

A photograph of an elderly Asian couple sitting at a table outdoors, eating a meal. The man is on the left, wearing a light blue shirt, and the woman is on the right, wearing a light pink blouse. They are both looking down at their plates. The table is set with white plates of food, including rice and a large bowl of yellow noodles. A red drink with a watermelon slice is on the table. The background shows green foliage and a white building.

# ***THE BENEFITS OF BELONGING:***

***AN ANALYSIS OF MEMBERSHIP-BASED ORGANIZATIONS,  
THEIR CONSTITUENTS, & THEIR LOYALTY STRATEGIES.***

# TABLE OF CONTENTS

<b>THE MECHANICS OF MEMBERSHIP</b>	<b>3</b>
<b>A DIFFERENT TYPE OF CONSUMER</b>	<b>4</b>
<b>A DIFFERENT TYPE OF BUSINESS</b>	<b>8</b>
<b>DISCONNECTS: THE MEMBER VS. THE ORGANIZATION</b>	<b>12</b>
<b>THE OPPORTUNITIES</b>	<b>13</b>
<b>THE PRIVILEGES OF MEMBERSHIP</b>	<b>17</b>

## METHODOLOGY

This report is based on two online surveys, both conducted by iSeatz in December of 2023 and January 2024. The first survey polled 2,130 U.S. consumers who currently belong to a club, association, trade group, or other private membership organization or are a member of a subscription program to assess their attitudes, motivations, and behaviors toward the organizations they belong to. Results were weighted to accurately represent population demographics. The second survey asked 251 professionals in the United States who manage or direct membership organizations or are responsible for member attraction, retention, or engagement about the challenges, goals, and expectations facing their organizations; the responses were not weighted.

## ABOUT iSEATZ

iSeatz connects people to brands with personalized and diverse travel & lifestyle experiences. Backed by proven deliverability, reliable advanced analytics, and travel lifecycle expertise, iSeatz sets the bar for a superb journey from the very first search.

Our clients represent the best in travel, hospitality, and financial services, including American Express, IHG Hotels & Resorts, and Wyndham Hotels & Resorts.

Learn more at [iSeatz.com](https://www.iseatz.com).

# THE MECHANICS OF MEMBERSHIP

The term “membership organization” is broad, encompassing a variety of associations and businesses ranging from trade groups to warehouse clubs to civic societies. These groups of individuals and the organizations that serve them share many commonalities and offer many distinctions from commercial loyalty programs.

But what are those commonalities and differences? What motivates members of these organizations, and how do organizations engage them? Can travel rewards and other loyalty strategies have the same impact on these consumers as they do on people who sign up for points-based programs offered by consumer brands?

These are a few of the questions we set out to answer through a survey of membership organization professionals and consumers in the United States who belong to a membership-based organization. We aimed to examine and gain insights into these groups and the consumers who subscribe to them. After conducting the survey, we identified several key themes related to member and subscriber needs, organizational priorities, and challenges.

First and foremost, **the survey data reveals a different set of priorities and preferences for members and organizations than what previous iSeatz research has revealed about consumers and commercial loyalty program professionals.** While value and money-saving are still important factors for this group of consumers, another important motivator is their connection with the organization. Whether they belong to a professional association so they can network with others in their field to advance their career or a social/service club to volunteer or expand their community, consumers who belong to membership organizations are driven by shared interests and values at a greater rate than consumers who belong to more traditional loyalty programs.

While, to some extent, member-based organizations do recognize these interests and strive to deliver a valuable membership experience to their constituents, it’s clear they haven’t focused on what major consumer brands have already realized – that a compelling loyalty

program can spur member engagement and boost revenue – even if the organization itself is not related to travel or rewards.

The fact that major consumer brands are already integrating travel rewards into their loyalty and customer retention strategies – including some, like the **travel benefits now offered by Walmart+**, that straddle the line between loyalty and membership – means there’s plenty of competition, but also growing awareness and expectation of travel rewards. **This signals an expanding market for travel-related benefits, a development that membership-based organizations can capitalize on.**

Our 2024 Benefits of Belonging report explores these issues and trends, finding that the membership-based sector has unique characteristics from the perspectives of members and the organizations themselves. Each type of organization has its own needs based on its nature, but they all share one commonality: that travel rewards (or a better travel rewards platform) can help them achieve their goals – attracting new members and increasing engagement with existing members.

This report is based on data generated by a survey conducted in December 2023 of 251 professionals in the United States who manage or direct membership organizations or are responsible for member attraction, retention, or engagement, as well as 2,130 American consumers who currently belong to a club, association, trade group, or other private membership organization or are members of a subscription program. The composition of the consumer survey pool was representative of the U.S. population in terms of demographics, and the professionals surveyed included decision-makers at for-profit and nonprofit membership organizations.

# A DIFFERENT TYPE OF CONSUMER

Because of the wide array of membership organizations, “typical” members are as varied as the U.S. population. At the same time, due to the nature of membership organizations, members exhibit characteristics that diverge from standard consumer behavior. With values- and interest-based affinities and a shared willingness to engage frequently, members and subscribers require different approaches than unaffiliated consumers.

## A NEW TYPE OF BRAND AFFINITY

It’s no longer just about value – these members have different priorities, and their affinity to the organization’s brand tends to be emotional. While the traditional loyalty program-customer relationship can be best described as transactional – members earning and redeeming points in exchange for their brand patronage – the relationships between many types of membership organizations and their constituent members are somewhat different.

That said, value remains as important to members of organizations as to consumers overall. **When we asked consumers, “What do you value the most about the membership organizations you belong to?” “Everyday discounts” ranked #1 across all organization types.** However, other high-ranking answers did not center around discounts, as they do in other consumer surveys, including our **Tipping Point report series** analyzing travel loyalty program trends. Instead, we saw that the #2-ranked answer was “Exclusive access to content, events, or experiences,” and #3 was “Interacting with people with shared interests.”

