# The State of the Sector survey 2024: Key findings

Memcom    Research by Design    iosh

Designed by Memcom, Research by Design (RbD), and the Institution of Occupational Safety and Health (IOSH).

# Foreword

## Memcom state of the sector: Navigating the future

As a CEO in the professional body sector, I've always believed in the power of data. It's more than just numbers; it's a compass guiding us through the ever-changing landscape of our sector.

From understanding our members' needs to identifying emerging trends, data is essential for making informed decisions and ensuring our organisations remain relevant and impactful.

But let's be honest, running a professional body isn't always a smooth sailing.

We're facing challenges like never before: the rapid pace of technological advancements, the need to connect with and stay relevant to the needs of future generations, and the constant pressure to prove our value.

**" Together, we can shape a brighter future for our organisations and the professions we represent. "**

In this whitepaper, we'll dive into these challenges and explore how they're affecting CEOs across the sector.

By sharing our collective experiences and insights, we can learn from each other and develop strategies to overcome these hurdles. Together, we can shape a brighter future for our organisations and the professions we represent.

**Vanessa Harwood-Whitcher
Chief Executive
IOSH**

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# Introduction

The membership sector stands at a pivotal moment, characterised by rapid transformation, evolving member expectations, and new challenges in a digitally connected world where we're increasingly struggling to maintain our relevance.

Against this backdrop, the *2024 Memcom State of the Sector Survey* seeks to capture the key trends, insights, and priorities that are shaping the future of professional membership organisations.

This survey represents a collaborative effort to understand not just the current state, but also to explore how organisations are adapting to stay relevant, sustainable, and impactful in an ever-changing environment.

Drawing from the perspectives of more than 280 senior leaders, representing more than 160 different organisations across various sectors, this year's survey provides an in-depth analysis of strategic shifts, technological advancements, financial performance, member engagement – and internal issues such as attracting talent, staff retention and future working practices.

From the integration of AI and digital services to the growing emphasis on diversity, inclusion, and sustainability, the findings reveal both challenges and opportunities on the horizon.

The aim of this survey is to serve as a valuable resource for decision-makers, providing actionable insights that inspire innovation and inform strategic planning. As we navigate the complexities of 2024 and beyond, the *State of the Sector Survey* underscores Memcom's commitment to fostering collaboration, driving positive change, and championing professionalism across the membership community.

With grateful thanks to all of our partners and sponsors for their input into this resource.

**Julian Smith**
**Executive Director,**
**Memcom**

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# Background & methodology

**The State of the Sector survey was designed by Memcom, Research by Design (RbD), and the Institution of Occupational Safety and Health (IOSH).**

The data is taken from three short surveys that were live March - May 2024. Data processing quality checks were carried out after the survey was closed to remove any duplicated responses.

**A total of 286 responses** from **more than 160 unique membership organisations,** were achieved across the three surveys (127 responses to the External / CEO survey, 95 responses to the Membership survey, and 64 responses to the Internal survey).

The largest proportion of respondents were Chief Executives from a range of different membership organisations (representing almost half, 44%, of the total responses received). The most common type of membership organisation taking part in the State of the Survey were professional membership organisations, followed by registered charities, trade associations and chartered institutes[1].

This report highlights the key headline findings from the surveys.

### The External / CEO survey:

This survey focused on the external threats, opportunities and factors which might affect membership organisations, such as AI, Sustainability and EDI. The primary audience for this survey were CEOs.

### The Membership survey:

This survey focused on key aspects of membership, such as benefits and services, renewal rates, and progression through member grades with the primary audience being CEOs and/or Membership Directors/Managers.

