



MILLENNIALS

Building Engagement With Associations

survey matters.

About

Survey Matters work exclusively in the association sector. We aim to contribute to the strategic direction of associations by bringing rich insights to life through depth, clarity and precision. Each year we choose a topic for research that will assist associations to attract and retain members. This year, we chose to examine how the attitudes of millennials towards associations, how external drivers are impacting their careers and where associations can assist.

If you would like to know more about us and the work we do please get in touch!

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Executive Summary

Millennials are one of the largest generations in history and by 2025 will make up three-quarters of the work force.

Generally defined as those born between 1983 and 2000, they are currently aged between 18 and 35 years and make up 29% of the Australian population.¹ By 2025, they will make up 75% of the global workforce.²

Moving into their prime earning and spending years, millennials are poised to re-shape the economy. However, growing up in a time of rapid technological, social and economic change has altered priorities and expectations - from employment and career longevity to business, communication and social progress.

While millennials represent a major economic opportunity for associations, understanding their challenges will be key to creating real value for this generation. There are many reports that millennials are turning away from belonging to their association. It appears that fewer are joining and that associations find it difficult to engage younger members. Is this simply reflective of a 'life stage' and they will join when they are older? Is it a marketing and awareness problem? Or does it indicate that the changing environment is making traditional association services less relevant?

Given that there are so many questions, it is important to understand millennial attitudes towards associations and any existing barriers to engagement. Do millennials think associations are still relevant? How can associations provide value to this cohort? What is the impact of technology and automation on young professionals and can associations impact millennials career opportunities? And why do they, or more importantly, why don't they join?

To attempt to answer these questions, Survey Matters conducted focus groups with millennials eligible to join

an association. We validated these discussions with an online panel survey with 434 young Australian professionals, aged between 20 and 35.

We have also drawn from the myriad of existing research into this generation. These reports provide context to our results and offer a broader view of the social, technical and economic landscape millennials are facing. Many of the findings from these different studies are supported by our own results, providing direction for associations to adapt their service offerings to meet the changing requirements of this generation.

While the research uncovers millennials attitudes to associations and provides many interesting answers to these questions, it also raises many more questions that need further investigation. Most specifically, it reveals an urgent need to raise awareness of associations and the work they do if millennials are to be attracted to the idea of joining.

This report outlines the findings from this research. It aims to provide some ideas that associations can think about to capitalise on the opportunities to attract and serve current and future young members.

We hope it will inform and inspire associations to look at their own practices and assess how external drivers are potentially impacting their younger members.

Of course, if you have any questions about these results, or want more information about any of the findings, please just ask. We are more than happy to discuss and debate our interpretation of the data.

Enjoy reading.

Attitudes to Associations

- **Most millennials believe associations are still relevant and trusted institutions.** Only 7% of millennials believe associations are outdated, and despite high levels of neutrality due to low awareness, 46% of millennials believe associations are trusted institutions and 48% believe they provide leadership to protect and enhance the reputation of the industry and its members.

Professional Development is the Main Reason for Joining

- **Those who join an association are looking for continuing learning opportunities and the ability to gain further qualifications through accreditation and recognition.** Forty one percent (41%) joined their association to access professional development and 40% to obtain accreditation and recognition of their credentials. Access to information is less relevant for this generation.

Barriers to Membership: Awareness & Cost

- **Lack of awareness is the main reason millennials do not join associations.** Many do not join simply because it hasn't occurred to them. Twenty eight percent (28%) don't know enough about what their association does and nearly a quarter don't know who their association is. Compounding this, over a third say they have not joined because they have never been invited to. While lack of relevance does not appear to be an issue, unlike older generations millennials feel no obligation to belong to their professional association. Associations need to focus on building their own brand if they are to attract the next generation of members.
- **The cost and perceived value of membership also impacts belonging.** Sixty four percent (64%) of members pay their own fees. As a result, cost often prevents joining - 19% of non-members have never joined because it is too expensive. Of those respondents who had once been members but allowed their membership to lapse, 39% indicated it was too expensive. Perceptions of a lack of value are also apparent. Twenty seven percent (27%) of lapsed members cited lack of value as the reason for not renewing. Greater flexibility in fee payment options is required if millennials are to be attracted to the concept of membership.

Providing Ongoing Value – Looking to The Future of Work

- **The impact of automation combined with the need for continuous learning represents a major opportunity for associations.** While only 15% of millennials currently obtain most of their professional development from associations, 63% of millennials believe that automation will increase their need for professional development in future and 47% agree there is an ongoing role for associations to offer professional training and development. Supporting other research, 44% believe that associations have a role to play in helping them adapt to the impact of technology and automation.
- Positively, 53% agreed that the endorsed programs offered by associations are viewed favourably by employers.

Overcoming the Barriers: Communicating with Millennials

- **Communications need to change to reflect the media consumption habits of millennials.** While over 91% of 23 year old millennials use the internet daily, only 49% value communications sent out by associations. As far as social media goes, only 50% follow their association on social media, with the majority of these engaging through Facebook. Perhaps more worryingly, only a third believe that associations use social media effectively - although this rises to 44% of members.
- **Word of mouth recommendations need to increase.** Millennials are significantly less likely to recommend membership than their older counterparts. With word of mouth one of the most common ways members report hearing about their association, building relationships and networks that generate recommendations and positive word of mouth amongst members is key.

Methodology & Sample

This report is based on qualitative and quantitative research conducted by Survey Matters in March and April 2018.

We conducted focus groups with the target audience as the first phase of the project. Participants were aged between 20 and 35, and all were eligible for membership of an association in the industry/profession in which they worked. The groups were made up of current members, lapsed members and those who had never joined an association, and the discussion focussed on millennial perceptions, attitudes and behaviours towards associations.

The second phase of the project consisted of a quantitative online survey, and again, respondents were required to fit the criteria used in the focus groups – all were eligible for membership of an association and the sample was made up of current/lapsed members and non-members.

The quantitative survey questionnaire drew on the ideas and outcomes from the focus groups. It canvassed millennials reasons for joining, or not joining, their awareness and use of association services. It also examined the impacts of the current technical, social and working environment on this generation and where associations had a role to play in assisting them.

Overall, we received 434 responses to the survey. Of these, 300 were members, 49 were lapsed members and 85 were current members of associations. While a larger sample would have been preferred, cost prevented this. The results provide 95% confidence that the results are

within an acceptable 4-5% confidence interval.

The sample is biased towards those who are not members for three reasons. Firstly, members of associations were difficult to source via panel providers. Few association members appear to be members of panels, which meant that we could not reach this group without going through an association. We decided against this in the interest of preventing further sample bias. Secondly, with one of the main objectives being to understand why millennials don't join associations we wanted to ensure a reliable sample of non-members on which to base these findings. Finally, having conducted a large range of studies with professional association members in the past, Survey Matters had access to data and insights that were able to supplement the findings of members in this study.

Despite this, the reader should bear in mind that many of these results reflect the opinions of non-association members. We draw distinctions between the groups were relevant.

Rather than present the results to every question in detail, we have tried to draw out all of the main findings and key themes. We have drawn heavily on the focus groups and free text comments to help us interpret the data. These provide richness to the quantitative results. We have also compared our findings to the myriad external resources we have drawn on to provide context and validation to our findings.

A more detailed breakdown of the quantitative sample can be provided on request.





The Current Situation

Millennial Attitudes to Professional Associations





Who are millennials and what do they think of associations?

Born between 1983 and 2000, millennials are currently aged between 18 and 35 years and make up 29% of the Australian population.¹

As well as being significant in number, they are well educated and earn more than their older counterparts did at their age. Thirty-one percent (31%) hold a bachelors degree or higher, and just under half fall into white collar occupations. The largest group (17%) are professionals.¹ On average they earn \$71,000 per annum.³

Socially, millennials are cause motivated. They believe that business success should be viewed across a broad range of objectives, such as having a positive impact on society, being innovative and creative, embracing diversity and creating jobs. However, they increasingly believe that businesses are having a negative impact, and that the pursuit of profit and efficiency is detrimental to society. Consequently, their trust and confidence in business is at an all-time low.⁴

Growing up in an era of rapid social and technological change millennials also face unique challenges. Unquestionably, the pace of technological change, from social media, to automation and artificial intelligence, has altered the nature of society. People are more connected and informed than ever. Ninety-one percent (91%) of 23 year olds use the internet daily.⁵ Over 80% use Facebook, and more than 50% have an active YouTube and Instagram profile.¹ They seek information about products and services online, purchase online, and even hang out with their friends (while at home alone) online.

Despite strong, long term economic growth and historically low unemployment, however, many millennials are struggling economically. Youth unemployment is 12.5% - compared to a national average of 5%⁶. Many millennials are underemployed and are supplementing their incomes with after hours work, or short-term contracts. The rise of freelancing and the 'gig' economy is also disrupting the traditional workplace. At age 25, 50% of millennials are not in full time employment⁷.

Technology has also radically changed the nature of

work. Routine jobs are being automated and technology skills are more in demand than ever before. According to McKinsey Global Institute⁸ automation will accelerate the shift in workforce skills over the next 15 years, with competition for high-skill workers increasing and displacement occurring amongst low-skill workers.

This is causing a significant mismatch between education and skills. Research by the Foundation for Young Australians⁹ suggests that 70% of young people are currently entering the workforce into jobs that will be dramatically affected by automation. Consequently, 84% of Australian students believe it will be necessary for people to continuously upskill or retrain to remain competitive in the workplace.¹⁰

While the millennial generation are the first to be true 'digital natives' (the majority have not known life without the Internet), this has not made them immune to concern about automation replacing their jobs. According to the 2018 Deloitte Millennial Survey, few young employees feel prepared for the rise in automation and the impact on their roles.⁴

So what does this mean for associations? Are associations still relevant in this environment. What do the current generation of young professionals think of professional associations? And how can associations provide value to this cohort?