## VALUE EXCHANGE VARIES BY ORGANIZATION TYPE

Not every membership organization is the same, of course. Members of professional associations and trade groups’ second-most valued aspect of their organizations was “professional development,” as might be expected.

# WHAT DO YOU VALUE THE MOST ABOUT THE MEMBERSHIP ORGANIZATIONS YOU BELONG TO?



**#1** Everyday discounts



**#2** Exclusive access to content, events, or experiences



**#3** Interacting with people who have shared interests



Similarly, how members perceived the overall value of the organizations they belonged to and how effectively they felt their organizations delivered on that value varied by organization type. For example, social service clubs value interacting with people with shared interests as the second highest (16%), and 84% say the organization they belong to was extremely or very effective at delivering that value.

**For sports team season ticket holders, the second highest item they value is exclusive access to content, events, and experiences (17%),** and 84% say their group is extremely or very effective at providing it. Resort and entertainment annual passholders also said exclusive access to content, events, and experiences was the second highest item they value (19%), and 83% said their organizations were extremely or very effective at providing it.

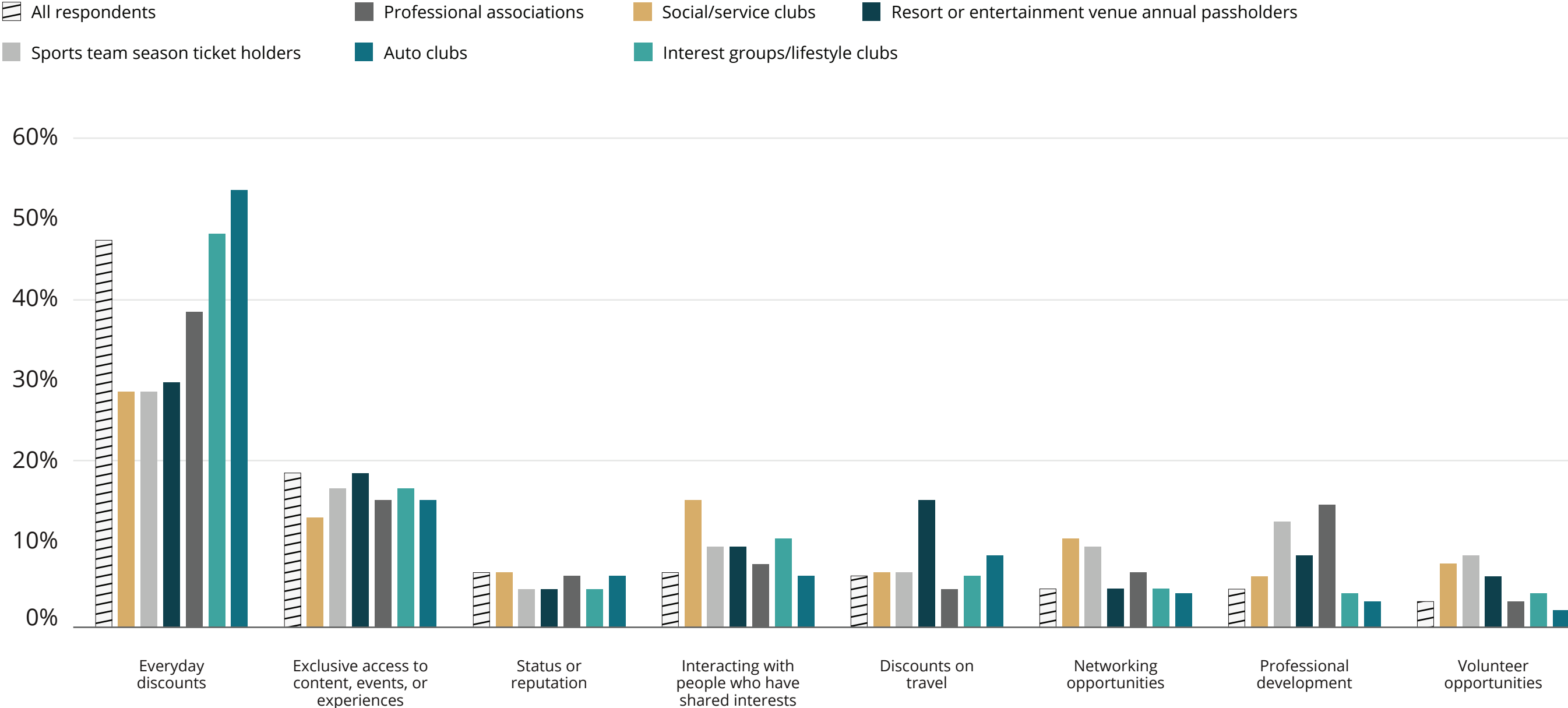
When looking at specific club groups, a consistent proportion within each group values that club the most. For example, 22% of auto club members think that auto clubs provide the most value, 21% of interest group/lifestyle club members believe their type of club provides the most value, and 20% of sports team/season ticket holders believe that their group offers the most value.

These findings suggest that members of organizations could be receptive to other marketing strategies to increase engagement – strategies that highlight and leverage the intrinsic value of the club. **They also suggest that different organizations offer different kinds of value exchange, which can (and should) influence the organization's loyalty strategy and rewards portfolio.** Because many (if not most) loyalty frameworks deployed by membership organizations are not points-based, this can impact how members earn and redeem benefits and the optimal composition of the rewards portfolio.

Survey data clearly shows that while value remains important to members, the traditional transactional approach to loyalty will only go so far toward engaging and retaining them. Even in commercial environments, transactional loyalty is better suited to converting new customers to repeat customers. A loyalty strategy that reinforces advocacy and social loyalty will be more effective for membership organizations where member affinity already skews toward emotion.



