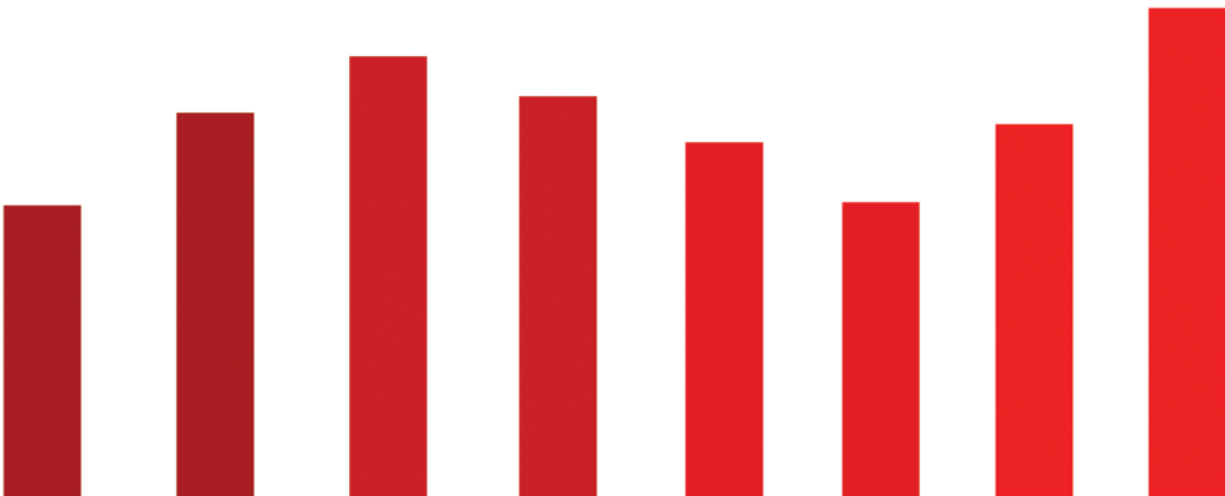


Generational Differences Among Association Members

2010 Special Report



Acknowledgements

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American Immigration Lawyers Association (AILA)

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National Contract Management Association (NCMA)

Society for Nutrition Education (SNE)

Society of Plastics Engineers (SPE)

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Purpose of the Study

The purpose of the study is to determine differences among the behaviors, attitudes, and opinions of association members that could be attributed to differences in their generation.

Each participating association conducted a member survey, and the questions used for this study were identical for each questionnaire. The results were combined to produce an overall rating that would be less susceptible to the highs and lows that can occur when surveying members of a single organization. The results of your association may vary from these results.

No inferences should be drawn between the survey results and the performance of any particular participating association. All information that could potentially identify an association has been removed from this report. The analyses and findings are designed to provide insight into the relative differences among generations, rather than differences among associations. Because of the mix of member benefits that are unique to each association, members' perceptions of the benefits offered by their association are not included in this report. However, processes and experiences that are common to associations (e.g. website, dues, volunteerism, why individuals belong to the association) are presented in this report.

Generation Definitions

Each survey respondent was assigned to one of six generational groups. The group designations (including the segmenting of Generation X and Baby Boomers) are consistent with other generational research, including research conducted by the Sloan Center on Aging and Work at Boston College.

Exhibit 1

<i>Generation Name</i>	<i>Birth Years</i>	<i>Current Age in 2010</i>
Millennials	1981 and Later	Under 30
Young Generation X	1972 – 1980	30 – 38
Older Generation X	1965 – 1971	39 – 45
Young Baby Boomers	1955 – 1964	46 – 55
Older Baby Boomers	1946 – 1954	56 – 64
Traditionalists/Silent Generation	Prior to 1946	Over 64

The original purpose of the study was to focus strictly on generational differences in members' attitudes and perceptions of their professional association. During the analysis, it was discovered that there is a sizable segment of respondents (53%) whose dues are partially or fully reimbursed by their employer. Further analysis revealed that there were significant differences in some areas between members who received dues reimbursement and members who paid all of their own dues. Therefore, to provide as much valuable information as possible, a number of illustrations in this report that present generational differences, also include reimbursement group differences.

Why Members Belong to Associations

While some research studies have examined why members “join” an association, this study took a different approach and examined why individual members “belong” to their association. The underlying assumption is that members’ needs change over time as they progress through various stages of their lives and careers, and the reason(s) they originally joined the association may not be the same reason(s) that they currently belong. Every renewal decision presents another opportunity for members to evaluate their relationships with the association and to decide whether or not the association is meeting their needs, and is delivering a valuable experience for the amount of dues being charged.

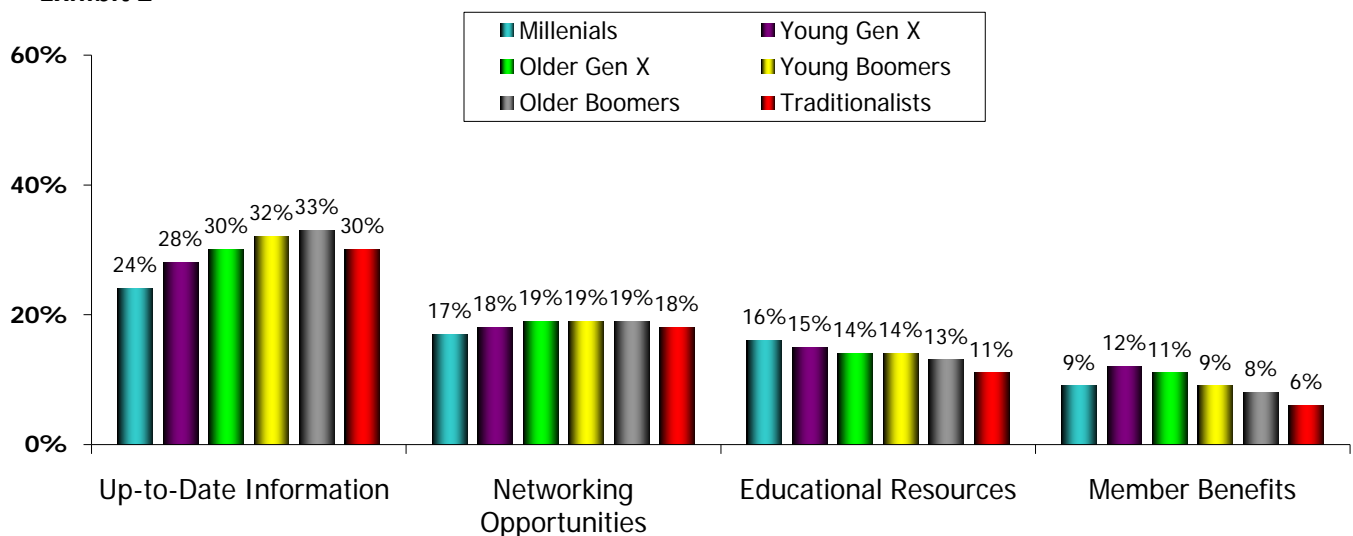
Individuals were presented with a number of possible reasons for belonging to the association and were asked to allocate 100 points across the reasons for belonging, assigning more points to those reasons that were more important to them. In the current study, 99.6% of all respondents indicated that they belong to their association for multiple reasons, that is, only .4% of respondents allocated all 100 points to a single reason for being a member of their association.