First, let's examine millennial attitudes to associations.

A snapshot of millennials

Demographics



Born between **1983** and **2000**



29% of the Australian population



3 in 4 live in major cities



40% are young families

Education, Work & Income



31% hold a Bachelors degree



1 in 2 are white collar professionals



\$71K average personal income

Attitudes & Behaviours

23 year olds who use the internet daily

91%

Think it is important to upskill

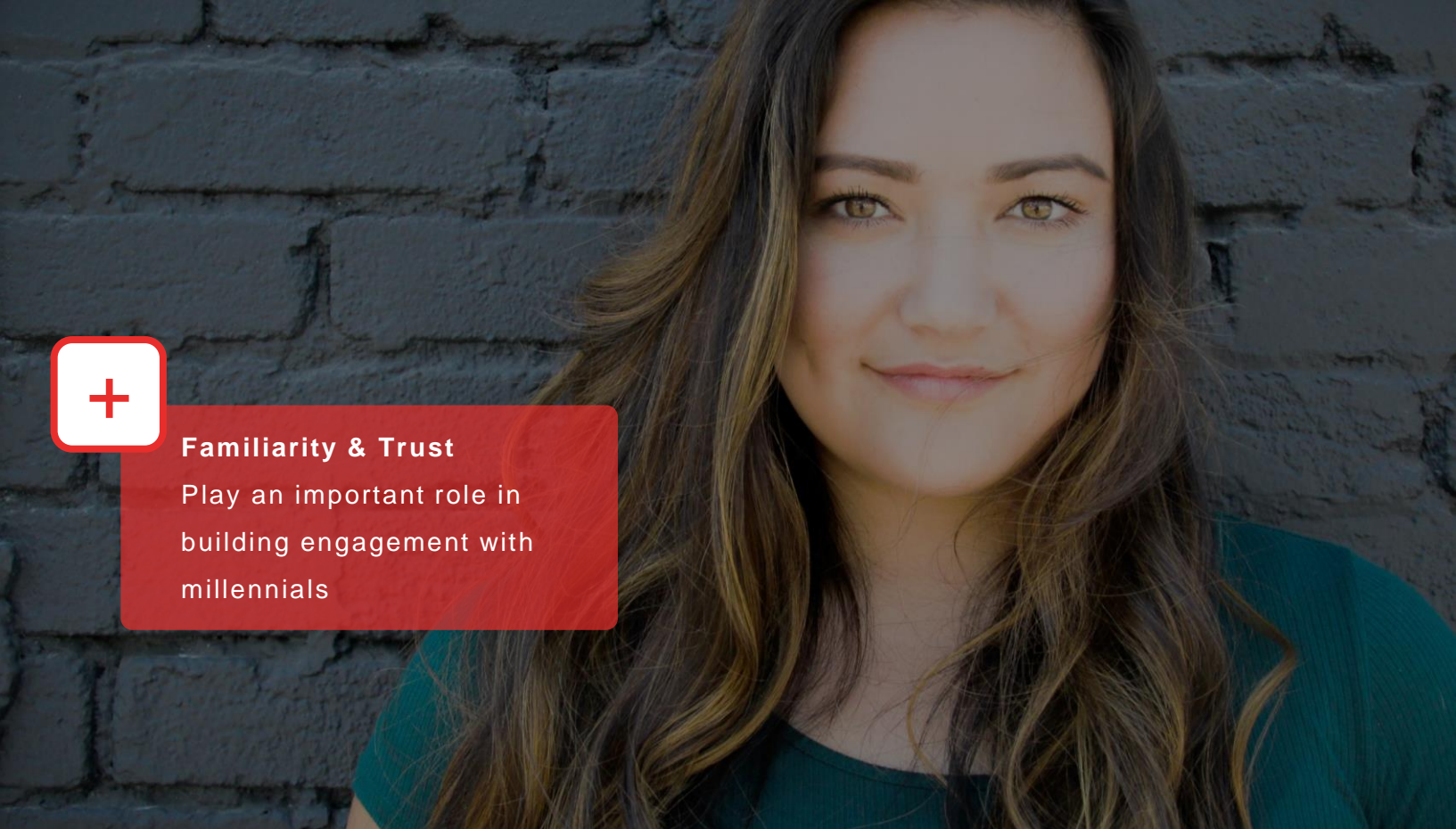
84%

Are not working full time at the age of 25

50%

Have trust and confidence in business

45%



Familiarity & Trust

Play an important role in building engagement with millennials

Millennial Attitudes to Associations

Associations exist to serve the interests of their members, to provide leadership, to advocate for fair operating conditions and to promote the industry as a whole. Indeed, this is the aspect of an association's services that no other organisation can deliver. To perform this critical role effectively, trust and confidence are paramount.

To understand overall attitudes towards associations in general, regardless of whether they were members or not, we asked participants if they felt that associations were trusted organisations. We also explored their perceptions about the role the association plays in both protecting and enhancing the personal reputation and credibility of those who belong, and providing leadership to protect the reputation of the profession as a whole.

Finally, we sought to understand if millennials believe that associations are still relevant in today's environment.

A Matter of Trust.

Trust in business and institutions more generally is declining.⁴ It is also generally lower amongst younger generations. The 2017 ACNC Public Trust and Confidence in Australian Charities Survey¹¹ found there has been a steady decline in trust and confidence in Australian charities over the last four years, and that older Australians are more likely than their younger

counterparts to trust charities. Similarly, the 2018 Deloitte Millennial Survey⁴ found that trust and confidence in business amongst millennials has declined dramatically over the past four years.

So is the same true for associations? Do millennials trust associations?

Like the Deloitte Millennial Survey, only 48% of millennials believe that associations are trusted organisations. This falls to 43% of those who have never joined an association. While this could be interpreted as relatively low levels of trust, half of those surveyed provided a neutral response when asked to rate their trust in associations.

So what does this mean? Unfortunately, to understand whether the level of trust in associations is falling like trust in other charities, business and government organisations it would be necessary to track this question over time. Most sectors conduct "trust and confidence" surveys on a regular basis. We think it will become increasingly important that the association sector do this too.

In the meantime, it is worth noting that significantly more members (54%) than non-members (43%) agreed that associations are trusted institutions. This reflects the findings of The ACNC 2017 Public Trust and Confidence in Australian Charities Survey¹¹ that "familiarity plays a significant role in trusting a charity".

Providing Leadership.

Publicly advocating for and protecting their industry or profession is the fundamental reason associations exist. Despite now offering a myriad of other services, this is the association function that is not available from competitors or the wider market.

So do millennials believe that associations protect and enhance their reputation and that of the profession they represent?

Fewer than half of the millennials we surveyed agree that associations provide leadership to protect the reputation of their profession or industry, or that they enhance the credibility of those who belong. Again, while few disagree, there is much neutrality.

More positively members (57%) are significantly more likely to agree that associations provide leadership to protect the profession as a whole than non-members (44%). Members (52%) are also more likely than non-members (47%) to agree that associations effectively protect the reputation of those who belong.

A Question of Relevance.

In our 2013 Associations Matter Study¹², an overwhelming majority of members predicted a stable or increasing need for associations. And despite industry concerns, young members were the most likely to report an increasing need for associations, with 53% of members aged below 30 indicating the need for associations was likely to increase over the next five years.

To confirm whether this remains true, the next question we put to respondents was whether they believe that associations are relevant in today's environment.

Do millennials think there is a role for associations in the future?

Positively, only 7% of millennials agree or strongly agree that associations are outdated institutions. Conversely, just over half (51%) *disagree* that associations are out-dated organisations.

This suggests that while many millennials have neutral views about associations there is a reasonable proportion who believe there is an ongoing role for associations in today's world. As we will find later in the report this is most likely because of a lack of awareness - many millennials may have provided neutral responses as they know little about their association. Reflecting this, neutral ratings were much lower amongst members (23%) than non-members (35%).

Focus group discussions also canvassed whether millennials thought associations remained relevant, asking participants if they thought there would be a greater or lesser need for associations in the future.

Whilst some said it depended on the industry or profession "as the population ages there will be more need for healthcare workers and you have to legally have insurance to practice, so more people will be joining associations" others thought there would be an increasing need because of the pace of change and technology "things are changing so fast that they need to push government to change legislation to change things to catch up with the times and changing technology"

Millennials believe associations...

% of respondents that agree / strongly agree

Provide leadership / protect industry reputation

48%

Enhance credibility / reputation of members

48%

Are trusted organisations

47%



Membership and Engagement

Reasons for Joining & Barriers to Membership



The key to providing value is understanding why millennials join, or don't join, professional associations. And it's clear that membership is strongly linked to ongoing learning and recognition of professional qualifications.



Why do millennials join, or not join, associations?

Having established overall attitudes towards associations, we wanted to delve deeper into their reasons for joining, and perhaps more importantly, why many millennials don't join.

There's no doubt that when we look at membership demographics across the different professional and industry associations we work with, they are heavily weighted towards the over 50's and, anecdotally, associations tell us that attracting younger members is getting harder.

Consequently, one of the main objectives of this research was to understand from current millennial members the reasons that they joined so that associations could understand the benefits of membership most likely to resonate with young professionals.

Our Associations Matter research ¹² found that members' reasons for joining vary at different stages of their career. That in the early stages of their working lives, individuals are interested in services that help them on their initial career journey. As they become more experienced, they may want to convert the knowledge and skills they have developed into accreditation that recognises and rewards their participation in the field. Older professionals also often express a desire to support the advocacy work undertaken by their association. So does this still hold? Are the

reasons for joining of younger professionals different from their older counterparts? Do millennials feel a sense of obligation to belong and contribute to their profession, or do they join for personal benefit? Do young professionals join to access specific services? And if so, which services are driving their decision to join?

As well as understanding why millennials join, it is imperative that associations understand any barriers that exist to prevent young professionals from joining.