# What do you value most about the membership organizations that you belong to?





## FREQUENT ENGAGEMENT IS A CRUCIAL MEMBERSHIP BEHAVIOR TRAIT

One of the findings from our survey that might most surprise those who think of membership organizations as primarily professional associations or clubs is the frequency with which members interact with the organizations they belong to. It's remarkably frequent: 80% of members engage at least weekly with their most-frequented organizations. When asked, "Of those membership organizations you interact with most frequently, how often do you visit their websites or apps, read email updates or notifications, or engage with the brand?" 33% of all respondents said daily, 32% said a few times a week, and 15% said weekly.

Looking only at non-subscription program respondents, the trend still holds, with more than half (53%) of that segment engaging at least weekly with the membership organizations they belong to. This is consistent, with minor exceptions, across all types of organizations captured by our survey, including interest groups, social/service clubs, sports teams' season ticket organizations, and trade groups.



# 80%

**OF MEMBERS ENGAGE  
AT LEAST WEEKLY WITH  
THEIR MOST-FREQUENTED  
ORGANIZATIONS**

## Engagement Frequency by Organization Type

**%** Percentage of respondents who engage at least weekly with the membership organization they interact with most frequently

Professional association	58%
Trade group	63%
Social / service club	82%
Sports team season ticket holder	85%
Resort or entertainment venue annual passholder	73%
Auto club	43%
Wholesale / warehouse club	60%
Interest group / lifestyle	59%
Subscription program	88%
Alumni association	75%
Other	66%

# A DIFFERENT TYPE OF BUSINESS

The “product” of a membership-based organization is the membership experience itself. As opposed to a retailer with a loyalty program, whose primary goal is to sell additional merchandise, or a financial services company (like a credit card issuer) with a rewards program, whose ultimate priority is retaining high-value cardholders and encouraging incremental spending, membership organizations – like their members – have different motivations.

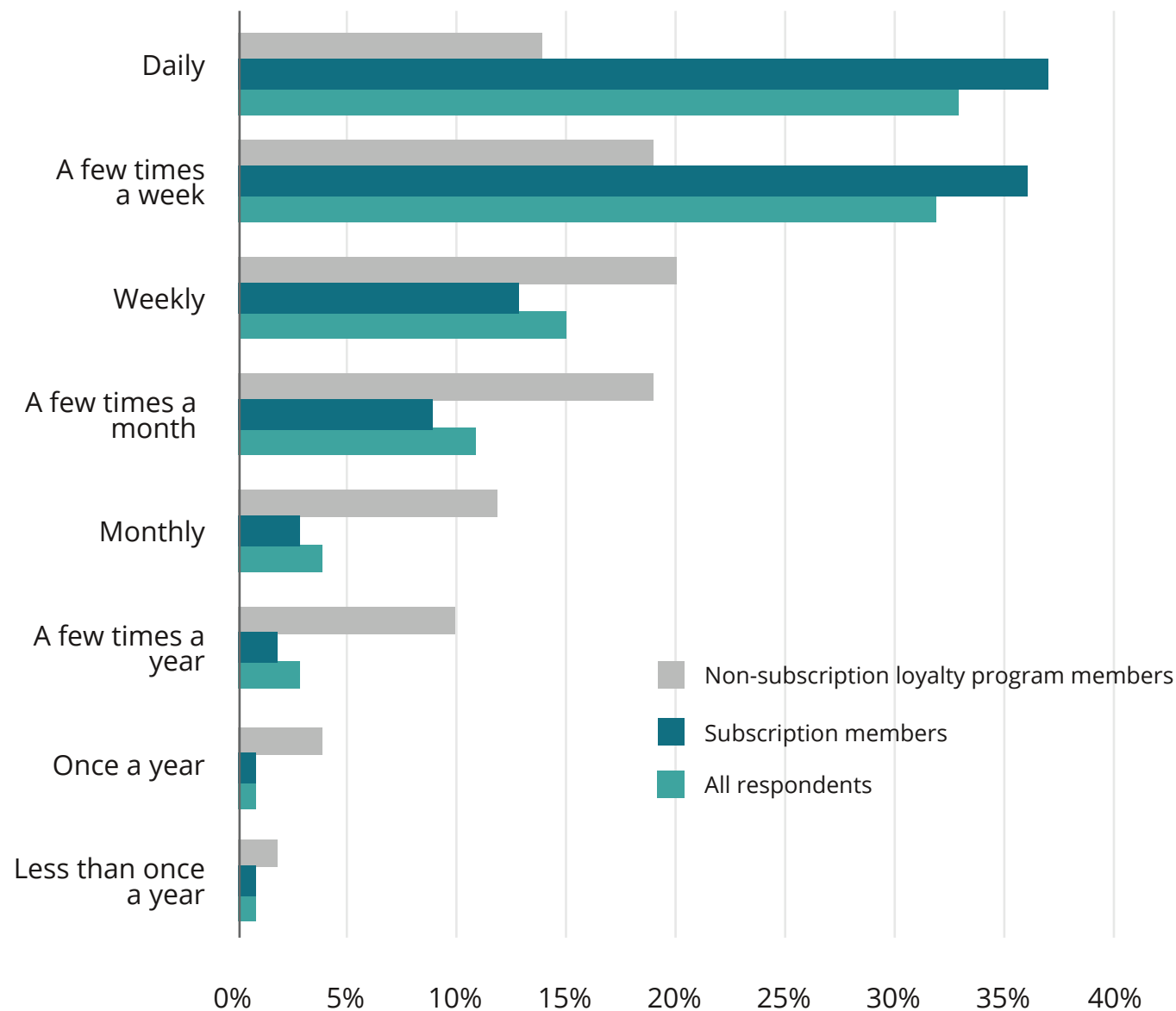
Survey data indicated significant differences in priorities and strategy compared to other iSeatz reports analyzing commercial brands with rewards programs – including **credit cards**, **travel brands**, and **hotels**. The most important takeaway is that membership organizations of different sizes and types face varied challenges and have asymmetrical goals, though the need for more effective marketing and travel booking capabilities stands out.