The reasons for belonging were categorized as either being motivated by *personal gain* (e.g. networking, education, member benefits, etc.), motivated by *altruism* (e.g. supporting the profession, supporting the association, etc.), or *neither* (e.g. job requirement, dues were reimbursed by employer).

Motivated by Personal Gain

The graph below shows the percentage of total points allocated to each reason, by generation. This graph contains the top four reasons why members belong to their professional association. Coincidentally, these four reasons fall into the category of providing personal gain to members. The number one reason why members in this study belong to their association is for the information that the association provides that keeps them current in their profession.

Exhibit 2



As Exhibit 2 on the previous page shows, getting up-to-date information is a higher priority for individuals in older generations than for younger generations, except for the Traditionalist generation. For Traditionalists (individuals over age 64), keeping current on industry information is not as high a priority. A logical conclusion is that some members of this group are retired and they place a relatively higher priority on other reasons for belonging.

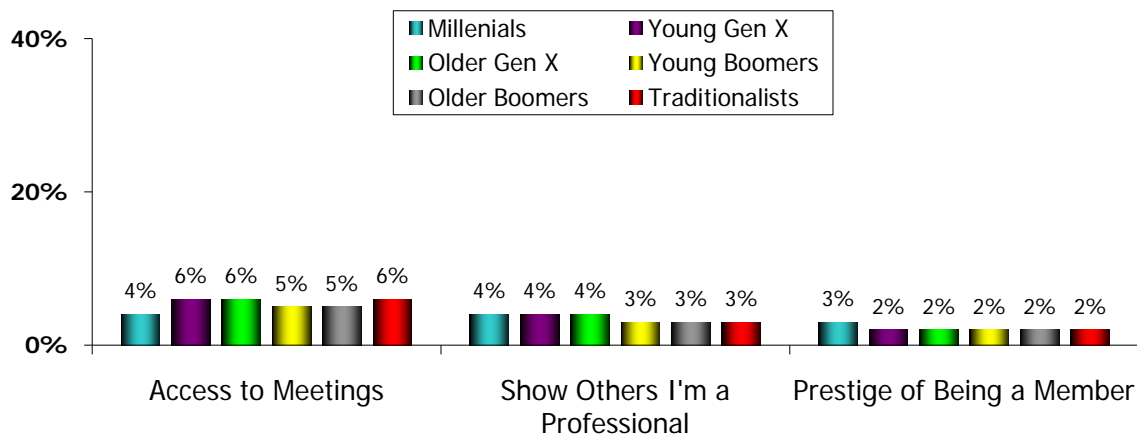
There is no difference among generations on the priority for networking. Even though younger generations may be more involved in electronic media for social networking, they still place the same reliance on the association as a source for networking and building professional relationships as do older generations.

Younger generations are more likely to belong to an association for the educational resources that the association provides than are older generations. This may be a result of older members not requiring as much education, or it could be the result of older generations having developed alternative sources for their educational needs beyond the association's offerings.

With the exception of Millennials, it appears that the priority on member benefits as a reason for belonging declines over time. The lower priority on benefits for Millennials results from a larger percentage of points being allocated to other reasons, which will be explored in the next section.

The graph below shows the three remaining personal gain reasons that were tested. These three are minor compared to the previously discussed reasons. (The percentages in the graph represent the percentage of points allocated to their reasons for belonging.) Millennials place a slightly lower priority on belonging in order to have access to the association's meetings, and a slightly higher priority on the prestige of being a member. Being a member in order to show others that they are a professional in their field has the same relative priority for all six generational groups.

Exhibit 3

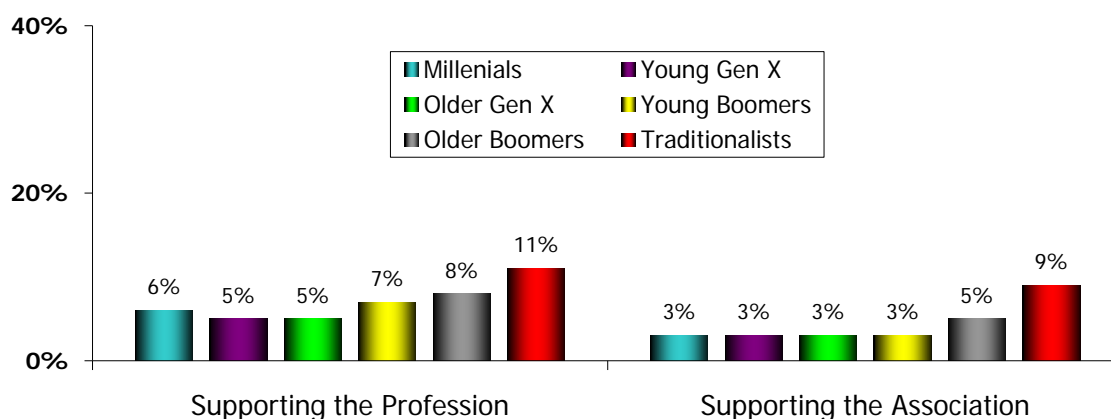


Motivated by Altruism

Members sometimes join associations for more than just personal gain. They also join for altruistic reasons. The points allocated for their reasons for belonging to the association (see Exhibit 4 below) shows that for every generation, supporting the profession is a higher priority than supporting the association. Associations who compete with other associations for the same pool of professionals, should be mindful of the fact that members have other opportunities to satisfy their need to support the profession.

The priority points allocated to supporting the profession is statistically the same for Millennials and both Generation X groups. However, the increase in the priority from Older Generation X to Young Baby Boomers is significant. In general, members in the older age groups place a higher priority on supporting the profession than do younger members.

