



Membership Management



Membership Management

Getting started

What are the questions you have to ask / decisions you have to take?

Structure

Legal requirements

Acquisition & retention

Getting started

What are the questions you have to ask / decisions you have to take?

- *Who will be responsible, for what?*
- *What do we offer & what do we expect?*
- *What is the role of the membership?*
- *How much will I charge?*
- *How often will I charge?*
- *How many categories?*
- *What are the payment methods?*
- *How much should we involve the members and where?*

Participants comments

- Two branches (marketing/new members; legal protection)
- Build medium/long-term comms strategy
- Assess membership expertise
- Do we have a contact DB, something to reach
- Assembling contact info
- What channels would we use to reach those
- Developing projects club, municipal, civic; try in the community
- Code of conduct at the beginning bc it is difficult afterwards
- How much?
- What is my target group?
- What can the organization do for the members
can the members do for the organisation
- The way we approach / treat people

7Ps of marketing



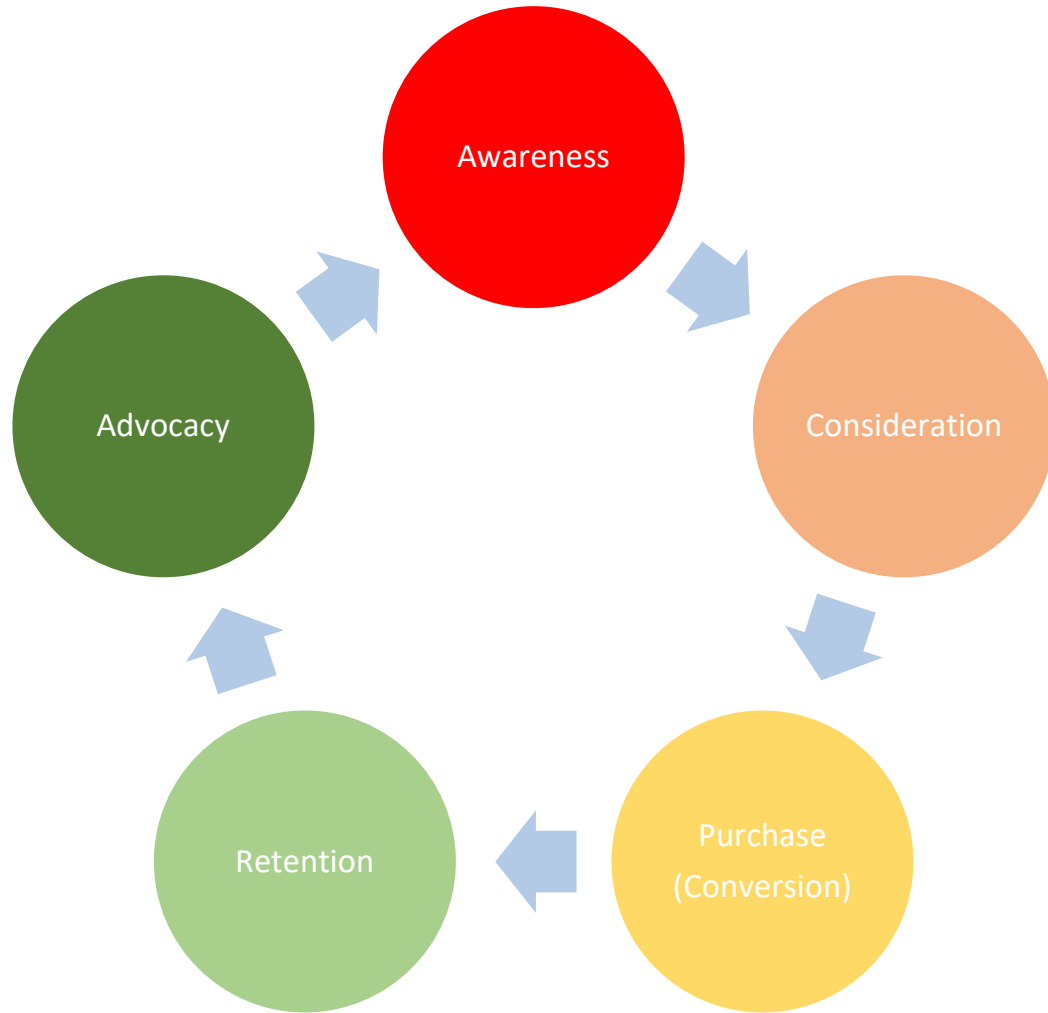
1. **P**roduct: *What are we selling?*
2. **P**lace: *Where are we selling it?*
3. **P**rice: *How much do we charge?*
4. **P**romo: *Where do we advertise?*
1. **P**hysical: *How do we maximise validation?*
2. **P**eople: *Who is selling it?*
3. **P**rocess: *What are the steps of our sales?*