## REWARDS

This is not to say that membership organizations don’t currently offer rewards – most of them do, with 72% of the organizations in our survey even offering (or planning to offer) travel rewards. The top three reward types offered by membership organizations are the top 3 travel categories: air, car, and hotel, with 56% of respondents saying they offer hotel, 49% air, and 48% car rental.

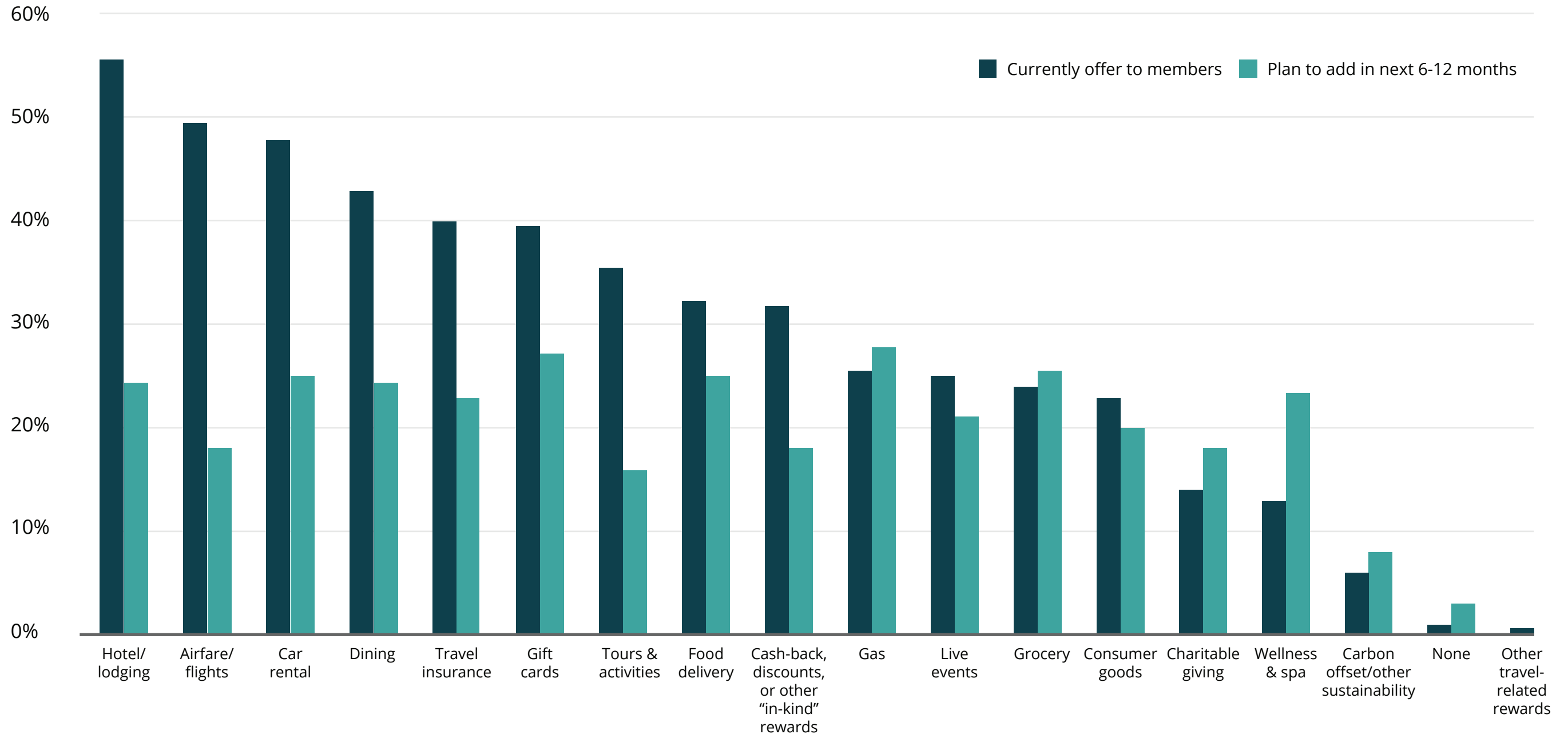
One notable variation in the survey data concerns membership organizations that built their rewards program in-house and their orientation toward travel rewards. **Of the 30% of organizations that built their own rewards platforms, 88% offer travel booking, compared to the average 95% of organizations that outsource some component of their loyalty platform.** Clearly, the involvement of outside technology providers allows organizations to offer a wider variety of capabilities in terms of travel rewards.

Of those membership organizations you interact with most frequently, how often do you visit their websites or apps, read email updates or notifications, or engage with the brand?





## Rewards & Benefits



While all surveyed companies offer a broad spectrum of rewards, membership organizations tend to provide fewer rewards redeemable for live events and wellness and spa services, a natural extension of travel bookings. In terms of future investment priorities, organizations plan to introduce additional value-oriented rewards such as fuel (28%), gift cards (27%), and grocery (26%). This signals a missed opportunity; membership organizations need access to high-quality travel and lifestyle rewards inventory to offer members a wide range of options, increase existing member engagement, and entice new members to join.

## INVESTMENT OPPORTUNITIES

Beyond their rewards portfolios, membership organizations also stand apart from other brands or businesses regarding their broader investment priorities. For example, **60% of membership organizations said their main investment area is marketing**, with personalization (a marketing-related capability) coming in second at 37%. This drastically differs from traditional brands' top priorities for their loyalty programs, which focus on incremental improvements to the loyalty experience and platform. In the **Tipping Point survey of conventional loyalty program professionals**, marketing was fourth on businesses' lists, with only 34% citing it as a top investment priority (the top answers were engagement, AI, and expanding redemption/earning capabilities). Personalization was a ninth priority, with just 28% of respondents citing it.