There are many reports that millennials are turning away from belonging to their association. That few are joining and that associations find it difficult to engage younger members. Is this simply a 'life stage' and they will join when they are older? Is it a marketing and awareness problem? Is cost or fee structure an issue? Or does it indicate that the changing environment is making traditional association services less relevant?

With much of our association research focused on members, we were keen to answer these questions as non-members do not often participate in our custom association research. And the answer surprised us!

An Obligation to Belong?

In much of the member research we conduct, older and senior career stage members cite a sense of obligation or responsibility to belong to the association that represents their profession or industry. Often this is expressed as reason they will recommend membership to others, with comments like “everyone should belong to keep the profession strong” and “the more members, the better the representation”.

Millennials, however, feel no such obligation to belong.

In both the focus groups and the online survey, we put it to participants that “All professionals have an obligation to belong to the association that represents their interests, advocates on their behalf, maintains industry standards and promotes the profession to the public.” ...and the response was resounding disagreement!

Only 36% of millennials agree or strongly agree that they have an obligation to belong to the association representing their profession.

In the focus groups, many millennials actually took

exception to the notion that they were “obliged” to join, saying “that automatically just puts me off. You can’t just force me to take something up”. One thought that it depended on “the organisation and their transparency. If you can see them actively engaging to better your working environment or to better the association, you can see value in it, but if your just paying membership fees for them to send you alerts or emails then what’s the point?”.

There was some support for the idea of the collective good of the profession, because “our work should be standardised and it’s about best practice”. However, it is clear that at this stage of their career the notion of belonging for the collective good of the profession is not a good enough reason to join.

So why do millennials join associations?



Reasons for Joining

Like in the Associations Matter Studies, membership amongst younger professionals is strongly linked to learning. Younger members are looking for on-going learning opportunities and the ability to gain further qualifications through accreditation.

Millennials join associations for access to professional development programs and educational resources. Forty one percent (41%) said they joined their association for access to further professional development. This is consistent with research suggesting a mismatch between the skills required by organisations and those that university and school leavers possess.⁹ Difficulties finding full time work and a desire to progress their career could also motivate millennials to seek ongoing learning and skill development opportunities.

Obtaining accreditation and recognition of their qualifications or experience also plays a major part in their decision to join. Forty percent (40%) of respondents cited professional accreditation and recognition of their qualifications as a reason for joining.

Belonging to obtain professional accreditation or recognition of qualifications and experience is significantly higher in older millennials, (aged between 26 and 35) than the younger cohort. For older millennials, this was the main reason they provided for joining the association. These members are establishing careers and building their professional reputations, so having tangible accreditation or certification builds their standing in the communities they work in as well as with current and prospective employees.

Whilst access to professional advice and support (29%), career and employment opportunities (28%) keeping up to date with information (27%) also play a part in the decision to join, they are not the primary considerations. However, being in the early stages of their career, many millennials appear to value the support provided by associations.

With 22% joining for networking opportunities, it is interesting to note that 41% would be more inclined to join if the association was a community of their peers. This also came out in focus group discussions, with some participants suggesting that joining and participating in association activities would be more fun with peers and colleagues.

While much research suggests that millennials are cause motivated, few (10%) join to support the advocacy work of the profession. Further only 17% join to demonstrate their commitment to the profession – suggesting that millennials are more likely to join for specific services than for the altruistic reasons associated with membership.

These trends are consistent with most of the association membership research we conduct - with the exception of one thing. Keeping up to date with information is often the most important reasons members provide for joining an association. The 2013 Associations Matter Study¹² found that 58% of members joined their association to be kept up to date with information about developments in the profession. This was true of both older and younger members. Most research we conduct for individual associations finds similarly.

It seems, however, that the ubiquity of information may be removing the appeal of this service amongst younger, digitally proficient members.



A closer look:

Reasons for joining



Service Awareness

As well as understanding reason for joining, we were interested to understand millennials awareness and use of association services. Are millennials aware of the services offered? And do they use them?

To find out, the survey asked participants about their awareness of association offerings and what type of association services they had used or professional development they had attended in the past.

Overall, awareness of association service offerings amongst millennials is quite low, with only half of respondents aware that their association provides seminars, professional development courses and networking events. Respondents were least aware of association industry conferences (31%) and magazines, newsletter and e-newsletter publications (37%).

Concerningly, 60% of respondents (including 38% of members) could not recall any association professional development services unprompted, demonstrating a lack of awareness of their association's role in educating the industry or profession.

The importance of employers to awareness of association offerings was evident. Of those respondents who were aware of their association's professional development offerings, respondents were most likely to attribute their awareness to their

employer. This suggests there may be value in building relationships with employer groups to promote association services.

Looking at usage across all respondents, only 26% have attended seminars or professional development courses in the past 12 months. Respondents reported cost (55%), timing (44%) and location (40%) as key barriers to use.

Members are significantly more likely to have used nearly all services than non members. Not surprisingly non-members are significantly less aware and consequently less likely to use the services associations offer.

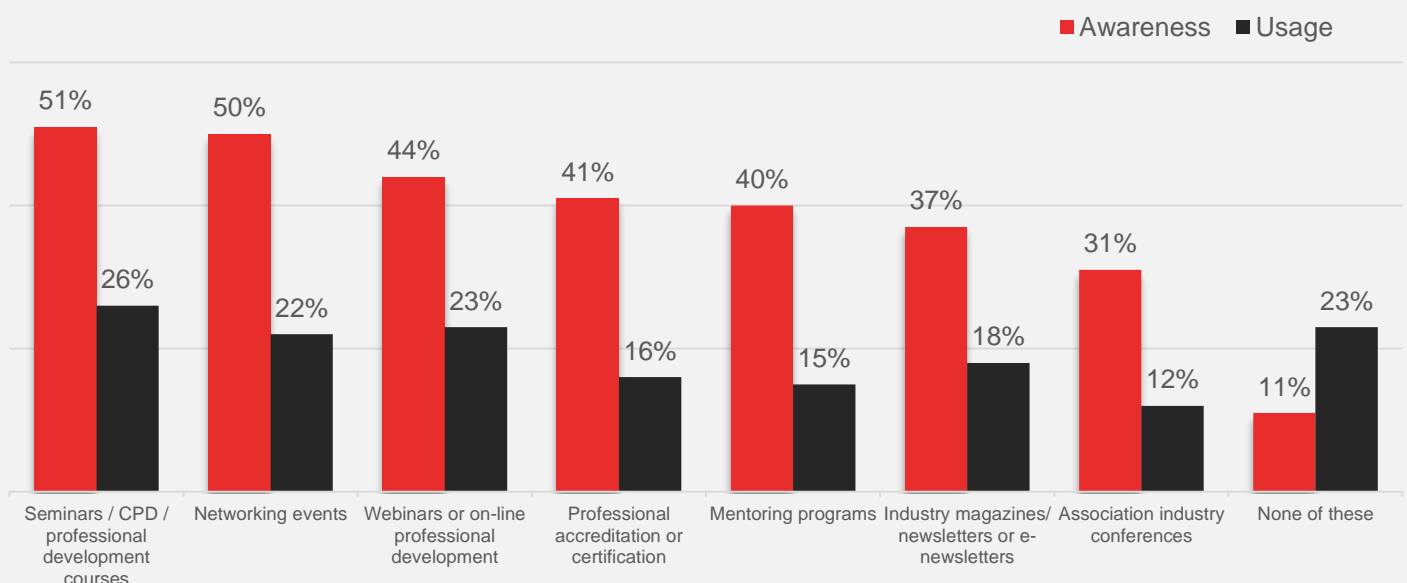
Looking at the service usage of only those millennials who are aware of the service offerings of their association, approximately 50% have used professional development services in the last 12 months. Webinars and online professional development, along with seminars and professional development courses are the most used services (52%).


This suggests that if awareness were to increase there would be a corresponding rise in use and that building awareness may be the key to developing engagement amongst millennials.



A closer look:

Millennials awareness, and use, of association services





Associations are at the forefront of all the evidence that is coming out about the profession, so they are passing on best practice guidelines to us

-- Millennial Member

Why Millennials Don't Join

So we know why millennials join, but it is equally important to understand the barriers that prevent millennials from joining their association. With few millennials indicating that associations are no longer relevant, why are associations reporting difficulty attracting this generation to membership?

With few of the surveys we conduct canvassing non-members, this was one of the main questions we hoped to answer with this research – and the results were surprising!

Lack of Awareness

The first and most predominant reason millennials don't join associations is a complete lack of awareness. Nearly four in ten survey participants say that it never occurred to them to join. Thirty six percent (36%) say they haven't joined because they have never been invited. And approximately a quarter don't know who their association is or what they do!

Lack of awareness was also evident in the focus groups, with participants saying, "I don't know if I have one" and "I've worked in the industry for 8 years ... and no-ones ever let me know there was an association!".

On the face of it, it may be surprising to learn that 36% of potential millennial members have not joined simply because they haven't been invited to. Most professional and industry associations have a presence at universities offering programs related to the field or discipline they represent. Many have student membership and student-led committees, or young professional programs.

But it appears that either the message is not cutting through, or that millennial members want a more personal reason to join – like being asked to by the association! Both in the focus groups and the online survey, participants talked about wanting a more personal approach. They want to feel that their membership was valued. Some suggested it was important that associations "make me feel like I need to belong ..." and provide "a more tailored approach" to encourage them to join.

The millennials we spoke to want to know why they should belong, and believe it is the associations responsibility to provide clear and compelling reasons to join. Others mentioned that "information that clearly highlights what value they can provide for me as an individual" would motivate them to join.

The appeal of the social element of association membership was also apparent, with participants

suggesting it would be more appealing if "my workmates are members so we could be involved as a group".

This represents the biggest finding of the research, and indicates that associations need to focus on building their brand if they are to attract the next generation of members.