Planning ahead

Increasing and retaining the membership

- Narrative
why should I become a member? what does being a member mean? how is it different to being just a fan?
- Target groups / segmentation
fans (but: ultras, match-goers, casual, families, internet, children etc); community (local businesses, municipalities, public authorities)
- Campaigns
making sure your organization & your message is out there
- Working groups
regular contact with members; inclusion, co-ownership
- Communication
after-sales service

Marketing Funnel (member journey)



Challenges

Issues you might encounter

- *Static narrative*
- *Club performance*
- *Club politics*
- *Resistance to change (club, fans)*
- *Lack of understanding*
- *Practice what you preach*

Administrative issues

Legal / statutory requirements

- Age restrictions
- Annual General Meeting
- Elections

Membership structure and fees (marketing)

Product mix

Product mix, also known as product assortment or product portfolio, refers to the complete **set of products and/or services** offered by a **firm**. A product mix consists of product lines, which are associated items that **consumers** tend to use together or think of as similar products or service

Width: Number of product lines

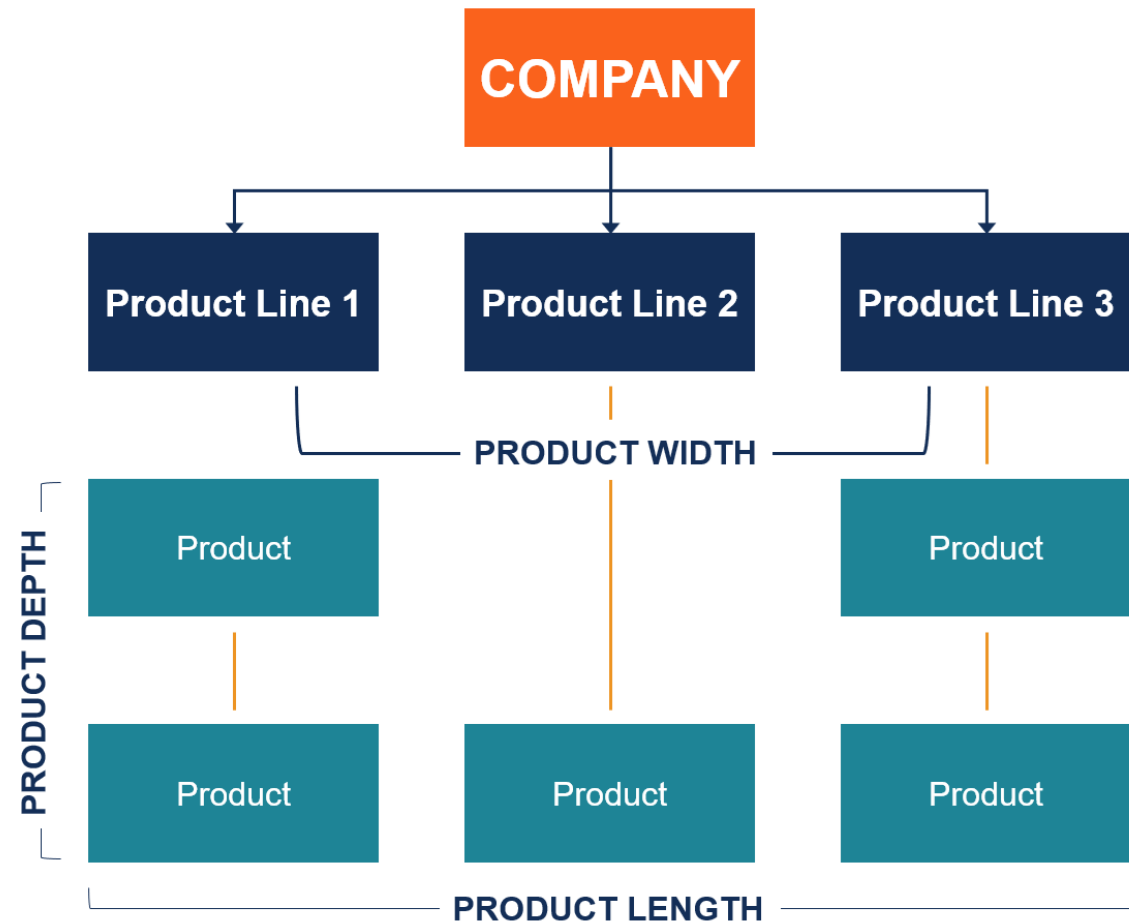
- Apple: Mac; Software; iPad; iPod; iPhone
- Opel: Corsa, Insignia