Exhibit 4



When it comes to supporting the association, the four youngest generations are identical in their priority ranking for belonging to the association. Older Baby Boomers and Traditionalists place a higher priority on supporting the association than do their younger colleagues.

In previous research, we have noticed a positive correlation between the priority given for altruistic reasons for belonging and volunteerism. That is, members who are currently serving as a national or local volunteer, or have previously served as a volunteer, place a higher priority on altruistic reasons for belonging to the association than do non-volunteers.

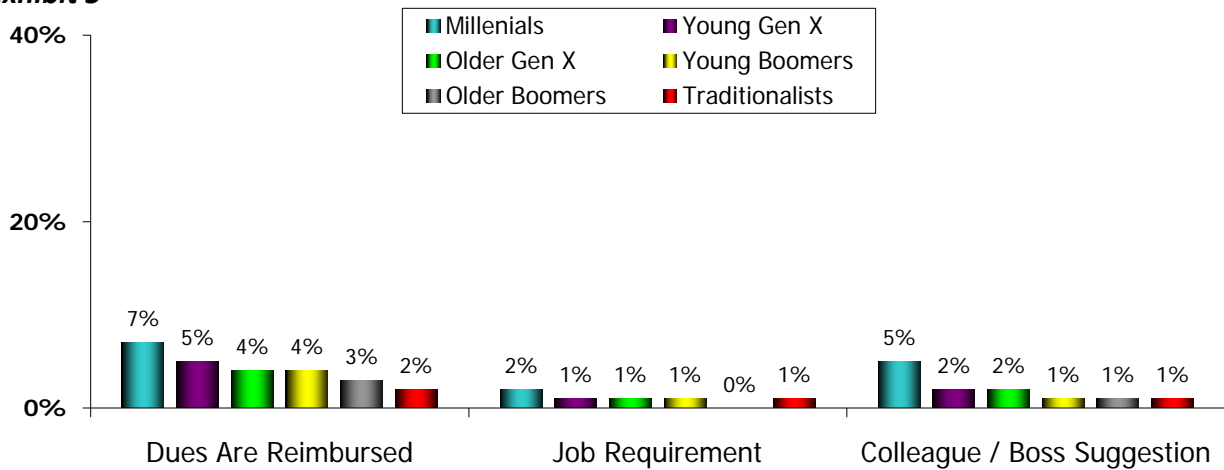
In the graph above, Millennials allocated 9% of their total points to altruistic reasons (6% for supporting the profession and 3% for supporting the association). However, this 9% allocation represents the overall average of this generation. Which is to say that some members allocated more points, while others allocated fewer points. It is beneficial to understand that individuals who score higher on the “altruism index” have a higher propensity to volunteer. Gathering this information from a single question on a member survey or the membership application can generate a pool of members who have a higher level of interest in volunteering.

Motivated by Other Reasons

Some of the reasons for belonging to a professional association would not be classified as either for personal gain or for altruism. These would include having their membership dues reimbursed, because membership is a job requirement, or because of a suggestion by their boss or a colleague.

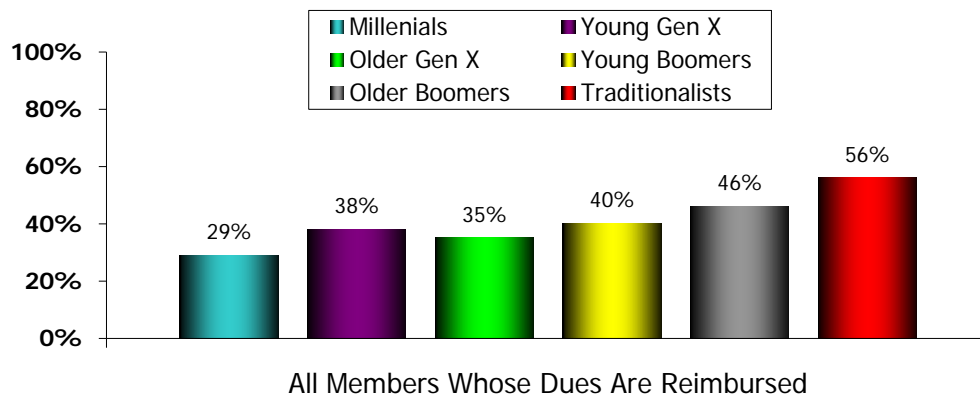
Millennials are more likely than other age groups to belong because their dues are reimbursed or because of someone’s suggestion. Associations who have a large percentage of members whose dues are reimbursed might be concerned with a downturn in the economy, causing employers to cut back on reimbursing their employees’ professional dues.

Exhibit 5



Members of older generations whose dues are reimbursed are more likely than younger generations to renew their membership if their employer no longer provided financial assistance. The percentages in Exhibit 6 below show the percentages of respondents who indicated that they would be extremely likely or very likely to renew their professional association membership if they were responsible for paying their own dues. Only members who receive dues reimbursement were asked this question.

Exhibit 6



Effects of Dues Reimbursement

For some members, dues reimbursement is a major factor in their decision to belong to the association. In this study, we found that only 39% of members who are reimbursed for their professional membership dues would be extremely likely or very likely to renew their membership if they had to pay their own dues. (Exhibit 6 on the previous page shows how this overall average breaks down by generation.) Among their verbatim comments, one of the reasons some members were unsure about their future with the association was the uncertainty of whether or not their employer would eliminate professional dues reimbursement during periods of economic distress.

In spite of the fact that associations are vulnerable to losing members whose dues are reimbursed during an economic downturn, there are some positive aspects of dues reimbursement that balance the economic risk.

In general, we found that members whose dues *are* reimbursed:

1. are *more* loyal to the association;
2. are *more* likely to renew their membership;
3. rate the value of their membership higher;
4. rate their member benefits higher; and
5. rate their membership dues more favorably (even though they are less likely to be able to recall the amount of their dues).

On the downside, we discovered that members whose dues are paid by their employer:

1. are *less* likely to recommend the association to prospective members;
2. are *less* likely to volunteer; and
3. are *less* likely to attend the Annual Conference/Convention.

In other areas, there were no differences among members based on dues reimbursement. Both groups of members were equally likely to attend local chapter meetings and gave the same performance/quality ratings to:

1. the Annual Conference/Convention;
2. Customer Service/Member Services;
3. the website; and
4. their local chapter.

