



SEGMENTATION – GETTING THROUGH TO YOUR MEMBERS

Sue Froggatt shows how organisations can work more effectively with recruitment and retention by applying various techniques.

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How can segmentation help golf clubs with recruitment and retention? In this article Sue Froggatt shows how organisations can work more effectively in both these areas by applying a series of techniques.

Intuitively we know that not everyone in the pool of prospective members is likely to be equally interested in joining. So how do you decide who to focus on?

Traditional segmentation approaches have been to look at characteristics such as:

- Size, industry sector or location for targeting organisations - for societies and individuals
- Position, the stage they have reached in their career or status for business professionals
- Demographics, socio-economic status or stage they have reached in their life cycle for individuals at home.

These may be helpful, but more powerful options exist.

Attitudes, preferences and benefits required are better predictors of behaviour and these are often triggered by situations and events.

If you find out what situations made people interested in joining, you can use this to target others in the same situation. ***Situational segmentation*** is very powerful.

For example, for an individual it could be a career move into a new position that sparked interest in joining. For a company, it could be an injection of new funds or the introduction of new legislation. Such situations have been shown to be strong triggers for interest in particular services and products.

So how do you find the names of people or organisations in these situations? There are several options:

1. You could make use of third parties who specialise in this type of service and who will alert you to these situations. There are various business intelligence services that will regularly send you lists of people or organisations experiencing a variety of situations. Some are free to use and others charge. Did you know that you can buy mailing lists of people who have recently been appointed into a job?
2. You could introduce specific products for them. For example, a booklet called 57 great tips on moving into a job in 'XYZ' or a special introductory membership offer.
3. Simply ask your members, because they will often know people going through these situations.

How you can save money

It is equally important to have a segmentation strategy for existing members.

Let me explain. People and organisations join for different reasons and with different expectations. The decision to renew every year will depend on how well you have met those needs.

If you ask members when they join what it is they primarily want from you, and code your database accordingly, you can then target different types of members and offer them what they most want. This will increase member satisfaction, increase retention and save you money because you won't be sending them information anymore that they are not really interested in receiving.

A membership segmentation model that has been developed specifically for associations is called Allegiance®. It is based on interviews with over 200,000 members and asked them why they stay loyal and pay their subscription every year. Nine different types of member categories were found to exist and this could be adapted for golf clubs.

For example, one category of member is called 'Relevant Participant®'. These members primarily join because they want to network and attend events. So when you are sending out reminder notices about a forthcoming seminar or social event, these are the members who would value the reminder. However it would be wasteful to send reminders to your 'Mailbox™' (or Country) category of members. Mailboxers are on average 4-5 times less likely to attend because they do not have the time and are primarily interested in receiving information from you through the post or via email. Anyway geographically they may not easily be available. They would see the reminder as a waste of money. These people however would welcome summaries of material that you have sent out in the past or, for the golf club situation, notice of a special golfing event/competition and what is planned in the future.

Allegiance tells you what communications to send out and what involvement opportunities to offer each of the nine member categories. There is also a workbook that gives you templates of various letters to use for each category so that the focus of the message is more appealing.

Many organisations send out far too much information that is of little interest to the recipient. Using a segmentation strategy for recruitment and retention will focus your resources wisely and prevent this from happening. This is smart membership marketing.

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