Depth: Variations within product line

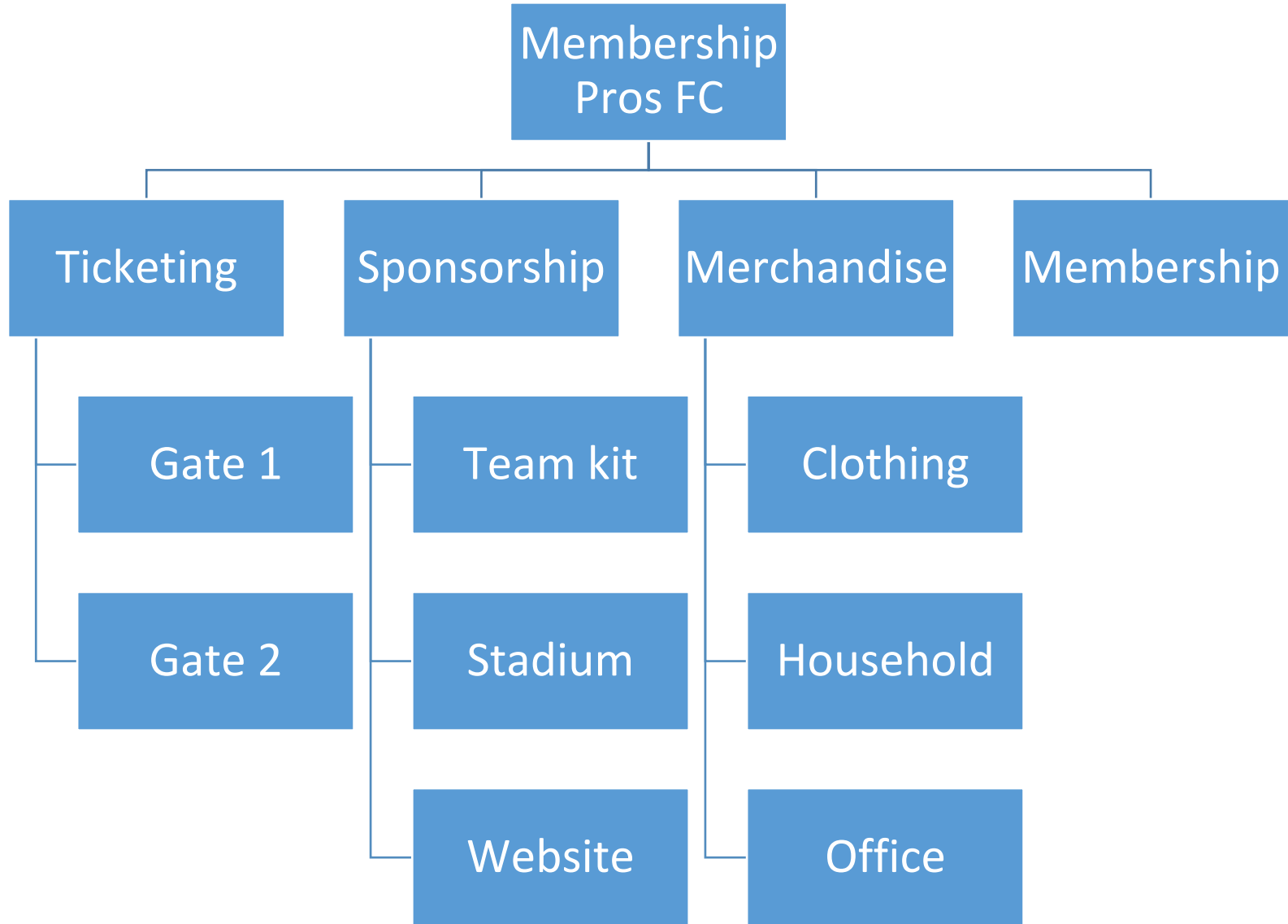
- Apple: Mac (air, pro, 13", 16" etc); iPad (2020, Air, 32GB, 64GB); iPod (5th-6th-7th gen, pink, black); iPhone (11, 12, Pro Max, 64GB, 128GB)
- Opel: 5-door, 3-door,