Because reimbursement, or the lack of reimbursement, affects the level of personal investment that members have with their association, the impact of dues reimbursement on each generation's attitudes and perceptions of the association is addressed in subsequent sections of this report.

Likely to Recommend Their Association Membership

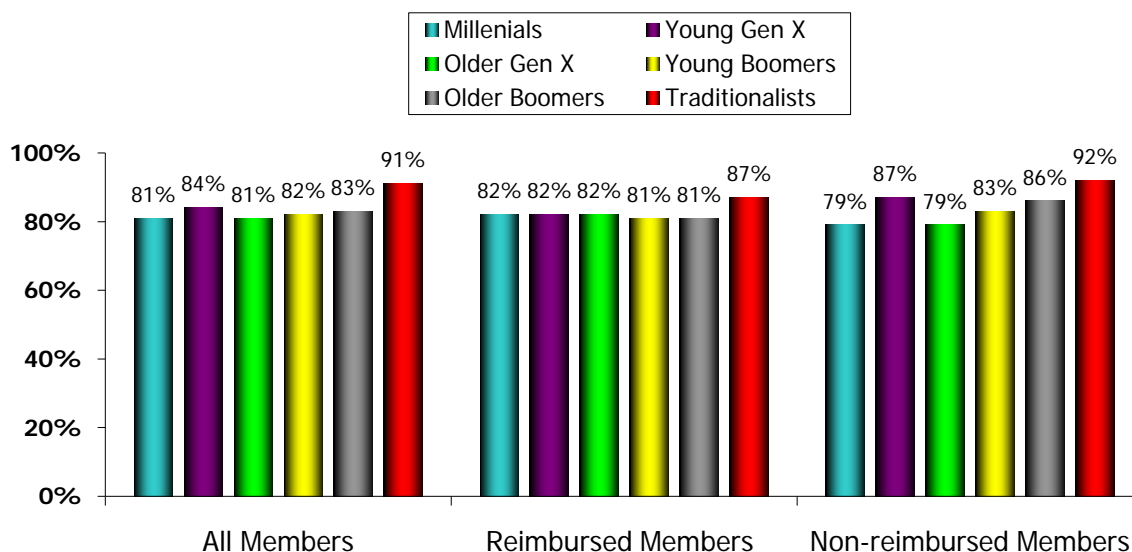
The graph below shows the percentages of respondents who indicated that they are extremely likely or very likely to recommend their professional association to others. This is an important measure of the strength of the relationship that members have with their association. Generally, only individuals who believe the association delivers value and worthwhile experiences will stake their personal reputation on giving a recommendation.

Within the segment of reimbursed members, all generations are equally likely to recommend their association, with one exception. Traditionalists have a higher likelihood of recommending their association. In fact, Traditionalists are more likely than other generations to recommend their professional association to others, regardless of whether or not their dues are reimbursed.

Millennials and Younger Gen Xers are slightly more likely than other generations to recommend the association if their dues are reimbursed. In contrast, all other generations are more likely to recommend the association if their dues are not reimbursed.

A possible explanation for individuals to be more likely to recommend their association if they pay their own dues might be that paying for one's own dues requires a deeper commitment to the association, and that commitment results in a willingness to recommend the association's membership to others.

Exhibit 7



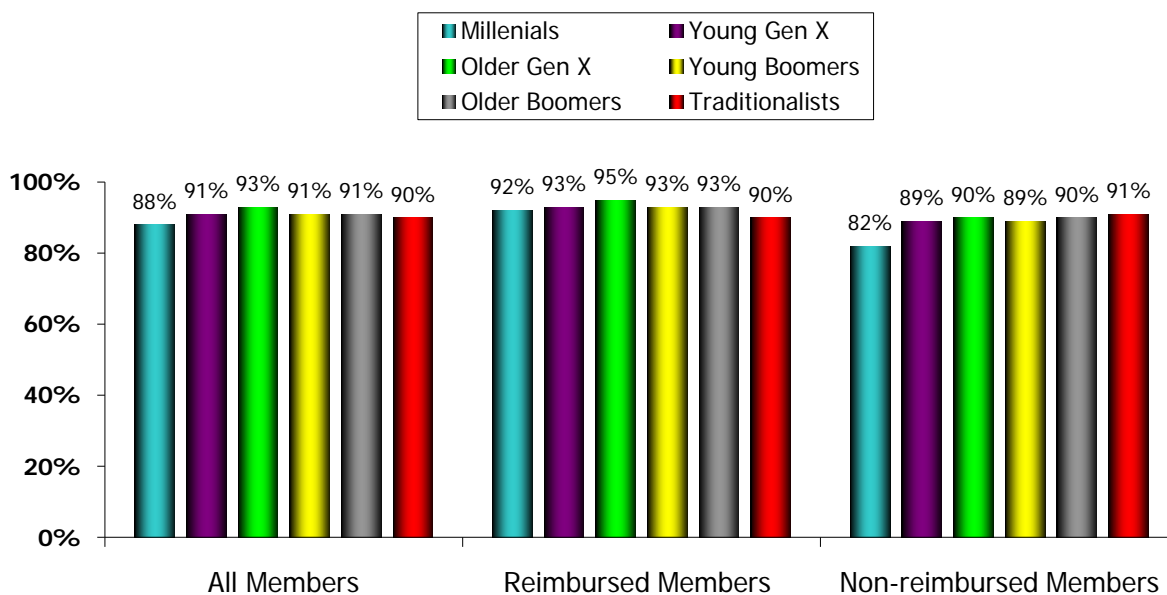
Likely to Renew Their Membership

Study participants were asked to indicate their current likelihood of renewing their membership. The graph below shows the percentages of groups who indicated that they are extremely likely or very likely to renew their membership. Ninety-one percent (91%) of all survey respondents indicated that they are extremely likely or very likely to renew their membership.

Not surprisingly, respondents whose dues are reimbursed are more likely to renew their membership than those who pay their own dues. This applies to every generation, with one exception. Among respondents in the Traditionalist generation, respondents are statistically equally likely to renew regardless of who pays their dues. Because the youngest members of the Traditionalists generation are currently 64 years of age, it is not surprising that fewer than 30% of Traditionalists receive dues assistance – the smallest percentage of any generation.

Among respondents who pay all of their own dues, Millennials are the least likely to renew their membership. This confirms other research studies in which the younger (newer) members have less experience with the association, have experienced fewer benefits from association membership, are less likely to have volunteered, have had fewer opportunities to attend chapter meetings or an annual meeting, and have less time invested in the association. With apathetic, dissatisfied, or disgruntled members leaving after their first couple of years (honeymoon period), older cohorts are left with a higher percentage of members who feel the association is a good match for them, and therefore exhibit a larger percentage of members who are likely to renew their membership.