Word of Mouth

Compounding the lack of awareness, millennials are far less likely to recommend joining to others than their older member counterparts. Our research often finds that word of mouth is one of the main ways people become aware of their association. However, word of mouth is not the only consideration – more important is how people speak about you. Do they recommend? Are they supporters? Or are they ambivalent, not knowing enough about your association to be able to confidently talk to their peers about belonging?

To understand millennials propensity to recommend their association, we calculated the Net Promoter Scores (NPS) from 25,000 respondents across 77 professional associations between 2014 and 2017. This showed that there is a much higher tendency amongst older and senior career stage members to recommend joining their association to others. The NPS scores for those over 30 was 9 in 2014 and climbed to 14 in 2017. For those under thirty, the score was only 2 in 2014, and dropped to -4 in 2017.

Based on this, it appears that associations can no longer rely only on word of mouth and that generating awareness through other means will be necessary to improve visibility to this generation.

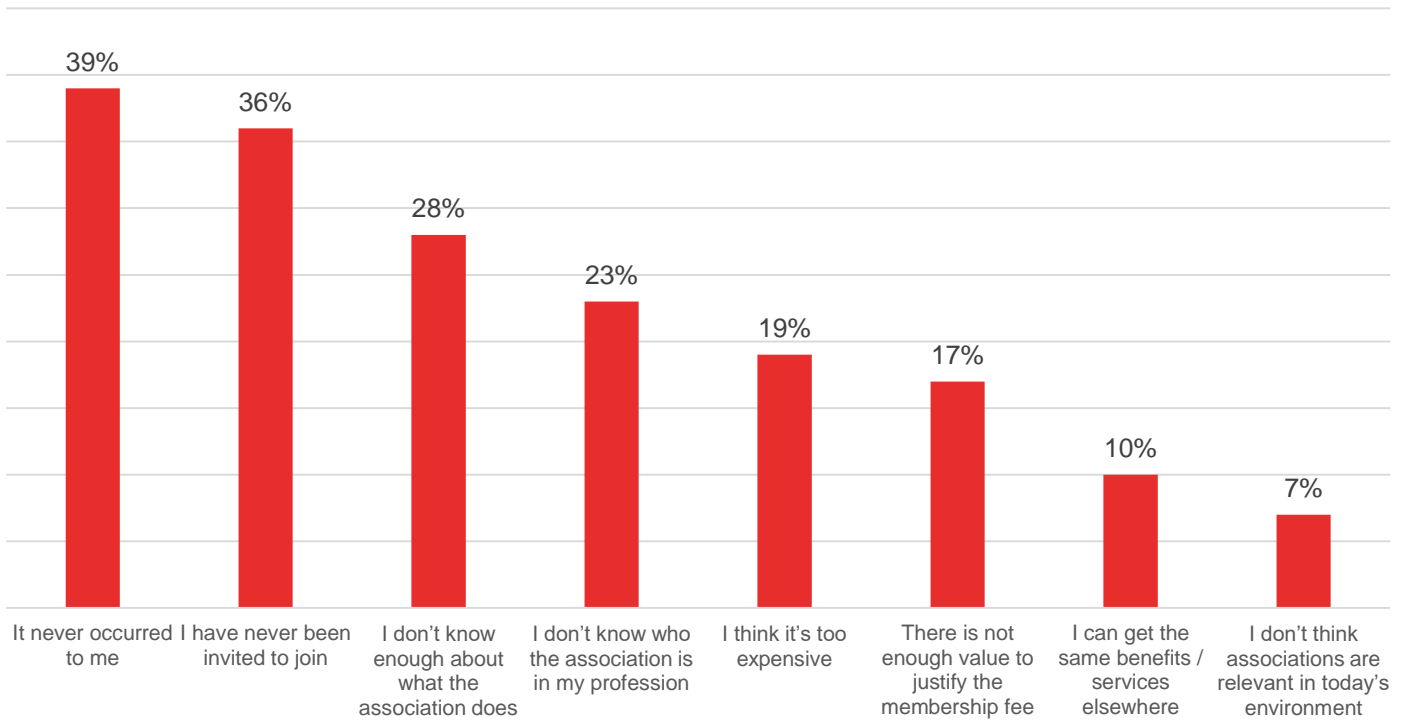
This has obvious implications for the profile and brand awareness of associations, and underscores the importance of effective communication and speaking to millennials in the ways that they prefer.



A closer look:

Why millennials don't join associations

Key reasons amongst non-member respondents





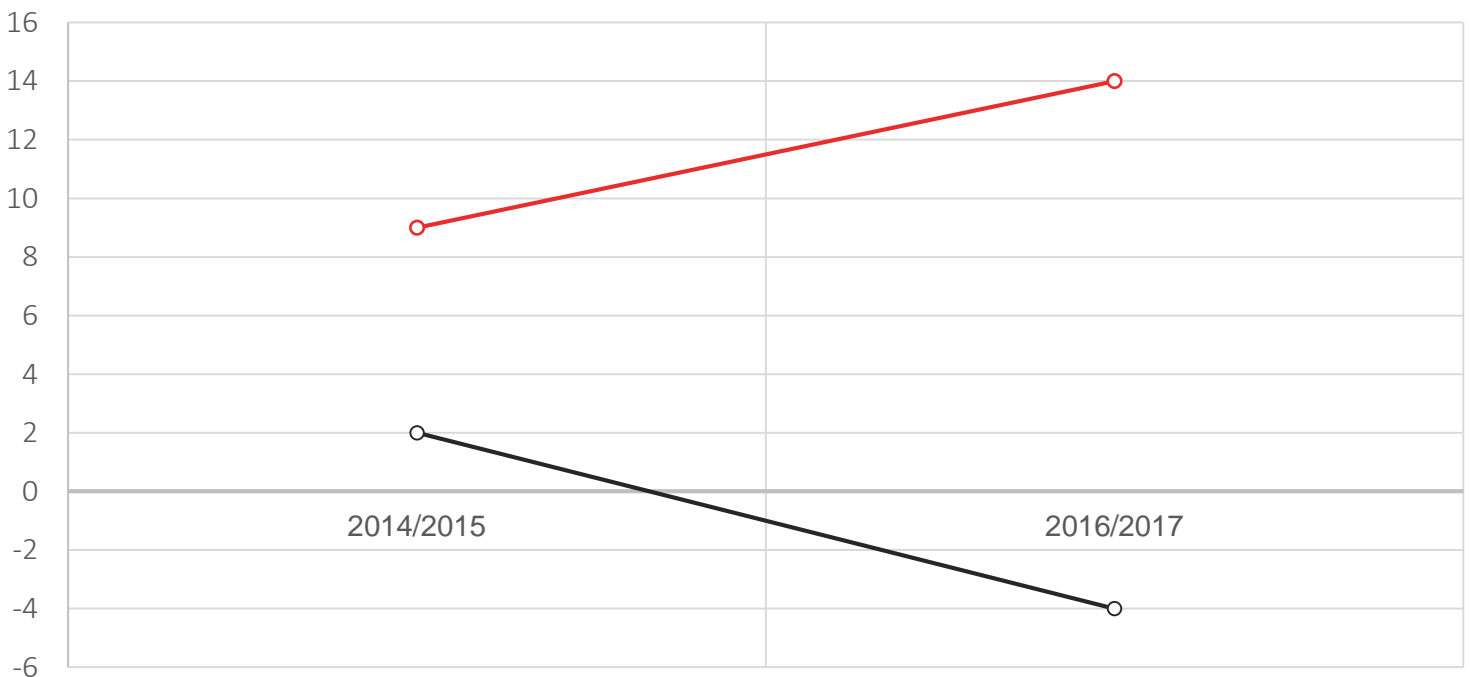
**I've never been
invited to join**

-- Millennial Non-Member



A closer look:

Word of mouth. Millennials are less likely to recommend their professional association to others



* Note ample sample size but low number of representative organisations

—○— Under 30 Years —○— Over 30 Years

Cost

Most young people leave formal education with substantial debts, entry level jobs for young people are disappearing⁹ and many have difficulty finding full time work⁷. Couple this with access to endless free information and social networking online, and it is essential that associations understand the impact of the cost of membership on the intention to join.

While we have seen that an overall lack of awareness is the biggest reason eligible millennials don't join, the cost and perceived value of membership also impact belonging. This is concerning as a majority (64%) of respondents in our study indicated that they pay their own association membership fees, and a further 41% pay for their own professional development.

The research found that 19% of non-member respondents thought membership was too expensive. Further, of those respondents who had once been members but allowed their membership to lapse, 39% said cost was the factor in their decision not to renew.

At the same time, value for money is an issue. Only 53% of members believe their membership provides value, while 17% of those who have never joined their association think that there is not enough value to justify the fees. Lapsed members feel the same, with 27% citing lack of value as the reason not to renew.

Fee Structure

However, is it simply that the fees are too expensive? Or is it the fee structure that is problematic? To understand this, we explored whether rethinking association fee structures to remove the cost barrier might make belonging more accessible and attractive to young people. When we asked millennials about ways that associations might change the structure of their fees, there were many suggestions, both from the focus groups and the online survey. Not surprisingly, results differed between members and non-members.

When we asked the question "Most associations charge an annual, all-inclusive membership fee to belong, payable as one annual payment. Which of the following alternative membership fee structures would you prefer if you had a choice?", only 7% of member respondents indicated that they are happy with the current fee structure.

Reflecting the ubiquity of subscription payment models, millennials want more choice about how to pay their membership fee. Forty percent (40%) of millennials want the ability for flexible payment options, like monthly or quarterly payments, or by direct debit.

The feedback from focus groups also support this. When asked why one participant had let her membership lapse, she replied "I wanted to pay my membership fee in two instalments and they said no" while another wanted "a cheaper annual price, or instalment options". So it would seem that offering more flexible ways to pay the fees may also encourage people to join and/or renew.