### The Internal survey:

Key areas of focus for this survey included staff turnover rates, future working practices, staff recruitment, retention, and skills development. The primary audiences for this survey were CEOs and/or HR Directors/Managers.
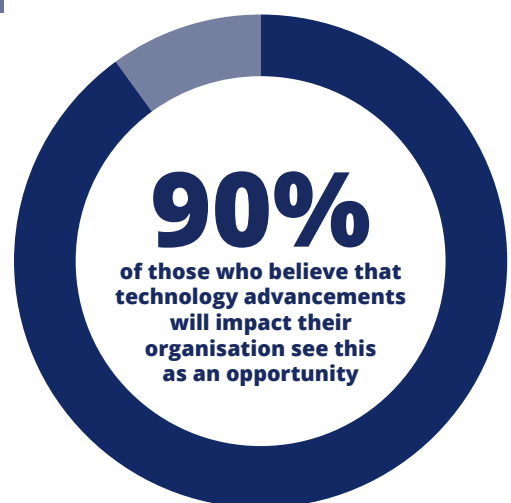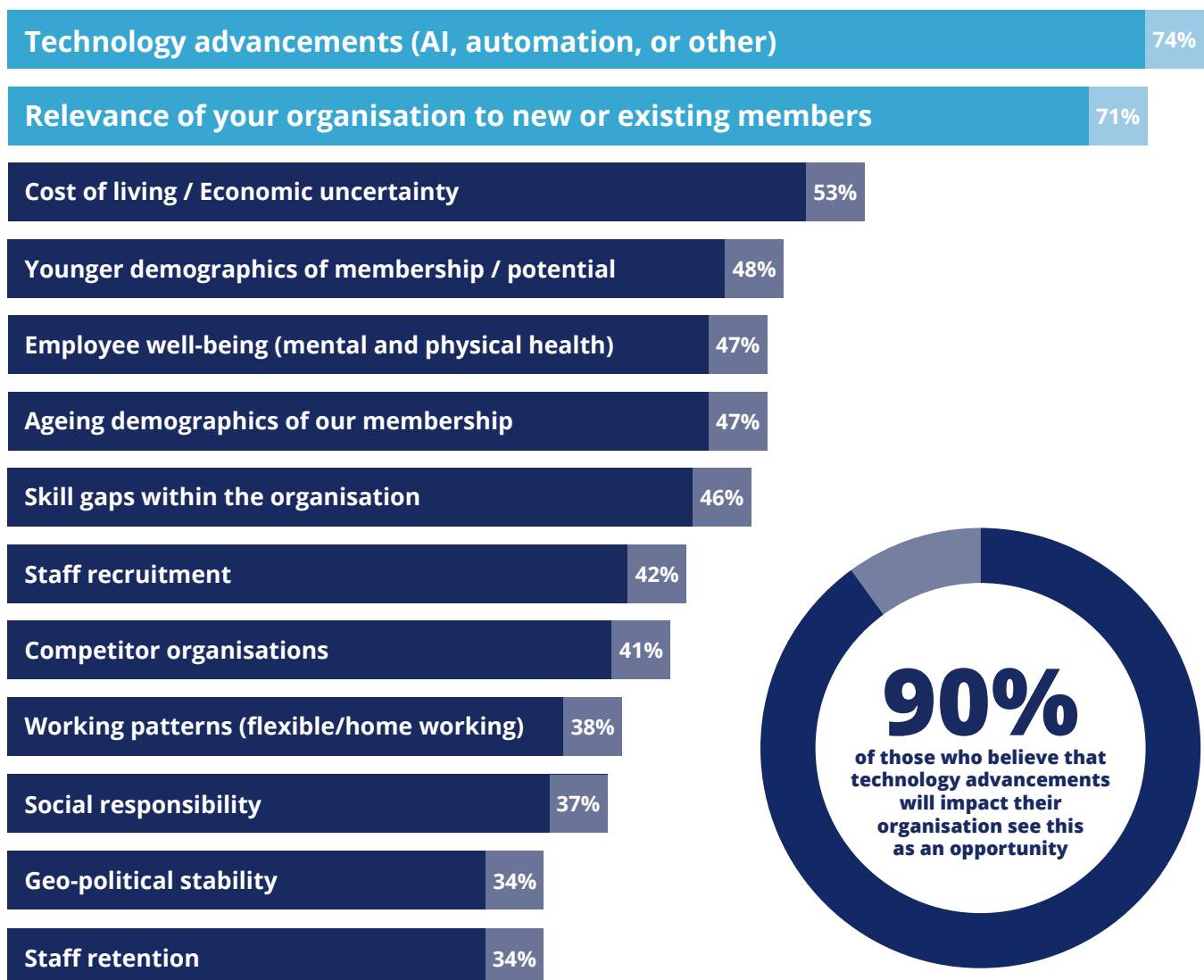
[1] Commentary in this report primarily references professional membership bodies, but the findings are relevant to other types of membership bodies.

# External factors

Membership Chief Executives cite multiple factors that will have an impact on their organisation in the next five years, selecting an average of seven factors. These are wide-ranging, spanning internal/operational considerations, the changing membership market and external macro-trends.

The two most frequently selected factors are technology advancements and the relevance of organisations to new or existing members.

