roles of those who completed this year's survey remain largely the same as the previous year. The two most common positions remain managers and heads of department, with directors and executives the next most prevalent respondents.

Section 12 – Conclusion and Recommendations

There is much ‘food for thought’ this year, particularly following our sector’s reconfirmation that member engagement is now well and truly our key focus and challenge in 2017.

Last year engaging with members via digital (including online member personalisation) only just topped our desire to acquire more new members. However, this year, the requirement to more closely engage with members and also facilitate greater self-service is communicated loud and clear!

Why is this so? We believe it is down to simple maths. Retaining existing members can cost up to 8 times less (in terms of budget/resource) than acquiring new members, so it makes sense for us to ensure existing members are engaged. This can be achieved via a range of tools/techniques; however, a core member engagement driver is the requirement to provide a clear, solid and relevant member value proposition.

This year we report that organisations believe members are not actually recognising proportionate increases in member value (following in some cases significant digital investment). We predict this is linked directly to the continued elevation of online member expectations (in the increasing digital world) and the changing expectations of the next generation of members starting to come through.

The effective measurement, review and accurate reporting on online member engagement continues to be an issue within the sector and this explains why the topic remains a real challenge. Of those who are using metrics the majority are taking a relatively primitive approach. This must change.

Your call to action – Read our Member Engagement Toolkit and take a more structured approach to online member engagement.
www.memberwise.org.uk/engage

Following a record year of CRM system replacements in 2016 we are now starting to see the number slow down. It is disappointing to see that satisfaction levels are average and a smaller number of organisations would recommend their current provider compared with last year. This needs to improve.

It is great to see more organisations integrating their CRM systems with their websites and this activity should have a positive impact on online member satisfaction and engagement.

It’s interesting that no CMS continues to capture the membership market. There appears to be a mismatch between the number of organisations who wish to increase the sophistication of their personalisation (e.g. use behavioural/historic data) and those who report their CMS being able to achieve this.

Website structures also appear to be an emerging issue, with some organisations continuing to structure content via department rather than via member focused journey mapping. A User Experience (Ux) Audit may be a sensible first step for organisations in this situation.

Communication via professional email marketing continues to increase. However interaction via online social networking/media channels continues to only engage 10% of members. This is frustrating, particularly with the increased investment in dedicated members of staff to help manage this activity. This suggests the long established 90-9-1 rule may still be ever present, i.e. 90% of members lurk, 9% respond if prompted and only 1% independently and proactively post.

We predict online member engagement levels may be increased over the coming years via the use of more sophisticated tools that go beyond the current functionality of established consumer-focused online social networking/media websites, e.g, online digital communities. However, how these tools are managed will impact on their level of success.

In 2017 we challenge membership organisations and associations to reconsider their core online member value propositions (OMVP) before attempting to focus on digital investment and online member engagement enhancement. If your value proposition isn't right the very best online engagement exercise will fail.

A positive step forward (once you are sure your OMVP is bullet-proof) is to enable the online segmentation of messaging, content and products/services. An emerging trend currently being seen in the USA is the free trialling of online products/services to those members who previously have not engaged/purchased core products/services. This may be something to consider.

In 2017 the membership and association sector continues to deliver great digital solutions for members and (if done appropriately) ensures our organisations remain relevant and contribute towards the practical help and support of members (and prospective new members).

I would like to take this opportunity to thank Official Partners, ASI Europe and Research by Design. Without their support this independent and statistically significant report would not be possible.

This year I would also like to thank the following MemberWise Recognised Suppliers for signposting this year's survey - Achorda, Loud Marketing, Optimist Consulting, Parliament Hill, ProTech, Purple Vision, Silverbear and TPP Recruitment.

I hope that you have enjoyed reading this great new report from the MemberWise Network. We will continue to focus on the emerging topics outlined in this report and a list of helpful resources has been outlined overleaf.



Richard Gott
MemberWise Network Founder

Practical Help and Resources

The MemberWise Network represents over 4,000+ members and is the leading free-to-join association and membership organisation sector professional network. We provide digital focused insight, help and support to optimise online membership engagement, value and growth within your organisation.

We take the opportunity to signpost key resources below:

Digital Excellence (2017) – Attend our popular one day national conference on 31st October 2017 at the Park Plaza London Victoria. The event will provide you with a unique opportunity to ‘focus on all things DIGITAL’ and will feature 35+ case study driven educational sessions plus a dedicated audience-led seminar stream, solution provider showcase and the largest digital focused trade exhibition in the membership and association sector. Visit: www.memberwise.org.uk/events for further information.

Network Website – You can access quality assured, targeted and rich digital focused best practice content via our website. It features a dedicated Member Engagement Hub/Toolkit, online advice sheets, templates, blog and over 60+ Insight videos that feature practitioner interviews and presentations. We also signpost sector providers that can help you deliver online content/functionality via the MemberWise Recognised Supplier Directory.

Monthly Newsletter – We share the latest information, advice, news and views from the sector via our popular monthly newsletter. It will provide you with the latest insight direct to your inbox plus exclusive event invitations, offers and promotions.

Benchmarking and Professional Networking Opportunities – Our popular free to attend seminars, networking drinks receptions and online professional networking group can provide you with a great opportunity to network and learn.

Consultancy, Board and Away Day Facilitation – We provide expert support to membership organisations and associations via a range of consultancy and advisory services that focus on increasing new member acquisition and existing member retention, optimising online value and enhancing online member engagement.

Find out more at www.memberwise.org.uk



MemberWise