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Three powerful CX strategies for membership **retention success**

Playing for keeps





In the world of consumer services, businesses rely heavily on membership-based fee structures. Customers find convenience in “set-it-and-forget-it” plans, and companies enjoy the steady, predictable revenue they provide.

But most customers have a limit on the number of memberships they hold and how much they’re willing to spend on them.

With tighter budgets stemming from economic uncertainty, consumers are more likely to replace their existing memberships than sign up for additional services. For brands, that means ensuring customers find enough value to retain their memberships is more important than ever.

Discover three key findings from our recent membership study and get better at keeping the customers you worked so hard to enroll.



POINT #1

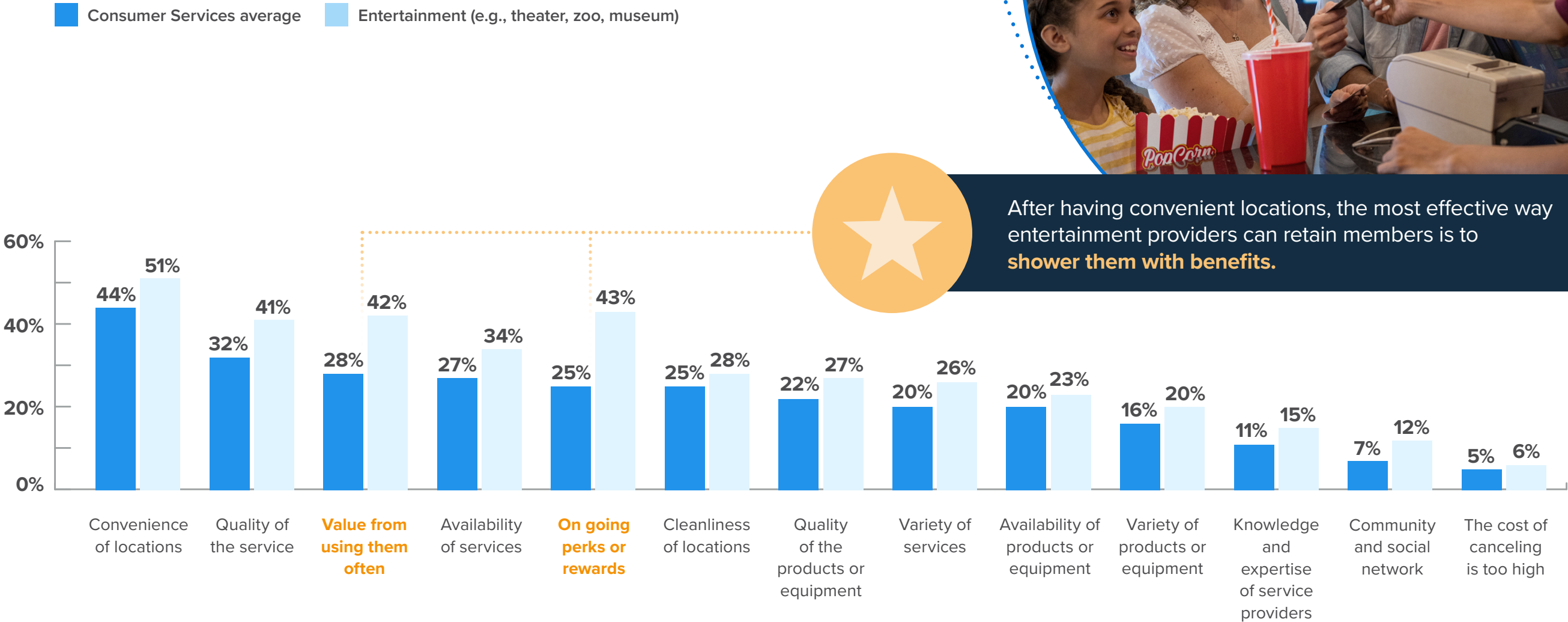
Members crave attractive benefits and rewards

Customers love to feel like they're receiving "the royal treatment." It's human nature, really, and businesses that lean into the VIP experience by rewarding frequent visits and providing ongoing benefits via a loyalty program can help entice customers to use their service frequently.

Offering frequent visitor perks and personalized offers can be a great way to keep members coming back often. Providing sign-up perks to create a positive experience from the get-go is more valuable to entertainment members, such as regular theater and zoogoers.



Which of the following describe why you have **kept** your memberships?



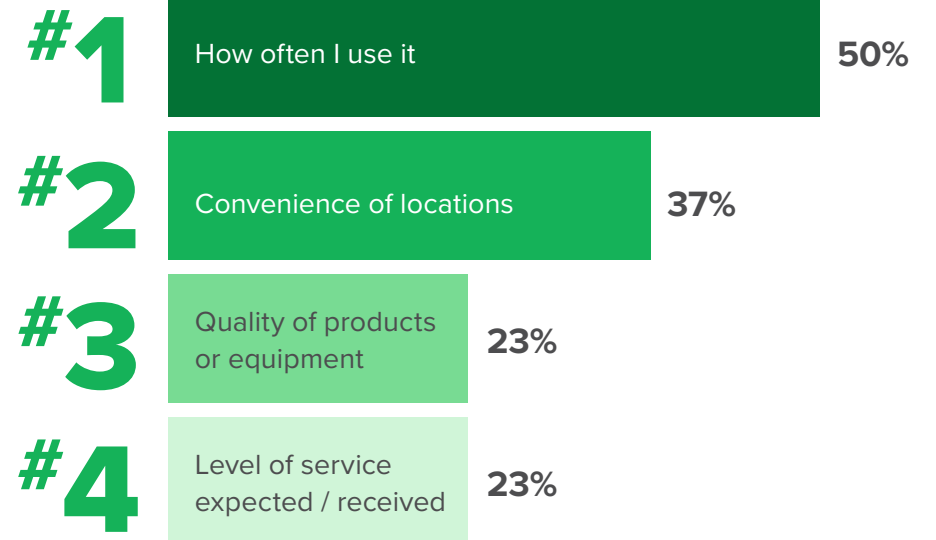
POINT #2

Frequent engagement boosts member commitment

Customers are most likely to keep using their memberships when they use services frequently. Brands committed to understanding and addressing pain points, which prevent barriers to frequent use, give themselves a better shot at retaining members than those that fail to collect and act on feedback.