## Which of the following, if any, do you think will have an impact on your organisation within the next 5 years?

| Factor | % |
|---|---|
| Technology advancements (AI, automation, or other) | 74% |
| Relevance of your organisation to new or existing members | 71% |
| Cost of living / Economic uncertainty | 53% |
| Younger demographics of membership / potential | 48% |
| Employee well-being (mental and physical health) | 47% |
| Ageing demographics of our membership | 47% |
| Skill gaps within the organisation | 46% |
| Staff recruitment | 42% |
| Competitor organisations | 41% |
| Working patterns (flexible/home working) | 38% |
| Social responsibility | 37% |
| Geo-political stability | 34% |
| Staff retention | 34% |

Showing responses of 34% or more

**90%** of those who believe that technology advancements will impact their organisation see this as an opportunity

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It's unsurprising that the principle factor that is likely to impact organisations within the next 5 years is technological advancement. These advancements, particularly AI, present **significant opportunities** for enhancing operational efficiencies, delivering data-driven insights and strengthening member engagement. But how do organisations get to this point? The answer is by getting the basics right: by establishing a trusted, stable IT foundation that the organisation can leverage for data- and AI-driven outcomes. Effectively **embracing agile governance** and fostering a **culture of innovation,** while integrating technology-driven initiatives into future business strategy, will ensure **long-term success.**
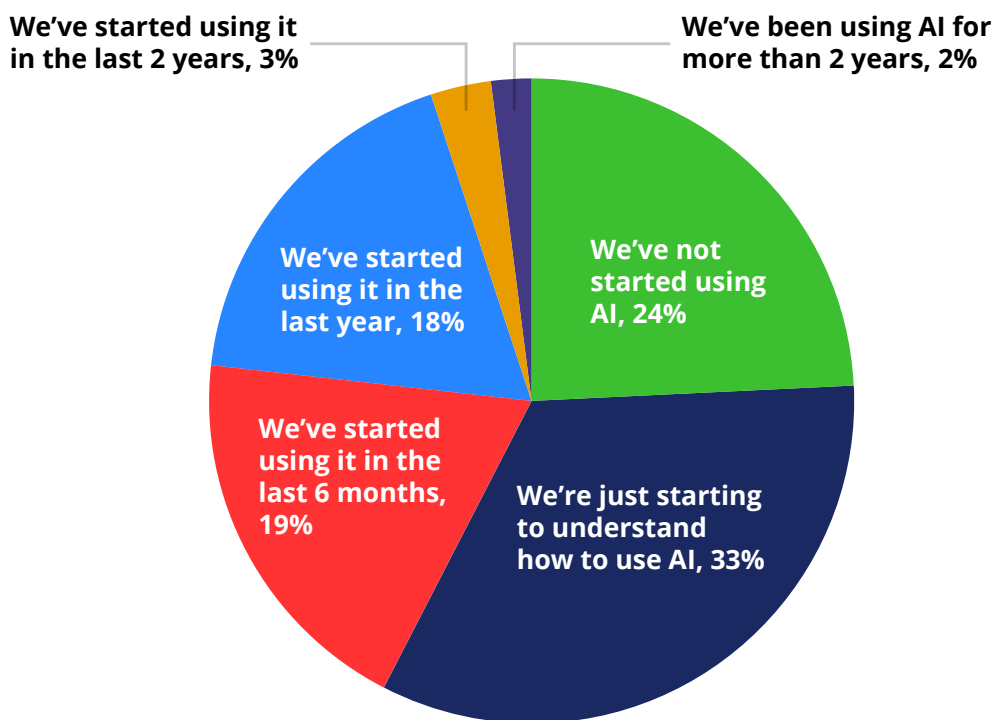
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**Ed Durrant
Chief Executive**

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# Artificial Intelligence

Whilst most CEOs see technology as an opportunity for their organisation, for the vast majority of the sector usage of AI is in its infancy and around a quarter have not yet started using it.