Exhibit 8



Membership Value

In our research, we have found that value is the determining factor of whether or not an individual will renew his/her membership and participate in association activities. Consistent with the results of studies that focus on current members, we have found that low value is the number one reason given by former members for not renewing their membership.

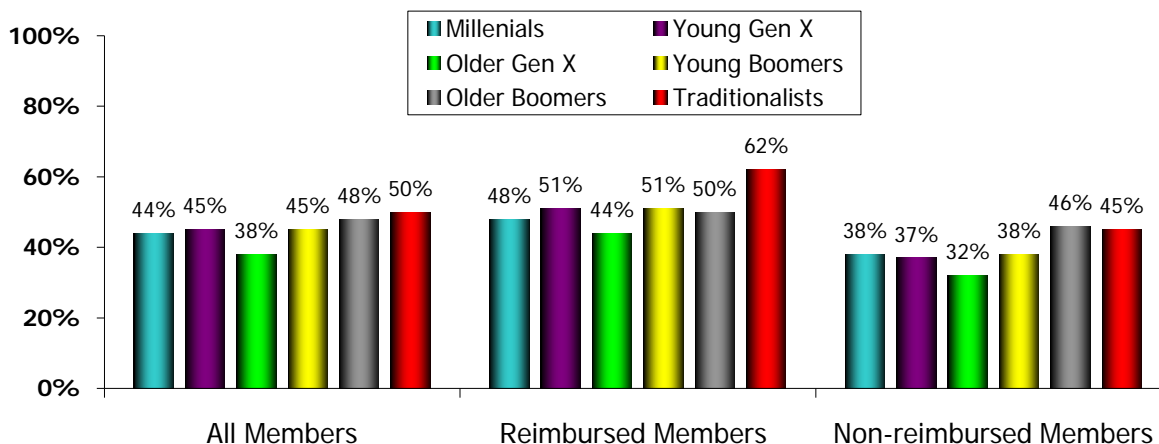
The graph below shows the percentage of survey respondents who rate the value of their association membership as “excellent” or “very good”. These percentages are an average score for all participants, regardless of the association to which they belong. Value ratings should not be confused with satisfaction ratings. Satisfaction ratings are typically higher than value ratings, but satisfaction ratings do not provide the ability to diagnose deficient areas within an association like value ratings do. Analyses that identify the key drivers of value and their current performance, enable associations to pinpoint deficiencies and prioritize improvement efforts.

The lower value ratings given by the Older Gen Xers could be the result of a mismatch between their personal and professional goals, and the programs, benefits, and experiences currently being provided by their association.

The higher value ratings provided by members who receive dues reimbursement is consistent with other findings in this study, in that these members are less able to recall how much their dues are. For those who can recall the amount of their dues, they rate their dues more favorably than members whose dues are not reimbursed.

Of all the analyses in this study that examined the effects of dues reimbursement, the only area that has a greater difference of opinion between the dues reimbursement group and the non-reimbursement group than membership value is membership dues. (Dues are presented in the next section of this report).

Exhibit 9



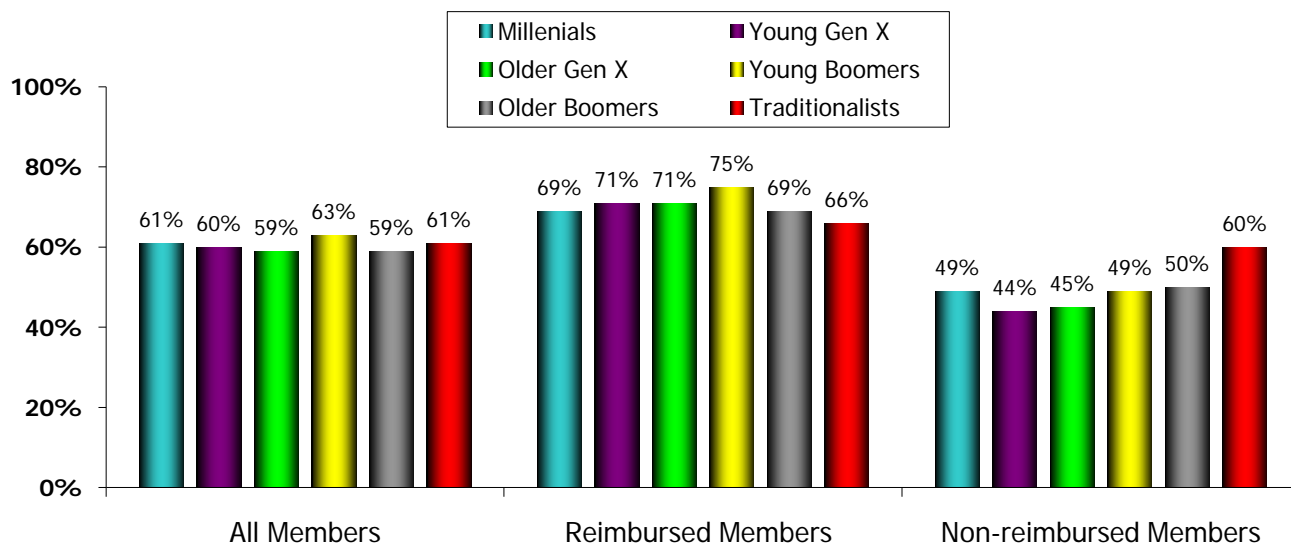
Membership Dues

Members' perceptions of dues were determined by asking them how they would rate their dues on a five point scale (low, somewhat low, moderate, somewhat high, and high). The graph below shows the percentages of survey respondents who rated their membership dues as "low", "somewhat low", or "moderate". By expanding the respondents into groups based on who ultimately pays for the membership dues, it is clear that there are two distinct segments of members in the way that they perceive their membership dues.

For some generations, the difference between the two groups was 20 percentage points, or more. This means that 20% more respondents in their generation rated their membership dues low to moderate if their dues were reimbursed. If one were to focus on the ratings for membership dues given by all members as a single group, then the differences in price perception among member segments would be masked.

These two groups also differ in their ability to provide a rating on how their dues compare to other associations. More than 6% of members who receive dues reimbursement did not offer a relative rating for their dues (providing a "don't know" response), while fewer than 1% of members who paid all of their own dues gave a "don't know" response. This validates the notion that members who don't pay their dues out of their own pocket are less aware of the actual cost of dues.