Length: Total number of products

- In the photo: 5



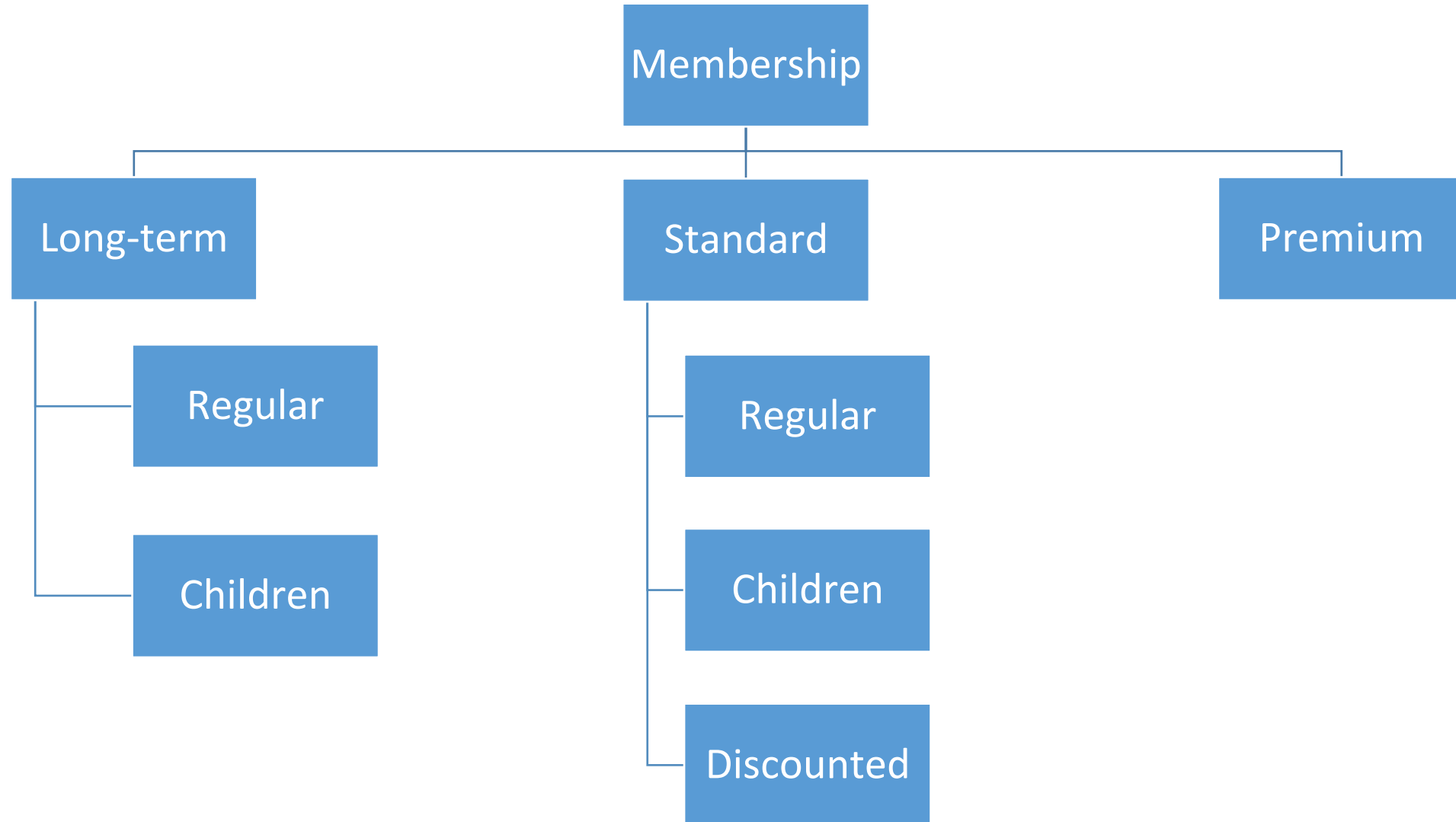
Club product mix



Membership product mix

Membership product mix

Membership product mix (personal favourite)