## How would you describe your organisation's use of AI?

We've started using it in the last 2 years, 3%

We've been using AI for more than 2 years, 2%

We've started using it in the last year, 18%

We've not started using AI, 24%

We've started using it in the last 6 months, 19%
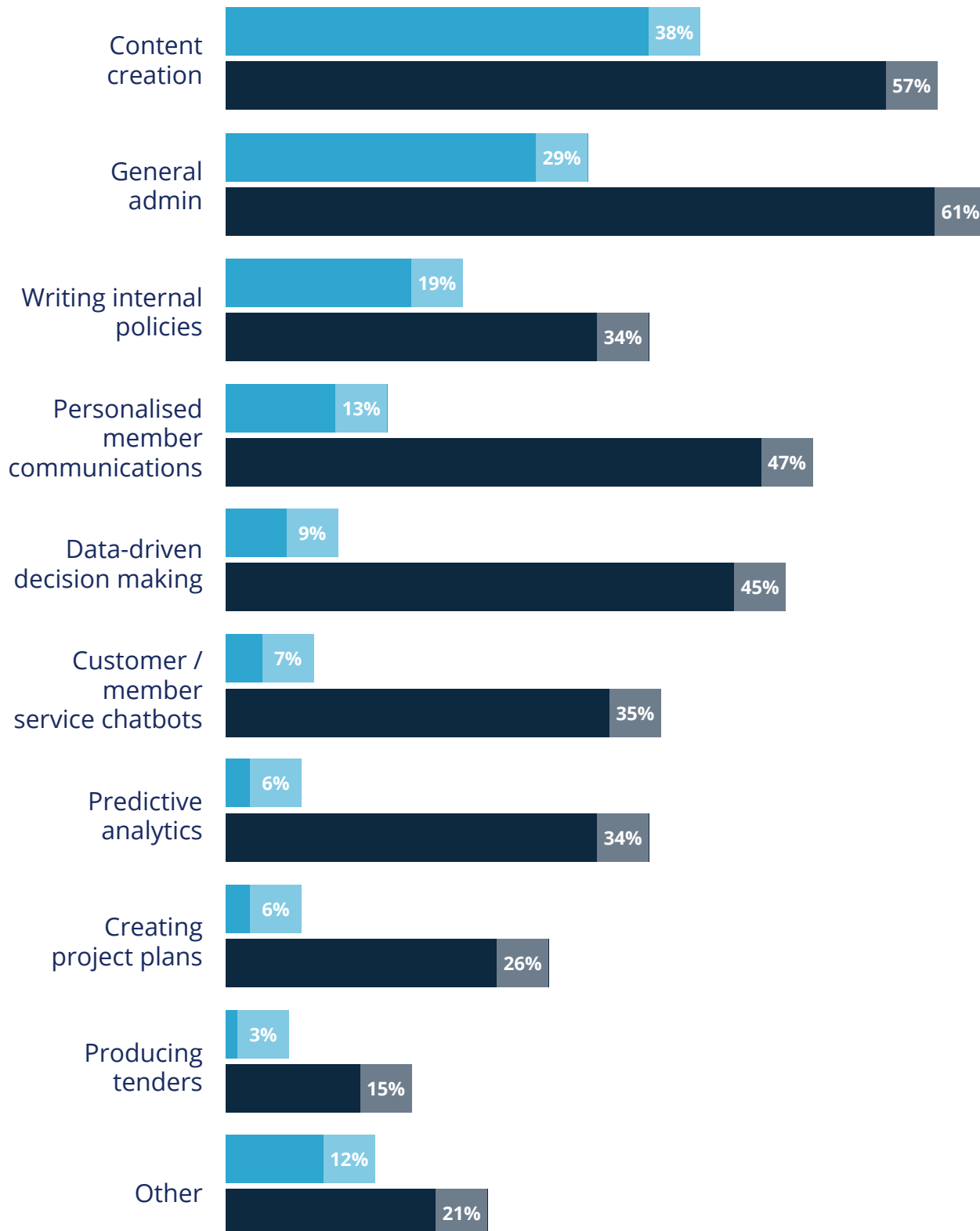
We're just starting to understand how to use AI, 33%

However, not all organisations can see the opportunities that AI might offer. Additional data from the survey indicates that a minority of organisations (12%) have no plans to implement AI.

**12%**
**Have no intention of embracing AI**

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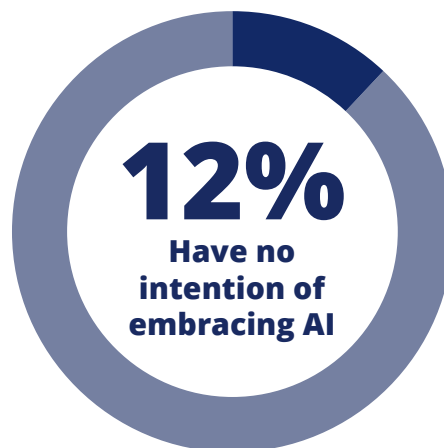
## Currently use AI vs Plan on using AI