Exhibit 10



Overall Quality of the Association's Website

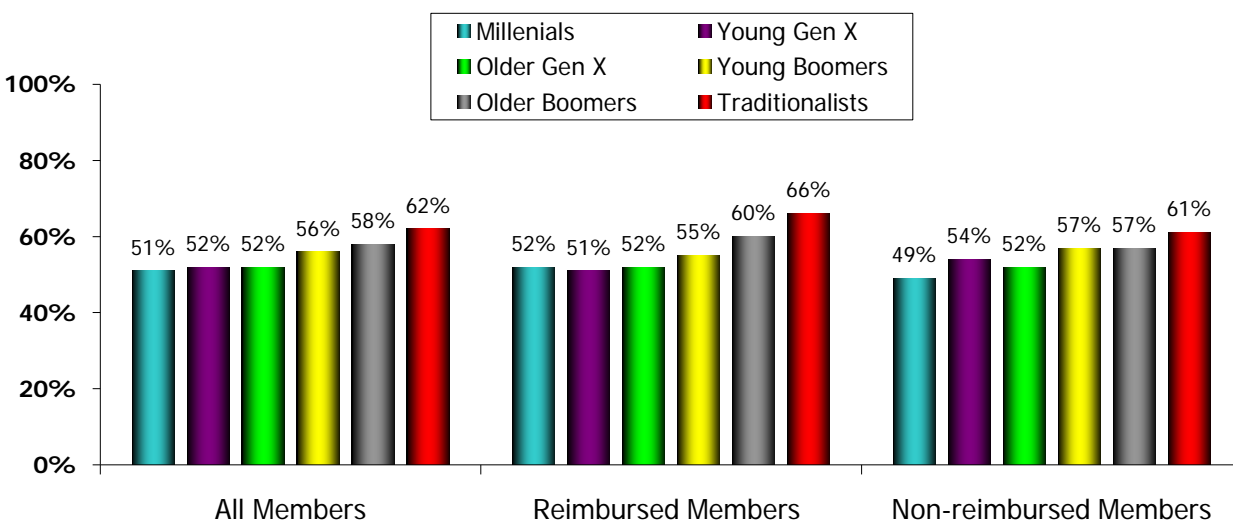
Some individuals hypothesize that younger members might be more critical of an association's website, (i.e. their standards might be higher), reasoning that younger members are more immersed in technology, are more likely to rely on social media to keep informed, and may have a greater reliance on an association's website as a source for staying "connected" with the association.

The graph below shows the percentages of respondents who rated their association's website as "excellent" or "very good". Focusing on the far left section of the chart (all members), it is clear that younger members are indeed more critical of their association's website. The stair step characteristic indicates that older generations in this study rate the quality and performance of the website significantly higher than do younger generations. Interestingly, the three youngest generations are statistically identical in the rating they gave the quality of their association's website. Baby Boomers and Traditionalists show a greater appreciation for the website.

The section of the chart that focuses on reimbursed members is consistent with the "all members" group, in that the three youngest generations are identical in their assessment of the website, and the significant increase in ratings is not realized until the Baby Boomer generation.

For those who pay their own dues, the Millennials are the most critical of the performance and quality of their professional association's website, with fewer than half of these respondents giving the website an excellent or very good rating.

Exhibit 11



Social Media Use

The percentages in the graph below indicate the percentage of respondents who indicated that they have registered or subscribed with a particular medium (e.g. 75% of Millennials have a Facebook account). The extreme right portion of the graph (None) indicates the percentage of respondents who do not use any of the social media presented in the survey.

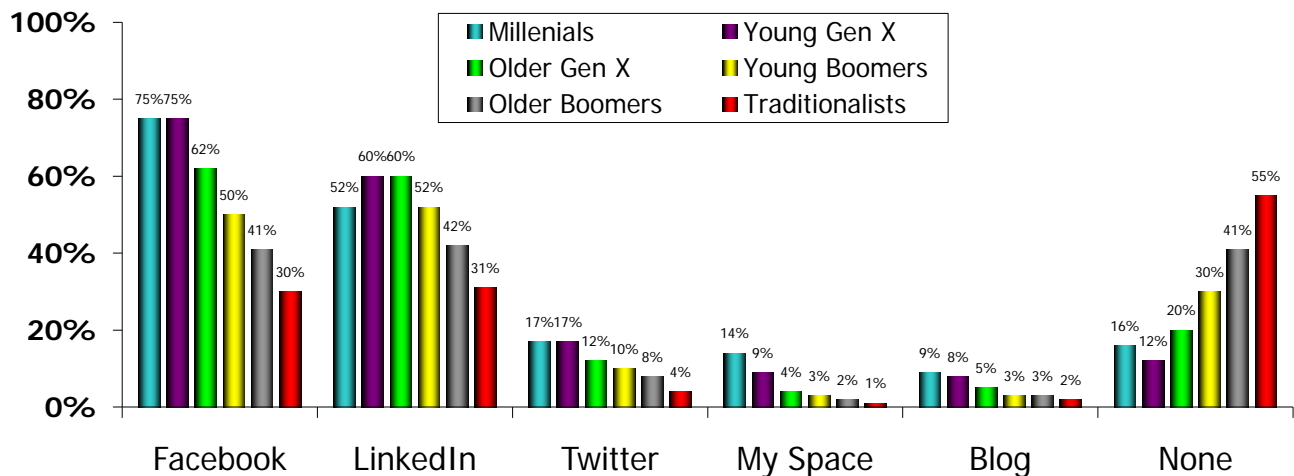
The Young Generation X group had the highest percentage of respondents who are involved with at least one social medium (i.e. they had the lowest percentage of non-users of social media at 12%), while the Traditionalists had the highest percentage of non-users of social media (55%).

For Millennials and Generation X members, Facebook is the most commonly used social medium, followed closely by LinkedIn. By contrast, LinkedIn is the most commonly subscribed to medium for the three older age groups, followed closely by Facebook in second place.

Millennials have the largest percentage of group members who subscribe to Twitter, blogs, and My Space, but neither of these three can match the user base that Facebook or LinkedIn enjoys among the study participants.

Individuals were asked their preference for receiving association news and given options of a printed newsletter sent to them via postal mail, an email newsletter, a digital document that would be downloaded from the association's website, or delivered through any of the social media in the graph below. Over 90% of respondents selected an email newsletter as either their first or second choice. In distant second was a statistical tie between a printed newsletter delivered via the postal service and a downloadable document on the website.