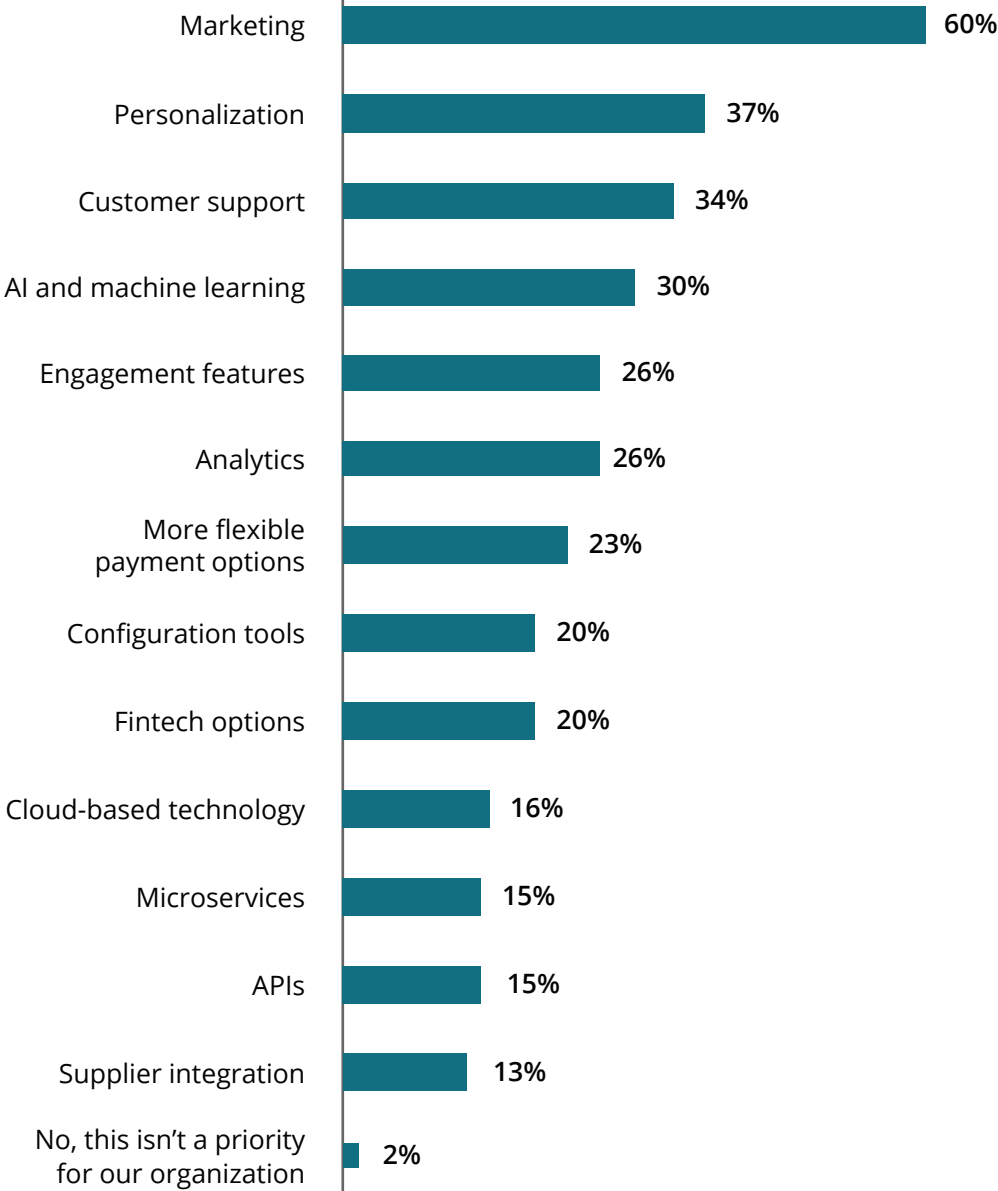
This could suggest two things: a) that membership organizations tend to lean on the core benefits and intrinsic value they offer members and, therefore, de-prioritize technology investments that would boost digital engagement and transactional value for members, and b) that they perceive marketing and personalization as the most direct route to achieving their top goal – new member acquisition – and choose to allocate resources there.

### Top-Ranked Areas for Investment Over the Next 6-12 Months (Top 10): Tipping Point Survey Respondents\*

- |                                      |                           |                           |
|--------------------------------------|---------------------------|---------------------------|
| #1 Engagement features               | #5 Cloud-based technology | #9 <b>Personalization</b> |
| #2 AI and machine learning           | #6 Configuration tools    | #10 Analytics             |
| #3 Redemption & earning capabilities | #7 Customer support       |                           |
| #4 <b>Marketing</b>                  | #8 Supplier integration   |                           |

Source: Tipping Point Survey Series Report

### Top Areas for Investment over the Next 6-12 Months



## GOALS AND CHALLENGES

Speaking of goals, “new member acquisition” was the top selection among respondents across all organization types. Building their community seems to be the key priority for membership organizations, as might be expected, with engagement-related goals and priorities also surfacing from our survey data. Revenue/dues growth is the second-most important goal, with 18% of organizations surveyed ranking it as the highest priority. Increasing membership engagement is also a high priority, ranked third.

Top goals shift with organization size. **Looking exclusively at organizations with membership bases over 1 million, “expanding benefits to members” was the number one goal (29%).** When asked about goals specific to an organization’s loyalty program, engagement was first, with 18% of respondents ranking it as their top goal.