Not surprisingly, millennials also favoured a reduced price for young members. This was particularly evident amongst non-members, and may offer a way of attracting members to first join their association.

There is also support for offering a reward for loyalty through reduced membership fees or greater benefits over time which encourages consistent renewal. As one focus group participant put it "if you've been in the association for 10 years and you get the same benefits as someone who's been there one year, well that just encourages you to drop in and out as it suits you".



64%

Pay their own membership fees



39%

Allowed their membership to lapse due to cost



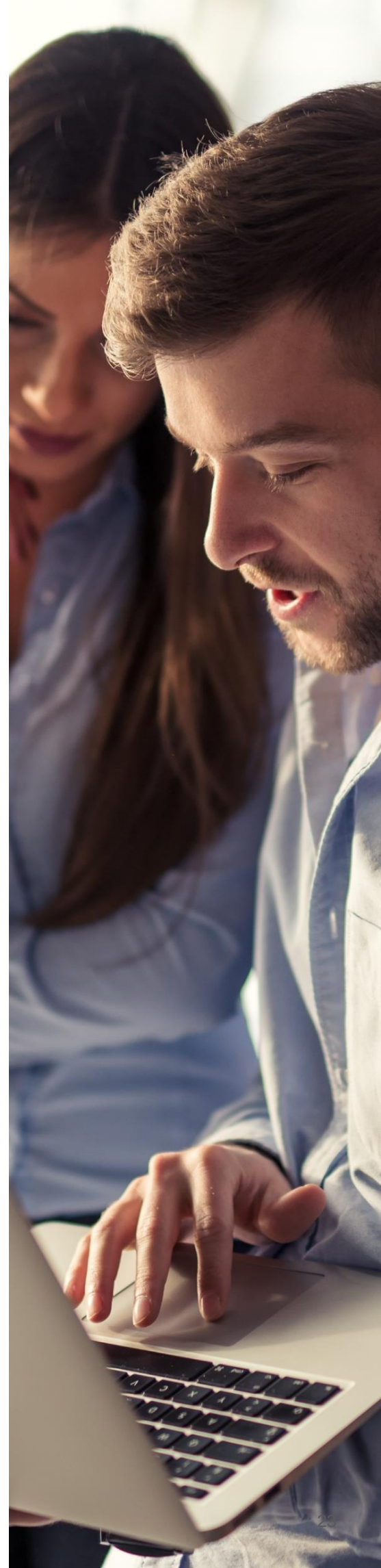
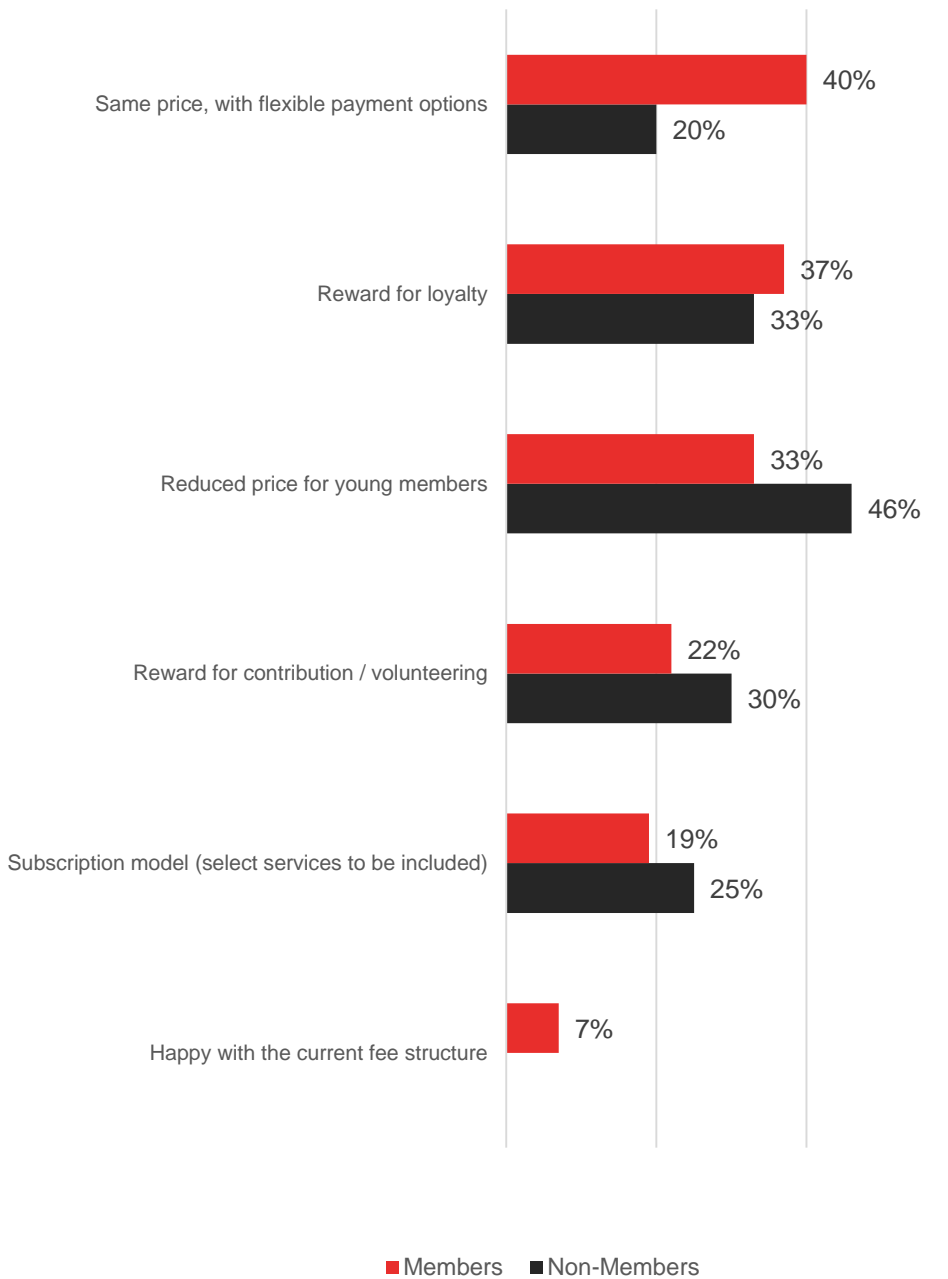
19%

Didn't join because it was too expensive



A closer look:
Fee structure preferences

**Flexibility and recognition
of loyalty are important**



A man with a beard, wearing a blue textured sweater, is sitting at a table in a cafe. He is looking down at a smartphone in his right hand. In front of him is a white coffee cup with a saucer. The background is blurred, showing warm lights and the interior of the cafe. Large, semi-transparent quotation marks are overlaid on the image, framing the text.

**I wanted to pay
my membership
fee in two
instalments and
they said no**

-- Millennial Lapsed Member



Providing Ongoing Value

Careers, Automation & Professional Development

To provide ongoing value, it will be important to look to the future to understand how the changing landscape will impact millennials. With one of the biggest changes driving increased need for professional development, a significant opportunity exists for associations to capitalise on the main reason millennials join.



The changing world of work

To attract millennials and engage them to stay, professional associations will need to understand the social, technological and economic trends affecting younger generations and develop solutions to assist with the challenges they face.¹³

So what is the biggest challenge facing millennials?

Research by the McKinsey Global Institute⁸ suggests that automation will accelerate the shift in workplace skills between now and 2030, right when millennials will make up 75% of the workforce. Although this research did not ask millennials to identify their biggest challenges, we believe (and much research suggests) that workplace changes will have a big impact on millennials.

As a result, while inextricably linked to improved outcomes, holding a degree is no longer sufficient for career success. It is increasingly necessary for people to hold additional qualifications to stand out in a competitive job market. Research by EY Sweeney (2017) found that while 90% of prospective, current and past Australian students think it is important to have an undergraduate degree, 84% also believe it is necessary for people to continuously upskill or retrain themselves to remain competitive in the workplace¹⁰.

Not surprisingly, technological skills will see the highest growth in demand. There will also be a corresponding rise in the demand for social and emotional skills, with skills such as communication, problem solving,

negotiation, entrepreneurship, teaching and training being required.

The FYA 'The New Basics' report¹⁴ refers to these as the 'enterprise skills' and estimates that they make up more than 50% of the skills requested of young job seekers across all occupations and industries.

Obviously, this changing workplace will have a greater impact on those starting or in the earlier stages of their career development. Currently in Australia unemployment and under-employment of people aged under 26 is disproportionately high. Couple this with decreasing 'entry' level jobs, an inability to gain appropriate work experience and a mis-match between the skills obtained at school and university and the skills required to obtain full-time employment, and it is no wonder millennials are feeling uneasy and unprepared!

Both the Deloitte Millennial Survey⁴ and the MGI⁸ discussion paper suggest that employers must take the lead in developing the skills their employees will require in the future. However, they also believe that it will take a collaborative effort with educational institutes, industry and professional associations and unions all needing to contribute to the re-training and transitional changes that lie ahead.⁸



84% of students believe it is necessary for people to continuously upskill or retrain themselves to remain competitive in the workplace.

Where do millennials currently obtain their professional development?

Currently, a large proportion of millennials (46%) receive most of their professional development from their employer. This reflects the belief of most millennials that it is their employer's responsibility to provide them with the skills and knowledge they will need to succeed.⁴

It is also consistent with messages from business leaders that skills shortages are driving businesses to increase training provision. A recent Manpower survey¹⁵ found that 34% of businesses can't find the skills they need, and that in response over three quarters are investing in learning and development platforms and tools, up from just 19% in 2014.

Universities also remain a major source of professional learning for young people. A third (33%) of millennials in our survey obtain most of their professional development from a university course. Although this falls to 26% of millennials aged over 25, it remains true for 47% of those under 25 who are most likely still completing their tertiary education. This is not surprising given the life stage of much of this age group.