Exhibit 12



Volunteerism

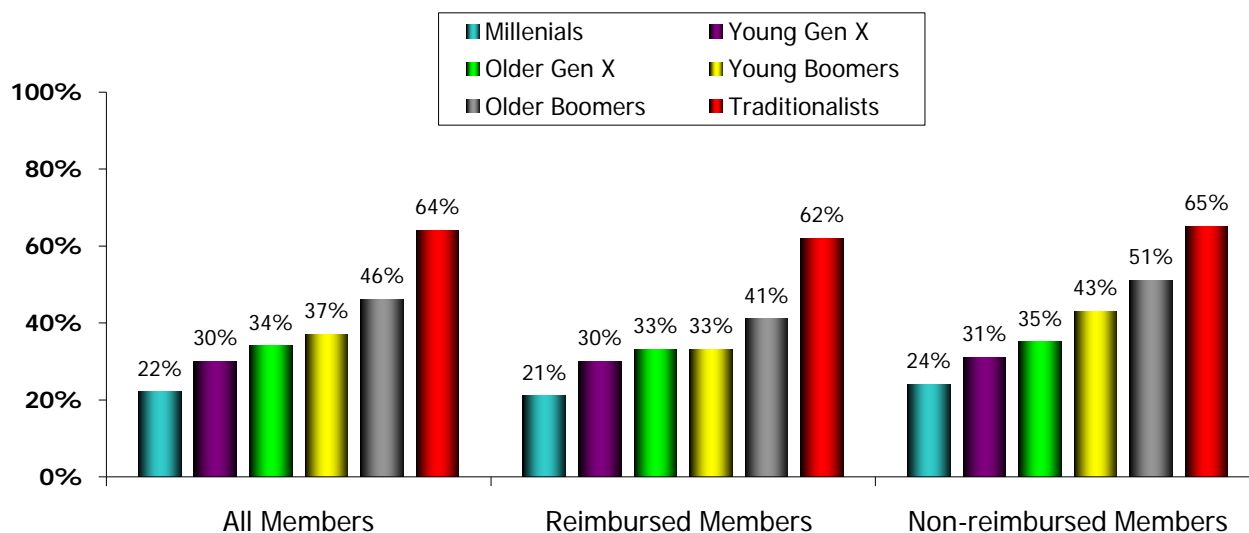
The graph below shows the percentages of respondents who are currently serving, or who have served, as either a national volunteer or a local chapter volunteer for their professional association. The stair step nature of the graph below can be partially explained by the fact that older individuals, in general, have been members of the association longer. The longer an individual has been a member, the more opportunities he/she has had in serving the association in a volunteer capacity. Therefore, the upward trend of the graph is to be expected.

One takeaway from Exhibit 13 is the difference between those who pay their own dues and those who do not. For every generation, members are more likely to be serving or to have served as a volunteer if they do not have their dues reimbursed. A possible explanation is that those who pay their own dues “have more skin in the game.” They have invested more of their own money and may be more committed to the association as a result.

The difference between the two groups is the most pronounced among the two segments of Baby Boomers, where the percentage of Young Baby Boomers and Older Baby Boomers whose dues are not reimbursed are ten percentage points higher than for those whose dues are reimbursed.

The higher percentage of Traditionalists who are, or have been volunteers, is consistent with earlier analyses that indicate this age group places a higher priority on altruism (supporting the profession and supporting the association) as a reason for belonging to the association than do other groups. It is unclear whether this willingness to “give back” is a function of their age, their career stage, or perhaps a characteristic of this generation.

Exhibit 13



Annual Conference/Convention Attendance

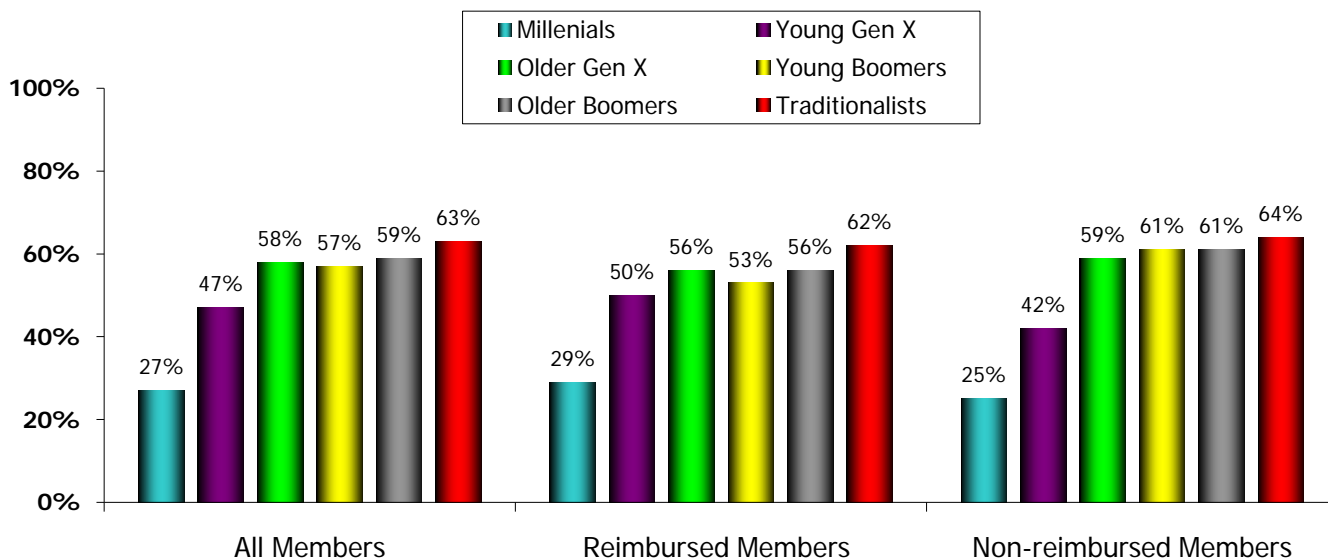
Annual conferences and conventions are important to associations for a variety of reasons. From our perspective, annual gatherings provide opportunities (e.g. educational sessions, social networking) for an association to strengthen the relationship between itself and its members.

Many associations have the ability to determine the generational differences among attendees for their events based on registration information. Therefore, the information this section provides goes beyond segmenting respondents by generation. This section combines generational differences with dues reimbursement to gauge the impact that dues reimbursement has with convention attendance for each generation.