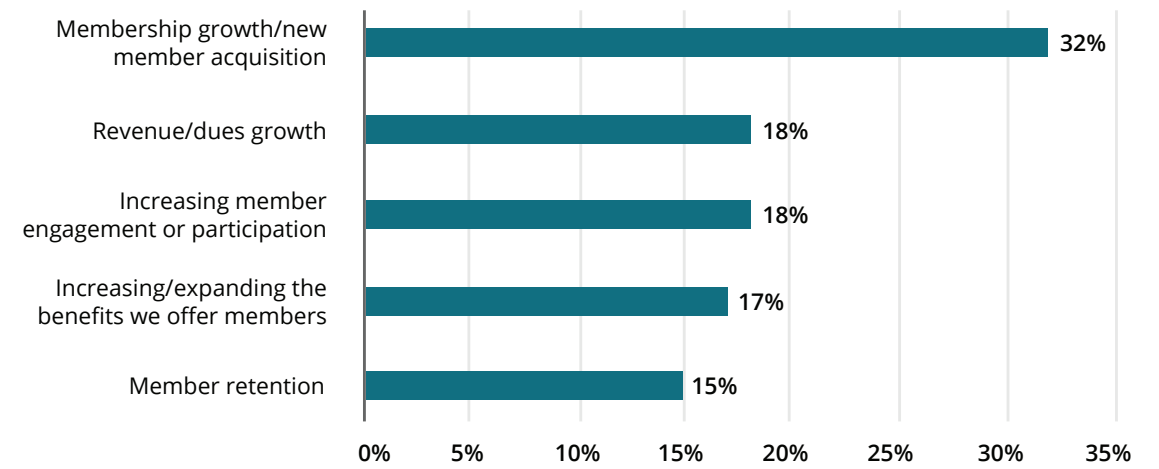
Given their cited goals, the challenges reported by our survey respondents seem inconsistent, with user experience being the top-ranked challenge for member organizations and member engagement ranking much lower. This data contrasts with commercial loyalty programs, for which UX was the #4 ranked challenge, according to our **Tipping Point survey report**.

Are organizations acknowledging that user experience is important to their overall mission? Or does this data, as with their investment priorities, suggest that organizations believe that their brand strength, core benefits, and intrinsic value supersede the need to optimize UX, leaving it a persistent challenge?

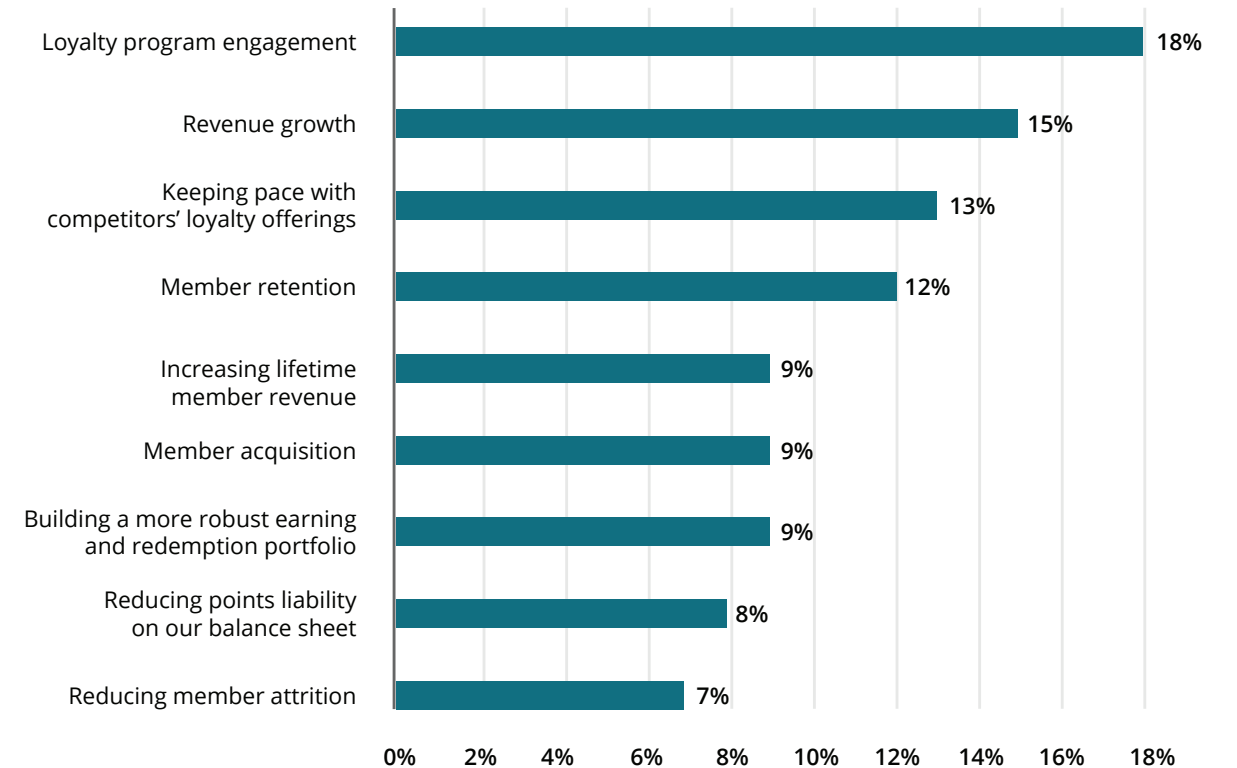
Survey data doesn’t necessarily reveal the answers to those questions. However, one data point might provide a hint: **of the 30% of membership organizations that built loyalty platforms in-house, only 20% say UX is their biggest challenge.** This supports the idea that those organizations that are less willing to invest in technology may be overconfident in the actual member experience they’re delivering.