The explosion of massive open online courses (MOOCs) are also a growing source of professional development, and represent an ongoing source of competition for association sponsored professional development. A quarter of survey respondents (24%) obtain their professional development from online university courses.

While only 15% of millennials currently obtain most of their professional development from associations, this rises significantly to just over one in four who belong to an association. Attendance at industry conferences and seminars - many of which will be association convened or sponsored - is also the main source of professional development for 19% of millennials.

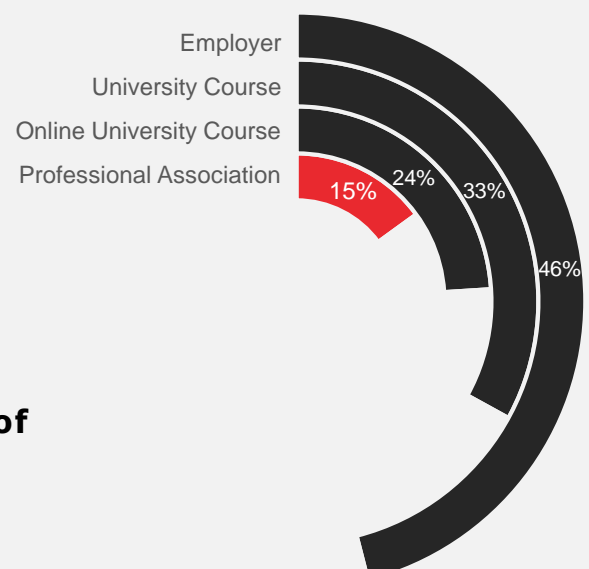
A role for associations?

As demand for online self directed learning increases, and a range of corporate providers enter the market, there will be a greater need for training that is trusted and externally credentialed. With a long history of working for the benefit of the profession they represent, and professional development the main reason millennials join, associations should be well placed to provide qualifications that meet this need.

While companies will continue to provide the majority of skill development needed by their workforce, MGI research suggests that associations "have potentially significant roles to play in addressing shortages of certain skills and retraining in the automation era".⁸

Supporting this, 63% of respondents in our study believe that automation will increase their need for professional development in the future and nearly half (47%) agree that there is an ongoing role for associations to offer training and development - regardless of whether they are a current member or not.

A similar proportion (44%) think there is a role for associations to help them adapt to the impacts of technology and automation, although members are significantly more likely to agree with this (54%) than non-members (39%).



A closer look:

Where do millennials obtain most of their professional development?

Looking to the future for professional development



41% of millennials pay for their own professional development..



63% of millennials think that automation will increase their need for professional development in the future.



47% of millennials agree there is an ongoing role for associations to offer professional training and development.



44% of millennials agree that associations have a role to play in helping them adapt to the impact of technology and automation.

How are association professional development offerings perceived by millennials?

So are association professional development courses viewed favourably by employers? Do young professionals believe accreditation and other advanced qualifications obtained through their association are essential to their career progression? And do millennials think belonging to an association provides greater opportunities for career growth and improvement in key leadership skills? The extent to which they do will play a vital role in the ongoing relevance of association endorsed professional learning amongst millennials.

Like in much of the research, millennials are split in their views about employers' perception of association training offerings depending on their membership status. While just over half (53%) agreed that the endorsed programs offered by associations are viewed favourably by employers, this increases to 63% of members – who are more likely to have had experience of association professional development.

The idea that association qualifications and credentials are of benefit to their career is also accepted by just over half of the millennials we surveyed. Again, members are significantly more likely to believe that associations provide accreditation and qualifications essential to progress in their profession (66%) than non-members (52%).

Sixty-three percent (63%) of members also believe that association membership provides recognition and enhanced opportunities for career growth, compared to 57% of non-member millennials.

So how do millennials think associations can help them adapt to the impact of technology and automation in their industry?

While a significant proportion of the millennials we surveyed were unsure about how association could help,

many millennials want associations to offer professional development courses that will help them gain skills that are most likely to be in future demand (44%). Some also want more information about the type of skills that might be required in the future (39%). With reports that millennials feel uncertain about their careers and employment in the wake of automation,⁴ it is not surprising they want to be able to access courses that will develop their knowledge, better understand the nature of the work they may be required to perform, and gain the skills they need to compete in the employment market.

A third of respondents also believe that associations should work with organisations and employers to develop new opportunities and / or positions to compensate for roles lost to automation. Working with employers to upskill and retrain professionals in roles at risk of automation is valuable to over a quarter (27%) of millennials.

These findings are an important take out from this study.

According to CEDA,¹⁶ to ensure their careers are resilient in a rapidly changing environment, individuals will need to take responsibility for their own education and invest in skills and professional development to keep adapting their skills to match industry need.¹⁷

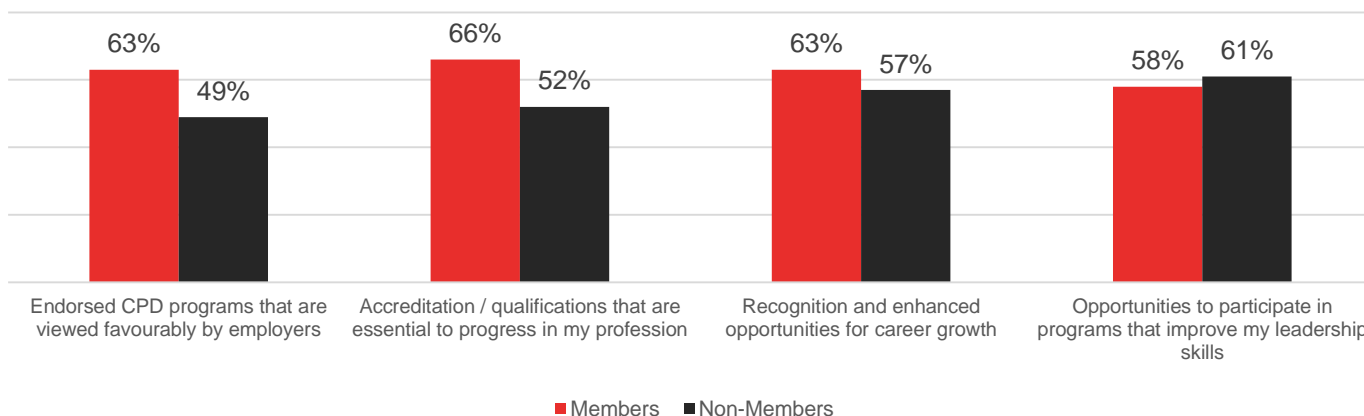
A survey conducted by Manpower in 2016 found that most young people understand this, with 93% of millennials willing to spend their own money on training.¹⁵ And many are! Sixty four percent (64%) of survey respondents pay their own membership fees and 41% pay for their own professional development.

Overall, these findings suggest that associations who are willing and able to collaborate with employers and tertiary institutions to incorporate training in the skills of the future should be able to improve participation in professional development – which is the primary reason millennials belong.



A closer look:

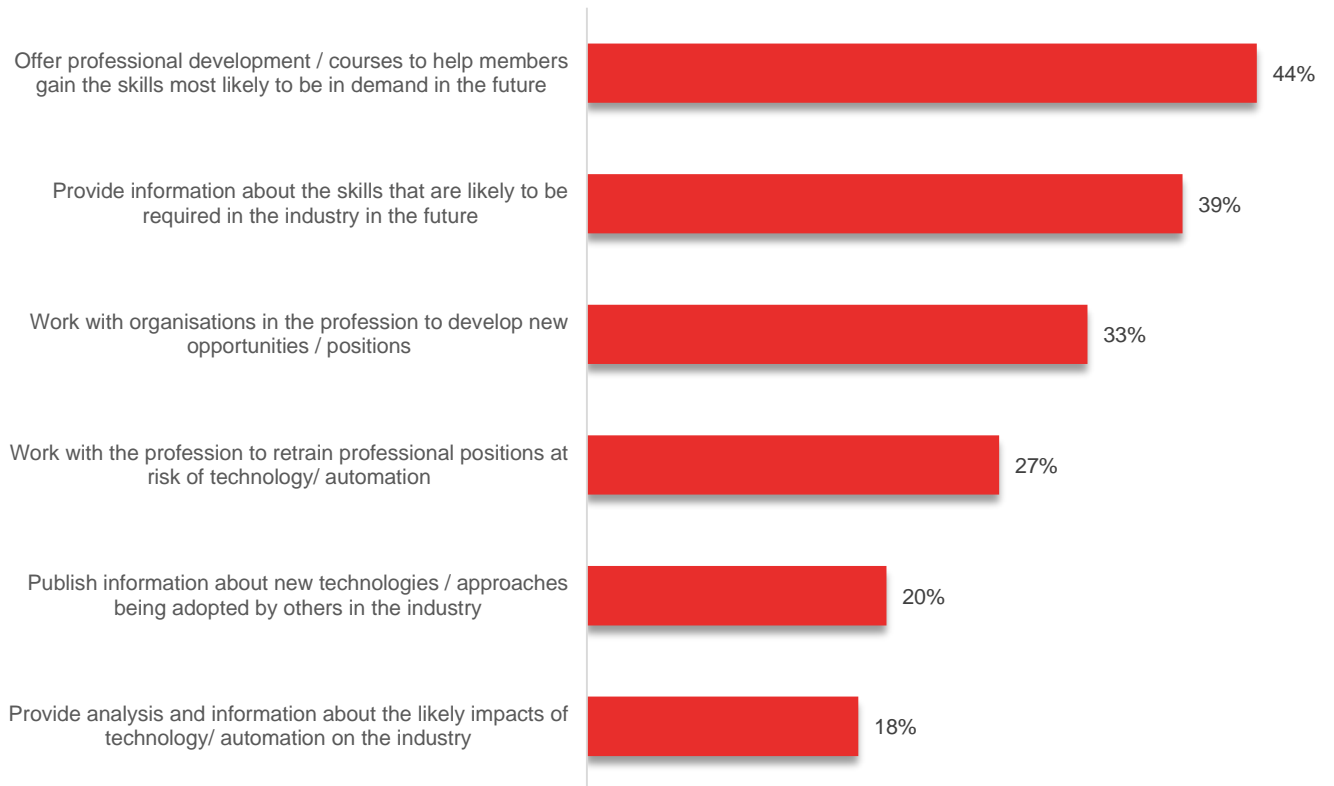
Attitudes to association professional development





A closer look:

How millennials think associations can help them adapt to the rise of automation





**The pace of
technological
change demands a
stronger and more
continuous
connection between
education and
employment**

--The Economist 2018



Overcoming the Barriers

Building Awareness



To overcome the biggest barrier to joining, associations need to build awareness of their association and the work they do amongst young professionals.