The economics of membership

$\mathcal{L} = \int_{-\infty}^{\infty} f(x) e^{-2\pi i x \omega} dx \frac{d\mathcal{L}}{d\omega}$

$\nabla \cdot E = 0 \quad \nabla \times E = -\frac{1}{c} \frac{\partial H}{\partial t}$

$\nabla \cdot H = 0 \quad \nabla \times H = \frac{1}{c} \frac{\partial E}{\partial t}$

$-ik \frac{\partial}{\partial t} \Psi = H \Psi$

$f(\omega) = \int_{-\infty}^{\infty} f(x) e^{-2\pi i x \omega} dx \frac{d\mathcal{L}}{d\omega}$

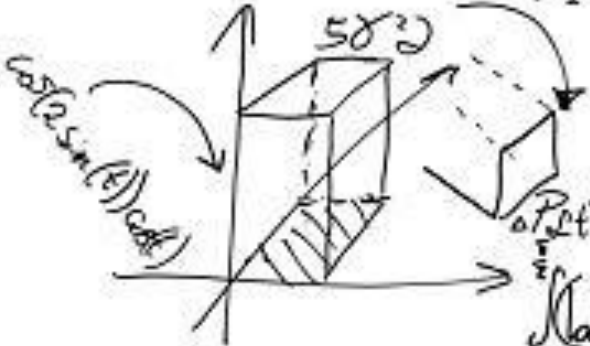
$\rho \left(\frac{\partial v}{\partial t} + v \cdot \nabla v \right) = -\nabla p + \nabla \cdot T + f$

$H = -\sum \rho(x) \log p(x)$

$\frac{1}{2} G^2 S^2 \frac{\partial^2 V}{\partial S^2} + r S \frac{\partial V}{\partial S} + \frac{\partial V}{\partial t} - r \cdot V = 0$

$+ \sum_{i=1}^n \frac{q_i}{2} H_i^M + c_s \frac{D}{Q} + c_o D + \frac{Q(p-D)}{2p} H^M + F_o N + F_o N + \sum_{i=1}^n D_i w_i d_i \frac{(1+w_i)}{F_i^{rate}}$

$TC(Q, q_i, m_i) = \sum_{i=1}^n \left[\frac{D_i}{m_i q_i} S_i + c_i^v D_i + \frac{q_i H_i^v}{2} \left(m_i \left(1 - \frac{D_i}{P_i} \right) - 1 + 2 \frac{D_i}{P_i} \right) \right]$



$\left[\frac{d \Delta p(s, \phi)}{d \phi} \right] = \begin{bmatrix} \beta & -\beta \\ -\beta & 0 \end{bmatrix} \begin{bmatrix} \Delta p(s, \phi) \\ \Delta M(s, \phi) \end{bmatrix}$

$\int_0^{\pi/2} (\log \sin x)^2 dx - \int_0^{\pi/2} (\log \cos x)^2 dx = \frac{\pi}{2} \left\{ \frac{\pi^2}{12} + (\log 2)^2 \right\}$

Deciding the membership fee

Minimum membership

- Total revenue (TR) = Total costs (TC)
- What is my cost function?
- *What pre- and after- sales service do I offer?*
- *Do I differentiate the staff of pre-and after- sales?*
- *How many people can each pre- and after- sales staff service?*
- *How many people can my office (physical, virtual/server) support?*
- *Can I achieve economies of scale?*
- *Do I differentiate the support for each product line?*

Deciding the membership fee

Calculating the cost function (example)

- Product line: 1; product length: 1
- Differentiation between pre- and after- sales staff
- Staff have similar competencies; pre-sales staff (PS) costs 24,000€/y and after-sales staff (AS) costs 28,000€/y
- PS supports 1,000 members/year; AS supports 700 members/year
- Each staff requires an office with a one-off cost of 500e and a fixed annual cost of 200e
- Offers SMS communication, once per year; the SMS cost is 0.02 per member for the first 500 members and drops by 5% per 500 members after that
- Offers email communication, once per year; the server cost is 100e per year and for every 500 members, the server cost rises by 10%
- The membership management software requires an annual service fee of 2% for each member
- The AGM is attended by 5.7% of the total membership and for every 10 people we need to pay 30e
- We need a three-year planning...