**WHEN ASKED ABOUT GOALS SPECIFIC TO AN ORGANIZATION’S LOYALTY PROGRAM, ENGAGEMENT WAS FIRST, WITH 18% OF RESPONDENTS RANKING IT #1.**

### Top-Ranked Organizational Goals



### Top-Ranked Loyalty Program Goals





# DISCONNECTS: THE MEMBER VS. THE ORGANIZATION

This level of confidence – and relative lack of technological investment – creates some disconnects in the membership organization experience. The gap between what members value and expect and what organizations deliver could be closed by more reward offerings and greater personalization.

The fact that 29% of respondents “rarely” book travel through membership organizations is a big challenge to overcome. This may be due to various factors, though the availability of travel booking capabilities among membership organizations is not one of them: 93% of organizations we surveyed offer travel booking services.

However, the relatively low priority of UX among organizations and the overwhelming goal of growing membership (rather than expanding/offering benefits to members) could limit awareness of travel booking availability among organization members.

The nature of this disconnect also makes it one of the ripest opportunities for membership organizations to drive engagement and sustainably attract new members. Other disconnects identified in the survey data indicate that organizations aren’t in sync, so the members aren’t getting what they need. However, the lack of an integrated, full-featured travel rewards and booking experience is something membership organizations can address and reap immediate benefits from.



**OF RESPONDENTS “RARELY” BOOK TRAVEL THROUGH MEMBERSHIP ORGANIZATIONS - THIS IS A BIG CHALLENGE TO OVERCOME**

To what extent do you ever book travel through a membership organization you belong to?

**29%**

I rarely book travel through my membership organization

**21%**

I check other travel websites first, then see if my organization offers a better deal

**18%**

The membership organizations I belong to don’t offer travel booking

**17%**

I always visit my member organization website (like AAA) first

**15%**

I book some parts of my trip through my membership organization and some with other sites or agents

	MEMBERS	ORGANIZATIONS
<b>DISCOUNTS</b>	48% of consumers say everyday discounts are what they value most	11% of organizations say providing discounts and promotions that members want is their top challenge
<b>ENGAGEMENT</b>	36% of consumers cite engagement related reasons as what they value most	18% of organizations prioritize loyalty program engagement, while 10% identify existing member engagement as their primary challenge
<b>REWARDS</b>	31% of consumers would engage more if there were more reward options and benefits available	9% of organizations prioritize enhancing their earning and redemption portfolio as their main loyalty program goal

## THE OPPORTUNITIES

That disconnect also signals an urgent need for more comprehensive, feature-rich travel loyalty technology in the membership organization sector. **Only 30% of our organizational survey respondents have built their loyalty platform in-house**, yet 50% think their program could be doing more.

If we break these numbers down, we see that 50% of the companies who have yet to build in-house think that their loyalty program (and, by extension, the technology that powers it) could be doing more to advance their goals. So, whether organizations are developing or outsourcing their platforms, they're still not getting optimal results. To seize this opportunity, organizations must focus on building a better program and strategy for loyalty to boost member engagement.

Members would engage more frequently with their membership organization if they had more options and if those options were targeted toward their interest in the group. While everyday discounts are still a key motivator, the top-ranked answer to "Which would make you engage with your membership organization more frequently?" was "More reward and benefit options in general." Thirty-one percent of respondents ranked that number one, compared to 27% who cited everyday discounts.

Similarly, members would book travel more frequently with their membership organization if they could access better deals and more options. This preference was consistent across organization types: sports season ticket holders, warehouse club members, resort annual pass holders, interest group members, and auto club members all said that additional reward and benefit options were the top way to get them to engage more with their organizations.

This speaks to the need for membership organizations to offer a travel rewards program on par with other non-member-based brands. Member engagement is heavily influenced by the options and discounts an organization can provide.

What would make you engage with your membership organization more frequently?

**#1** More reward and benefit options in general (31%)

**#2** The opportunity to earn everyday discounts (27%)

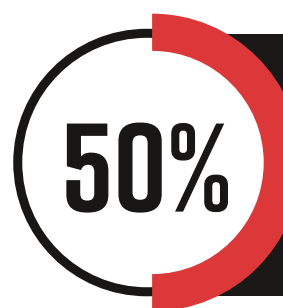
**#3** Additional status perks

**#4** The ability to book travel at a discount

**#5** More personalized offers or communications

**#6** A better website experience

**#7** More exclusive events or experiences



**50% OF MEMBERSHIP ORGANIZATIONS BELIEVE THAT THEIR LOYALTY PROGRAM COULD BE DOING MORE TO HELP THEM MEET THEIR TOP-RANKED GOAL**

### What would make you book travel more frequently with your membership organization?





## PERSONALIZATION

In addition to expanding rewards portfolios and offering more options and deals to members, personalization could be another way for membership organizations to boost engagement. It helps that members are largely welcoming of personalization in their interactions with their organizations.

When asked, "What personalized offers would you like to receive?" 68% said lifestyle rewards such as discounts on dining, entertainment, grocery, gas, etc. This was the number one response. We also know from our **Tipping Point report series** that consumers generally believe that personalized offers will help them save money, so there is a correlation between personalization and perceived value.

Members are willing to share information for more personalized opportunities – not just their basic profile information. Nearly half of the survey respondents said they'd be willing to share their travel wish lists (49%) and preferences for dining and destination activities (48%) to receive personalized offers. Whether this is attributable to members' natural affinity for the organizations they belong to or augmented by it, it is still a substantial opportunity to increase personalization and engagement.

## TRAVEL LOYALTY: AN OPPORTUNITY FOR SUBSCRIPTION PROGRAMS

Subscribers – members of subscription programs or services, distinct from members of other membership organizations – share a few unique characteristics. In general, they are primed to engage and willing to spend. With travel rewards and booking capabilities, subscription programs can capitalize on these member traits.