Building awareness. Communicating with millennials

With lack of awareness the main reason millennials don't join and use professional development services, what can associations do to build their visibility? How can associations best reach this important group?

Millennials are the first generation to come of age with the Internet, laptops and mobile phones. Naturally being technology-savvy in a data-driven world, their lives revolve around technology and they are often connected to their smart phones and social media 24/7. Nine out of ten millennials own a smartphone¹ they use to post updates, stream movies and TV shows, take photos and share their experiences across the myriad of social channels available.

But it is not just smart phone devices in their arsenal of communication tools. Younger millennials between 18-24 years of age have up to 11 connected devices in their home – more that double the amount of individuals over the age of 60 years.¹

Social media plays a major role in how millennials engage and interact. It is used as a way to express and share their opinions, with 65% using it as a way to feel connected to others.¹ More than a third feel out of touch if they cannot check their networks, and the fear of missing out (FOMO) is a far greater concern than privacy and online security.¹

The most commonly used social networks include Facebook, YouTube and Instagram. Snapchat is also popular amongst the younger generation, with 47% of millennials younger than 24 indicating they have a Snapchat account, although use declines with age. Only

a quarter of millennials use Twitter. While only 11% of younger millennials use LinkedIn, usage increases with age – most likely reflecting its importance as a professional networking tool.¹

However, it is not just digital that is important. Much of our research suggests that word of mouth is most often how members hear about the association that represents their profession. A majority of participants (45%) in our first Associations Matter Study heard about their association from their educational institution, while a further 24% suggested that they heard of their association through friends and associations or their employer. These findings are common to most membership research we conduct.

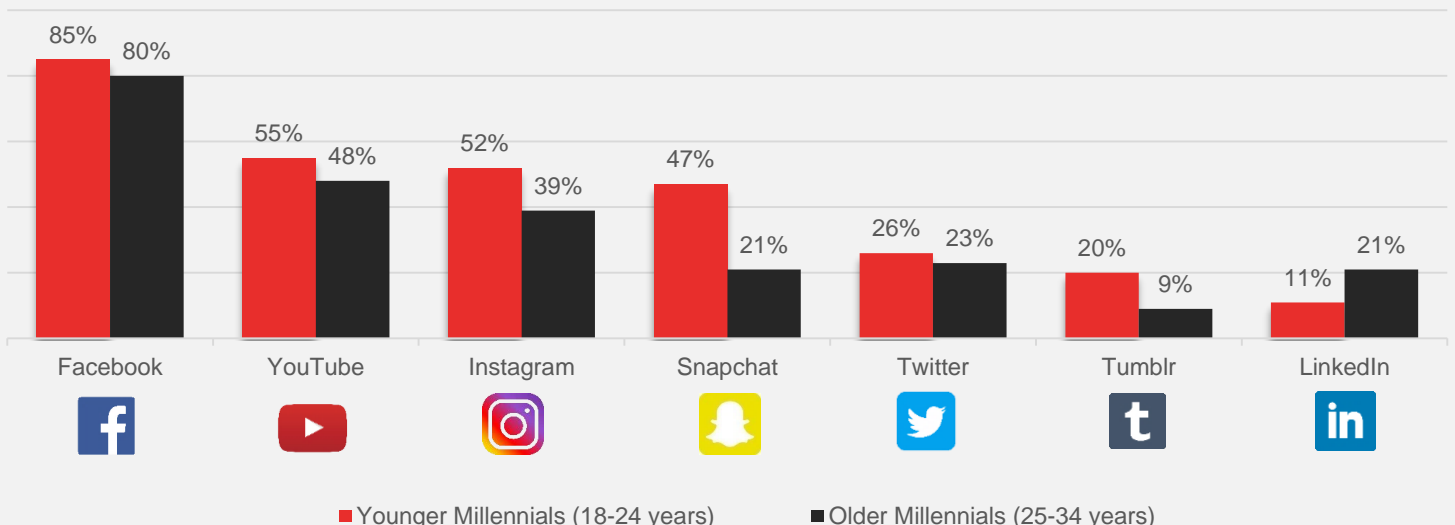
Recommendations are also important to younger members and form an increasingly important part of the purchase decision. Evidence of this is the growing number of online sites that use referrals and recommendations to drive activity, such as Trip Advisor, Uber, LinkedIn to name a few.

So are associations engaging with millennials on the information channels they use? To better understand how millennials are engaging with their association through social media, we asked them if they follow their association on social media, the channel(s) they use and how effective they think your social media communications are.

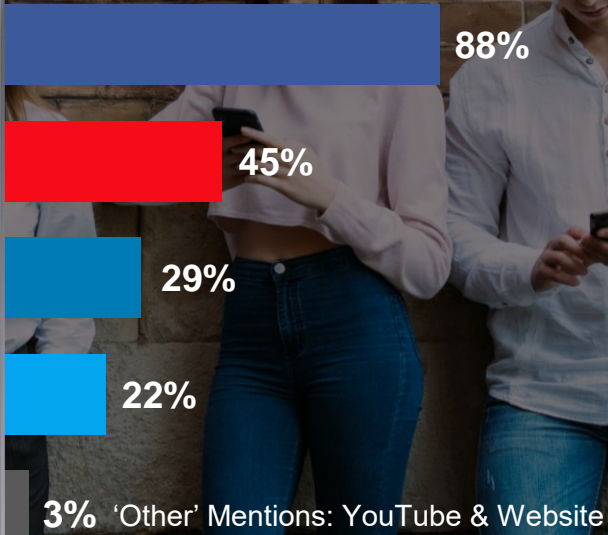
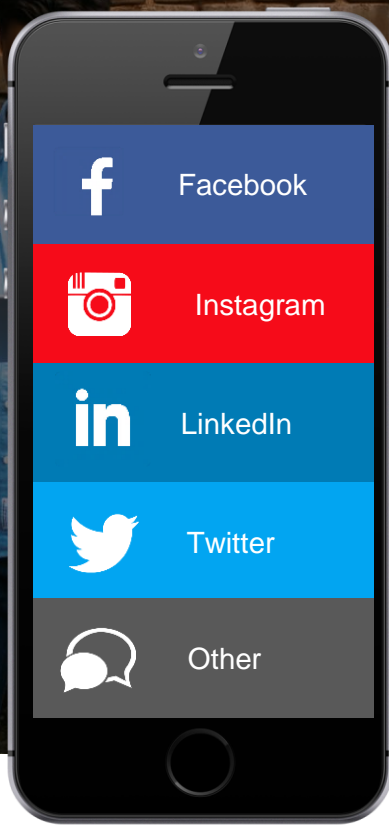


A closer look:

Millennial active social media profiles⁵



SOCIAL MEDIA



Engaging Through Digital

Digital is an increasingly important part of an associations marketing and communications' mix. Thirty four percent (34%) of millennials aged between 18-29 years use social media to follow or find businesses and a further 35% use it to find or connect with people who have similar interests.¹

Positively, it seems associations are increasingly their engagement through social media. The research found that one in two respondents are following their association on social media and prefer to engage through these channels more than newsletters/e-newsletters and magazines.

Of those who do use social media to connect with their association, 88% engage through Facebook, while 45% use Instagram and 29% use LinkedIn. Twitter is the least used social media channel. With reports that 31% of 18-29 year old's have stopped using Twitter in 2018, perhaps this is not surprising.¹

Despite so many connected devices and the vast majority of millennials using the internet daily, again, a lack of awareness is why they don't follow their association on social media. Surprisingly, close to half of millennials indicated that it never occurred to them to follow their association. A further 23% were unaware of

their association's presence on social media. This was supported in the focus groups. When asked about using social media to connect with their association some participants indicated that "it never occurred to me".

Positively, only a small percentage of millennials claimed that frequency of posts (18%) and lack of relevant content (15%) were contributing reasons for not following their association on social media. Of interest, 41% of respondents suggested that they don't follow you because they like to keep their personal social media activities separate to their work environments.

Despite this, only 35% think associations use social media effectively to inform and interact with them. This represents a missed opportunity for associations, as effectively communicating with millennials through the channels they are most engaged in is imperative to increasing awareness and attracting and retaining this generation of members.