Deciding the membership fee

members	PSc	ASc	SMS	Server	CRM	AGM	fee	years
600	24.766,67	28.766,67	3,97	100,00	4,00	60,00	29,83	3
690	24.766,67	28.766,67	4,54	100,00	4,60	60,00	25,94	PSw
794	24.766,67	28.766,67	5,20	100,00	5,29	60,00	22,55	24000
913	24.766,67	28.766,67	5,95	100,00	6,09	60,00	19,61	Asw
1049	24.766,67	28.766,67	6,64	100,00	6,99	60,00	17,07	28000
1207	24.766,67	28.766,67	7,59	100,00	8,05	90,00	14,84	SMS
1388	24.766,67	28.766,67	8,68	100,00	9,25	90,00	12,91	0,02
1596	24.766,67	28.766,67	9,60	110,00	10,64	120,00	11,23	Server
1835	24.766,67	28.766,67	10,96	110,00	12,23	120,00	9,77	100
2111	24.766,67	57.533,33	12,08	110,00	14,07	150,00	13,04	CRM
2427	24.766,67	57.533,33	13,80	110,00	16,18	150,00	11,34	2%
2791	24.766,67	57.533,33	15,15	110,00	18,61	180,00	9,87	AGM att
3210	49.533,33	57.533,33	16,61	121,00	21,40	210,00	11,16	5,70%
3692	49.533,33	57.533,33	18,19	121,00	24,61	240,00	9,70	room cost
4245	49.533,33	86.300,00	19,90	121,00	28,30	270,00	10,70	30
4882	49.533,33	86.300,00	21,75	133,10	32,55	300,00	9,31	

Deciding the membership fee

Factors that affect membership

- Profit
- Membership benefits
- Club agenda
- Revenue differentiation
- Project-related funding

Membership revenue accounts a maximum of 2.5% of all revenue and an average of 1.4%

Payment management & frequency

	Pros	Cons	Mitigation
Monthly	<ul style="list-style-type: none">• Smaller one-off payment	<ul style="list-style-type: none">• Higher management costs• Lower retention• Difficult benefits management	<ul style="list-style-type: none">• Standing order (bank, credit card)
Annual	<ul style="list-style-type: none">• Less management cost• Higher retention• Easy benefits management	<ul style="list-style-type: none">• Bigger one-off payment• Less communication	<ul style="list-style-type: none">• Offer installments (eg credit card)• Establish regular contact

Membership management system

How do you keep track of your membership?

- Hard copies
- Word files
- Excel files
- Access database
- CRM, or similar

Why do you need proper membership management system?

- Automation (communication, renewals etc)
- Reports (trends, segmentation etc)
- Validation (electronic receipts, AGM etc)
- Integration (merchandise, ticketing, social media etc)

Narrative

Being a member

	Obligation	Right	Avg att	Avg memb	%
Eitan	X		2,000	800	
Kelvin		X	-	-	
Kathrin	X		24,000	36,000	
Robin	X		400	100	
Nasia					
Fabio		X	2,000	2,700	
Michele		X	2,000	300	
Emilio		X	300	200	
Rutger		X	750	450	
Meytar					

Membership benefits

Why do you need benefits?

- *Makes membership more 'tangible'*
- *Contributes to uniqueness / differentiation*
- *'Undercover' loyalty program*
- *Legal reasons*

After-sales support

- After-sales support, sometimes called after-sales service, is any service provided after a customer has purchased a product
- Financial & non-financial
- **Financial:** internal discounts and offers (tickets, merchandise etc), external discounts and offers (sponsors, partner companies etc), competitions (travel with the team etc)
- **Non-financial:**

Membership benefits

Cost & value

- Holistic revenue approach
- Variability
- Reverse benefits

Welcome packs





Thanks a lot!
See you on