Survey participants indicated whether or not they had *ever* attended their association's annual conference or convention. The graph below indicates the percentages of member groups who had attended at least one annual meeting. The lower percentages by Millennials can be partially explained by the fact that they have been association members for a shorter period of time and have had fewer opportunities to attend an annual meeting.

The two youngest generations (Millennials and Young Generation X) have a higher percentage of attendees among those whose dues are reimbursed. The remaining four older generations have a higher percentage of attendees in the group of non-reimbursed members.

Exhibit 14



Analysis of Captive Members

Captive members are association members who indicate, through a combination of survey responses, that they are “trapped” or captive. By definition, these are individuals who give one of the lowest possible ratings to the value of their membership, but one of the highest possible responses for the likelihood to renew their membership. In other words, these are individuals who indicate that they are likely to remain a member in spite of believing that they receive low value from their dues. The assumption is that these individuals are members of the association for reasons other than receiving a good value for their membership.

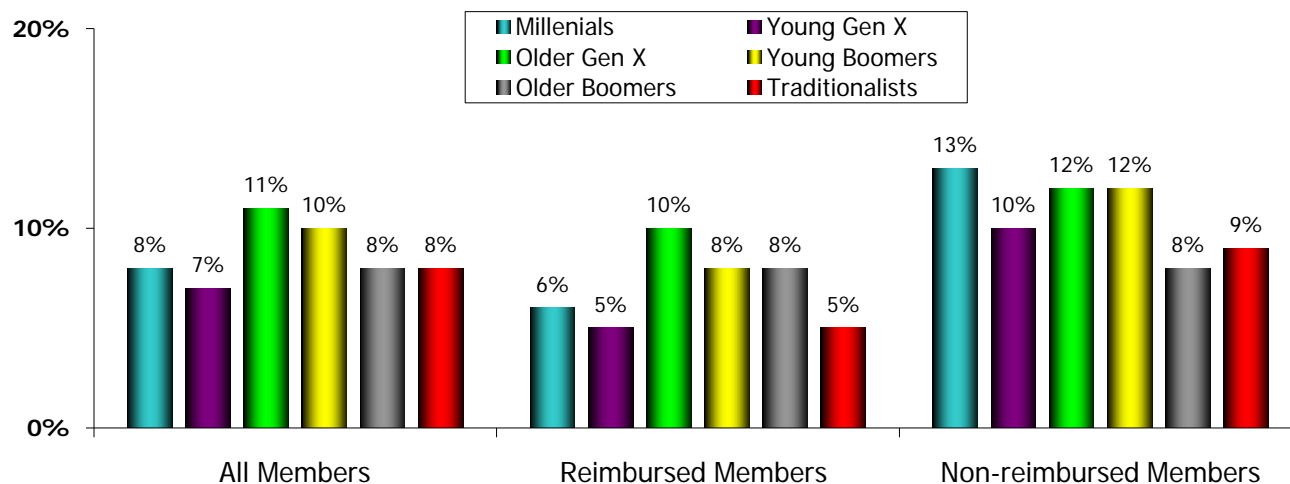
In previous Association Metrics research, the underlying causes of captive membership were found to include:

1. The association offers benefits or programs that are required in the profession (e.g. certifications, licensure, affordable liability insurance, etc.);
2. Individuals have been a member for many years and do not want to “break the string”;
3. There are no known alternatives to what the association does or offers that are suitable;
4. Dues reimbursement (even though they receive little value, there is no personal expense);
5. They are an unhappy volunteer, but they would like to finish their term;
6. It is easier to renew than to shop for an alternative at this time;
7. It is a hassle to join a new association and become acquainted with it.

While some may argue that it is better to retain a captive member than to lose the member, captive members may be more likely to be disgruntled and more difficult to deal with than non-captive members.

The graph below shows the percentages of captive members in each generation and dues reimbursement group. As expected, individuals who pay all of their own dues exhibit the characteristics of being captive. The only generation that is an exception is the Older Baby Boomers, who have the same mix of captive and non-captive members in both dues reimbursement groups.

Exhibit 15



Conclusions

Even though the focus of this study was to determine differences among association members based on different generations, the differences in this study could be the result of three separate factors that differentiate these groups:

1. generation
2. age
3. career stage

Only by repeating the study over time, can causality be accurately assigned to each of these three factors. For example, this study alone does not provide enough information to be able to predict the attitudes, behaviors and preferences that Millennials will have when they are in their 60s. In 35 or 40 years from now, will Millennials exhibit characteristics that are more like Millennials did in 2010 or more like Traditionalists did in 2010?

However, this study does provide insight into the differences that currently exist, regardless of the source of the difference. While the academic may be interested in developing a deeper understanding of why things occur in the way they do, most practitioners are interested in knowing how the results can be applied to their organization.

Some of the key takeaways from this study are:

1. Members belong to associations to satisfy a variety of personal and professional needs, and a very small percentage of members belong to an association for only one reason;
2. The main reasons members belong is for personal gain, but they also belong for altruistic reasons;
3. Members place a higher priority on supporting the profession than on supporting the association;
4. Older members are more likely to belong for altruistic reasons;
5. Older generations are more likely than younger generations to continue their membership if their dues were no longer reimbursed;
6. Older generations, particularly Traditionalists, are more likely to recommend the association;
7. Associations who are interested in revamping their websites should consult with Millennials and Gen Xers as these members are more familiar with technology, and are more critical of their current website;
8. Facebook and LinkedIn are popular among all age groups, with Facebook being the most popular medium among younger generations and LinkedIn being the most popular among older generations;
9. All age groups prefer to receive their association news as an email newsletter.

Association members are not a homogeneous group, and understanding the different needs, aspirations, and opinions of each generation will enable associations to match their programs and benefits to members' specific needs and reap the benefits that accrue from stronger relationships.

About the Author



Larry Seibert, Ph.D. is the founder and CEO of Association Metrics, a research and consulting firm that specializes in measuring and managing member relationships for associations.

In addition to his more than 20 years of private industry and consulting experience, he also has 16 years' experience as a Marketing professor. He has a Ph.D. in Retail Management from Purdue University and an MSBA with a concentration in Marketing from Indiana University Northwest.

His research papers and articles on member research have been published in various journals and trade publications. He has also presented webinars and workshops on measuring member satisfaction and member loyalty.

Dr. Seibert is a member of the American Society of Association Executives (ASAE), the Indiana Society of Association Executives (ISAE), the Association Forum of Chicagoland, and the American Marketing Association (AMA).