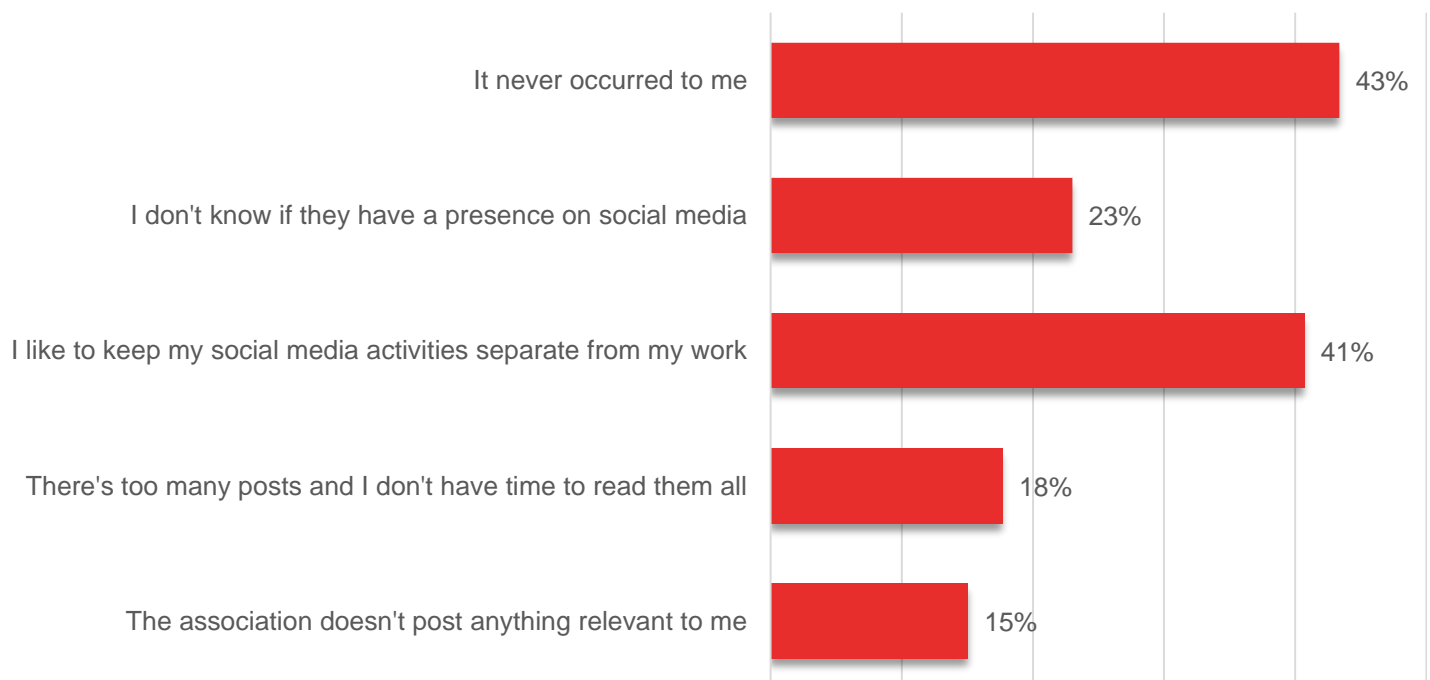
Social Media



A closer look:

Social Media. Lack of awareness is why they don't engage

Only half of millennials engage with associations through social media. Respondents who don't follow their association through social media claim it is because...



Building Word of Mouth

The Associations Matter Study conducted in 2014 found that more association members hear about their association at their educational institution than through any other channel¹². This reflects the practice of many professional associations concentrating their recruitment activities on participation in university information sessions, exhibitions and 'open days'.

The next most prominent sources of membership referral were word of mouth, either through employers or colleagues and friends. This finding is supported by much of the association membership research we conduct.

The importance of word of mouth is also apparent in millennial feedback to this research about how they hear about the various professional development offerings of associations.

As outlined in chart below, over eighty percent (80%) of millennials indicated that they heard about association seminars, mentoring and accreditation programs through their university, employer or colleagues and friends. Over three quarters heard about webinars and

online professional development, networking events and association conferences through word of mouth.

This suggests that increasing awareness of associations is not just about digital and association outbound communications. While millennials might be bigger users of digital communications than their predecessors, and digital is an increasingly important part of the marketing and communications toolkit, word of mouth and recommendations are also important to this generation.

Building relationships with employers, educational institutions and through association networking and young members groups is therefore important to ensuring that young professionals are aware of the association, the role that it performs and the services it offers.

The importance of community and recommendations to association members is also evident with 41% of the millennials we surveyed more inclined to join their association if it was a community of their peers.



A closer look:

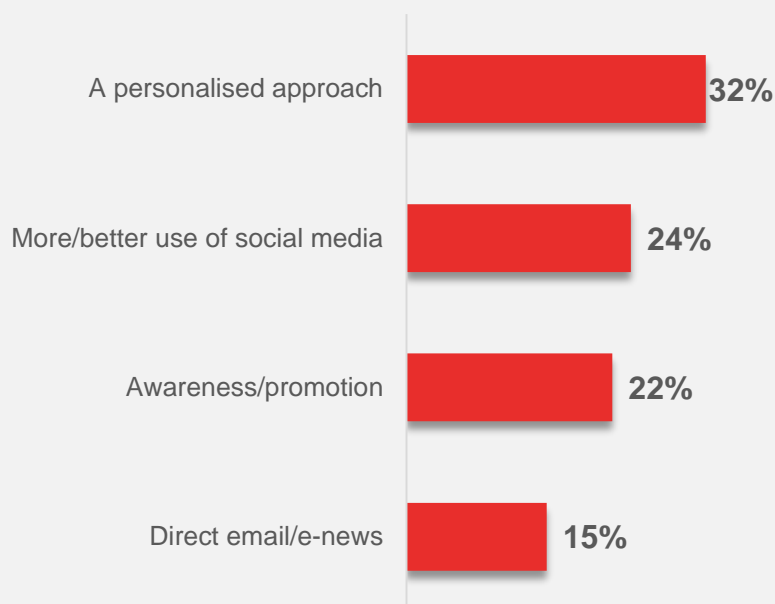
How millennials find out about association professional development

	Webinars/ online PD	Seminars / CPD courses	Magazines/ newsletters	Networking events	Conference	Mentoring programs	Accreditation / certification
How Do Millennials Hear About Association Professional Development?							
Direct email	33%	31%	35%	31%	31%	39%	42%
Social media	28%	31%	32%	29%	31%	28%	28%
Website	24%	24%	28%	24%	25%	27%	23%
% of Respondents who heard through Digital	66%	61%	68%	65%	69%	62%	59%
Word of mouth	38%	36%	35%	36%	42%	34%	39%
Employer	42%	42%	45%	43%	45%	37%	35%
University	33%	32%	26%	36%	36%	27%	31%
% of Respondents who heard through Word of Mouth	77%	81%	75%	78%	76%	85%	84%

To improve communications make it personal

Communicate with members in places and ways they prefer. Young professionals expect associations to be forward thinking and tech-savvy.

How can associations improve the way they communicate and engage?



Improving Communication

We have seen that awareness levels, both about who associations are, what they do and their presence on social media, is low. So how can associations attract this generation to join and to stay? Whilst we did not investigate the specific reasons behind the lack of awareness, we did examine how associations can better communicate with these members.

We asked survey respondents to tell us in their own words how associations could improve the way they communicate and engage with millennials. Many think that taking a more personalised approach is important. There were calls to “have members actually come to see you”, and for you to “make communication more individualised” and provide “more personalised emails” tailored to individual interests, attitudes and behaviours.

With only 49% of those surveyed agreeing that the communications sent by associations provides them with value, making more and better use of digital channels, including social media, is another way millennials think associations can improve communications.

There was mention that “they need to be more in touch with social media... to have a Facebook page that

promotes their services but they also need to have their own blogs as well where people can find more specific information” as well as being “more active and relevant on social media”.

Some thought that associations were not keeping up to date with the various channels of communication and needed to be “more modern with their technology” and to “make sure they keep up-to-date with what the current trendy way of contact is (e.g. new social media apps)”.

Improving awareness through advertising and promotion, not only of events, but about what your association does and your purpose is also how millennials think associations can improve the way you communicate and engage them, particularly through their workplaces or tertiary institutions. Many suggested associations could “be more engaged with employers” and should “reach out to universities or young people places.” to promote awareness. Others thought that “they could advertise more” or have “eye catching advertising”.



**Post more often on
different social
media networks. I
only found them
after hearing about
them from a friend**

-- Millennial Non-Member



Conclusion

Our final thoughts on millennials

Thank you for reading this far! We hope that this report has provided some ideas and inspiration to help associations become more appealing to the millennial generation and those who come after them.

When we came up with the idea of this research, we knew how much literature already existed about this generation and the amount of time and effort that has been spent trying to understand all of the factors that have contributed to their attitudes and behaviours. But we also knew there was very little research about millennials and their attitudes towards associations. So we wanted to contribute to that discussion by gathering insights from millennials in Australia in the hope that we could provide some information to help associations in their quest to attract and retain more millennial members.

In undertaking this research, we did not know that it would raise more questions than answers! However, whilst more research is needed, these findings do offer an important insight into how this generation feels about membership in general, and associations in particular. Awareness is low. Personalisation is important. Promoting word of mouth and recommendation is necessary. Being active on the digital channels where potential members are spending their time is key.

However, millennial members belong for professional development, recognition of their qualifications and for on-going accreditation or certification of their skills and knowledge. They think associations have a role to play in helping them overcome the threats that automation will have on the jobs of the future. And if associations can adapt to focus on the things that are important to this generation, they will remain relevant long into the future.

We are often asked if low membership numbers in this cohort is a life-stage issue. That maybe later in their careers they will decide to join. Is this true? Will they join when they are older? The answer is that we don't know. However something to think about is whether your association is acquiring new baby boomer members now, or if you're seeing an influx of new members in their late thirties or forties. It might be a matter of life stage. But regardless, the way in which we work, interact, learn and develop has changed. The external environment has dramatically changed since the advent of the internet, technology and automation. And this change is only accelerating.

To help younger professionals in this age, associations also need to change. Adapt communication. Improve your profile and messaging. Build a trusted brand. Collaborate with employers and tertiary institutions, because this will expand your capabilities and cement your place in the new world of work that we are finding ourselves in. Find ways to appeal to this generation, because they will benefit from belonging over time.

It will not be easy, but these findings clearly indicate that if associations can adapt and progressively develop their learning and development programs, then this generation might just find a good reason to belong.



Appendix

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survey matters.