### SUBSCRIBERS TEND TO:

- Belong to more loyalty programs (56% belong to more than three programs vs. 26% survey average)
- Interact more frequently (daily or a few times per week: 73% vs. 53%)
- Place greater value on everyday discounts and unique experiences
- Are more receptive to personalized marketing for travel opportunities

This all suggests that subscription programs have an opportunity to engage with (and drive spending from) their high-frequency, value-oriented membership bases. Travel rewards can be an effective way to monetize these tendencies, and they deserve to be explored by subscription programs.

### What type of personalized offers would you like to receive?

Lifestyle rewards such as discounts on dining, entertainment, grocery, gas, etc.



Discounts on core travel purchases



Customized rewards earning opportunities



Bundled travel packages



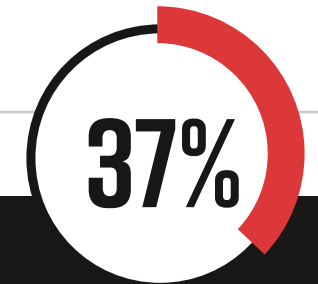
Curated destination packages



Curated dining suggestions

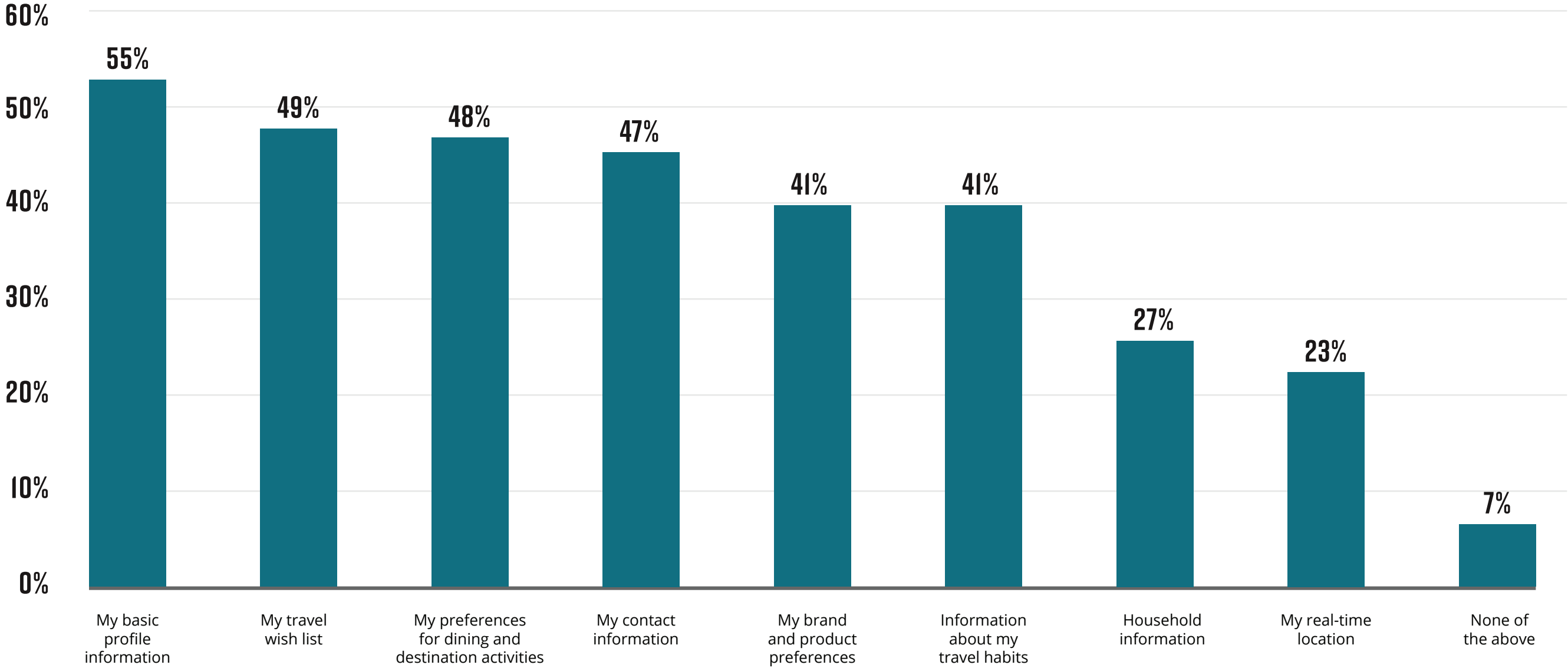


Other



**OF SUBSCRIPTION PROGRAM MEMBERS DO NOT HAVE ACCESS TO TRAVEL REWARDS.**

Which of the following would you be willing to share with your membership organization to get personalized communications, travel booking recommendations, offers, or promotions of travel products?





## ***THE PRIVILEGES OF MEMBERSHIP***

Membership organizations and their constituents are not monolithic, but share some key characteristics that differentiate them from typical American consumers and consumer brands. Affinities run deeper, and while value continues to be a key motivating factor, it's not the defining factor of a membership organization's intrinsic worth.

This largely explains both member expectations for their organizations and their willingness to engage with them and organizations' relative lack of investment in technology, robust rewards portfolios, and superior user experiences. But intrinsic value and natural affinity only go so far. For organizations that prioritize new member growth, there is a tremendous opportunity to build up their travel rewards and booking capabilities.

By investing in travel rewards, membership organizations of all types can increase engagement among current members and attract new members with a revamped value proposition. At a time when consumer brands are increasingly entering the membership space and offering comprehensive benefits – including travel rewards – membership organizations should seize the opportunities available to them now.

***CONTACT US TO LEARN HOW ISEATZ CAN HELP YOUR MEMBERSHIP-BASED ORGANIZATION IMPLEMENT EFFECTIVE TRAVEL REWARDS AND LOYALTY STRATEGIES.***





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