Car wash members, for example, are more likely to renew with a facility that offers convenience and a variety of services, which means making sure equipment is well-maintained and consistently available for use. And what keeps gym members coming back? Quality, working equipment, good customer service, and clean facilities. Addressing these pain points to entice your customers is key, as a lack of use leads to cancellations.

Which of the following are most important when choosing which membership to **KEEP**?



Your customers will tell you what they're looking for, especially if you go out of your way to ask via surveys or other feedback channels. Brands that **listen AND act** set themselves up to win.

POINT #3

Excelling on service isn't optional

Great service is a key ingredient in membership retention. Brands intent on delivering top-notch service seek to understand what their customers expect from employees, and coach their teams to meet those expectations in friendly, helpful, and

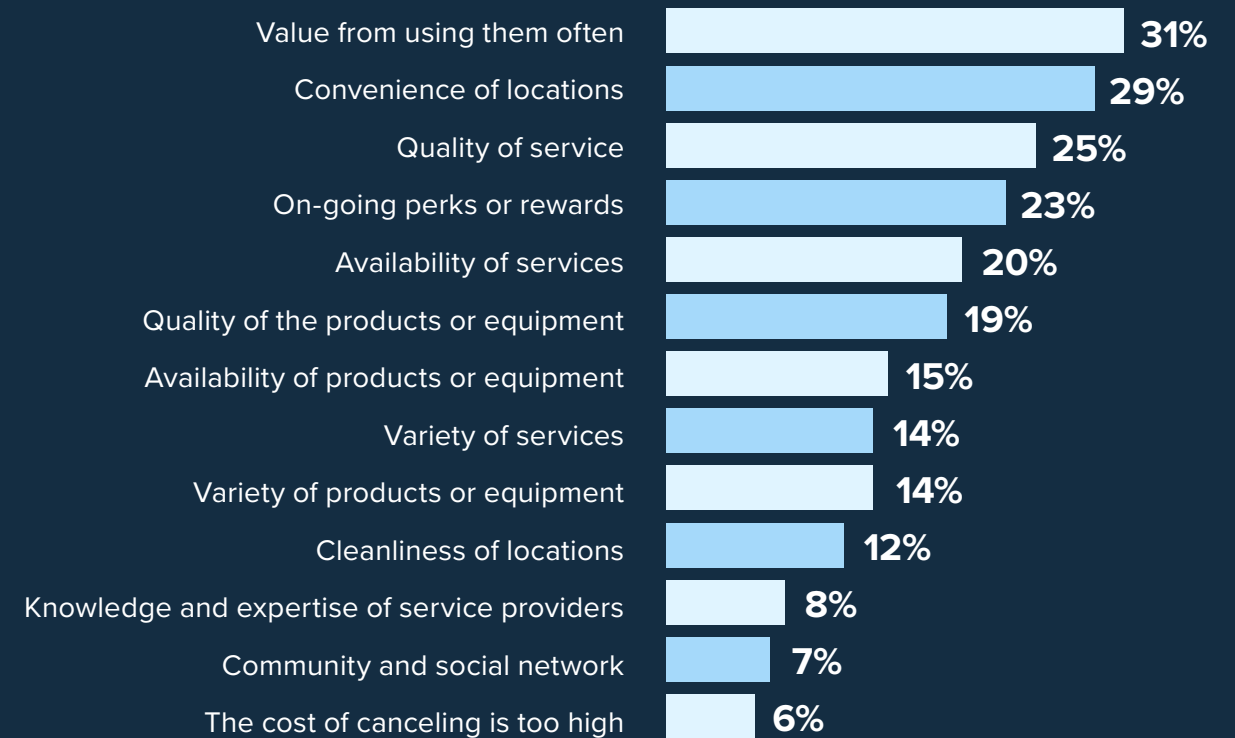
approachable ways. And when expectations aren't met, they equip staff to resolve issues quickly.

Taking a personalized approach based on customers' specific needs goes a long way in showing you care and ensuring your members feel valued.



48% said they have **NOT** canceled any memberships in the last 6 months

Which of the following describe why you have **KEPT** your memberships?



Consumers say **high-quality service** is one of the most important factors in keeping a membership. Take note, smart brands.

Are you prepared to win your members over... again?

1

How compelling are your benefits and perks?

Competing brands are working to lure your members away. It's up to you to reward customers for sticking with you instead of looking for greener pastures.

2

Are you inspiring frequent use?

Customers keep the memberships they use most often. Using their candid thoughts to guide improvements helps encourage regular use—and shows loyalty goes both ways.

3

Is your customer service helping or hurting?

No brand's service is perfect all the time. But how your team treats customers—during good interactions and bad—goes a long way toward retention.

Offering attractive rewards, using feedback to encourage frequent use, and delivering quality service will help members continue to choose your brand.



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About Service Management Group

SMG inspires experiences that improve people's lives. We are a catalyst for change—helping organizations generate new revenue, grow existing revenue, reduce churn and detractors, and drive operational efficiencies. Our unique software with a service (SwaS) model puts a dual focus on platform technology and professional services, making it easy for brands to activate insights based on customer and employee feedback. To learn more about our customer, employee, and brand experience management (XM) solutions, visit www.smg.com.

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