🔵 Currently using AI

⚫ Currently and / or plan on using AI

**Content creation**
- 38%
- 57%

**General admin**
- 29%
- 61%

**Writing internal policies**
- 19%
- 34%

**Personalised member communications**
- 13%
- 47%

**Data-driven decision making**
- 9%
- 45%

**Customer / member service chatbots**
- 7%
- 35%

**Predictive analytics**
- 6%
- 34%

**Creating project plans**
- 6%
- 26%

**Producing tenders**
- 3%
- 15%

**Other**
- 12%
- 21%

## The use of AI

Those organisations who currently use AI – or plan to use it in the future - most typically utilise it for supporting general admin (61%) and content creation (57%). Other tasks, such as personalising member communications (47%) and utilising predictive AI to help drive data-driven decision-making (45%) are also cited.
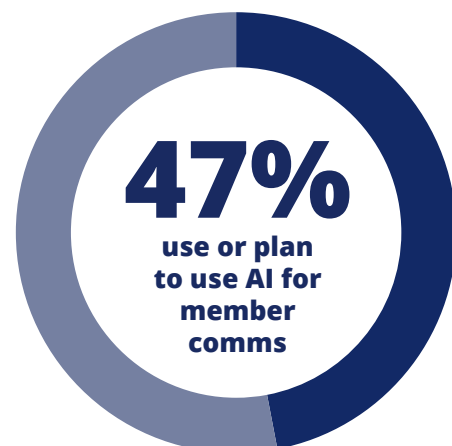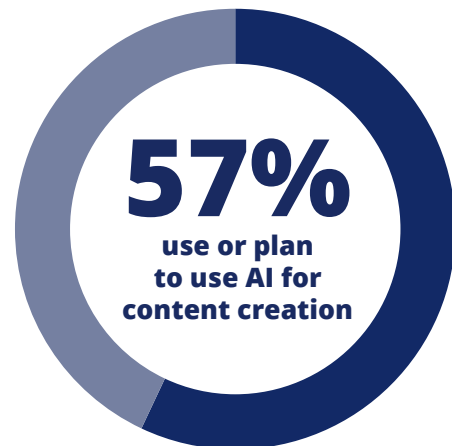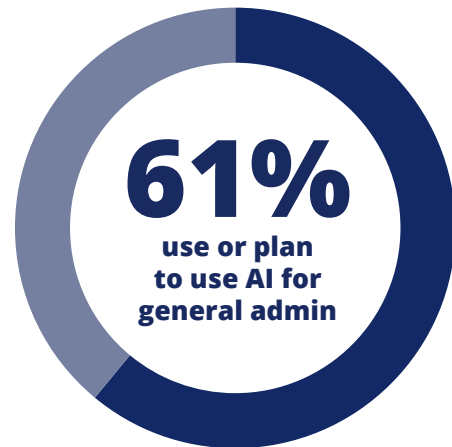
> *"We can use it to make their membership services and communications more effective so they can have more personalised engagement. Then the main focus is on how they use it in their own practice and how they compete with AI tools that could be positioned to replace them".*
> **Survey Participant**

Alongside internal/organisational gains, insights from the State of the Sector survey also emphasise the role for membership bodies to guide and support members as AI potentially alters their role and the wider profession.

> *"The main challenge is developing a framework to support our members using it professionally (regulatory principles) to avoid harm while supporting innovation".*
> **Survey Participant**

**61%** use or plan to use AI for general admin

**57%** use or plan to use AI for content creation

**47%** use or plan to use AI for member comms

" Senis AI recognises the **transformative potential of AI** for membership organisations and is encouraged to see that executives view its impact as a promising **opportunity for growth.**

The survey findings support our belief that AI adoption is still early in the sector, offering leaders a **valuable chance** to move beyond traditional strategic planning methods. Leaders who begin evaluating predictive AI solutions now will unlock more **profound insights** into member preferences in the future, thus gaining a **competitive edge.**

They will generate prioritised strategies automatically and tailor their offerings and communications to serve each unique segment best. This will achieve **optimal engagement** at unprecedented speed without requiring highly specialised data analysts.

By adopting a strategic approach to AI, leaders can position themselves as **innovative, data-driven decision-makers** and ensure their association retains relevancy in a rapidly evolving, competitive landscape.

**Marco Calabrese
CEO & Co-Founder**

Senis AI

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# RbD Insight

## The role for membership organisations

As AI becomes more prevalent in the workplace and across professions, there is a clear role for membership organisations - as the advocate and guardian of the profession - to guide members through this digital transformation. Such support may come from skills training, provision of guidance on safety and ethics, or the setting out of standards and regulatory frameworks, if applicable.

An example of this is from the Chartered Institute of Personnel and Development (CIPD) who are setting up working groups to establish common thinking and practice in the use of artificial intelligence.

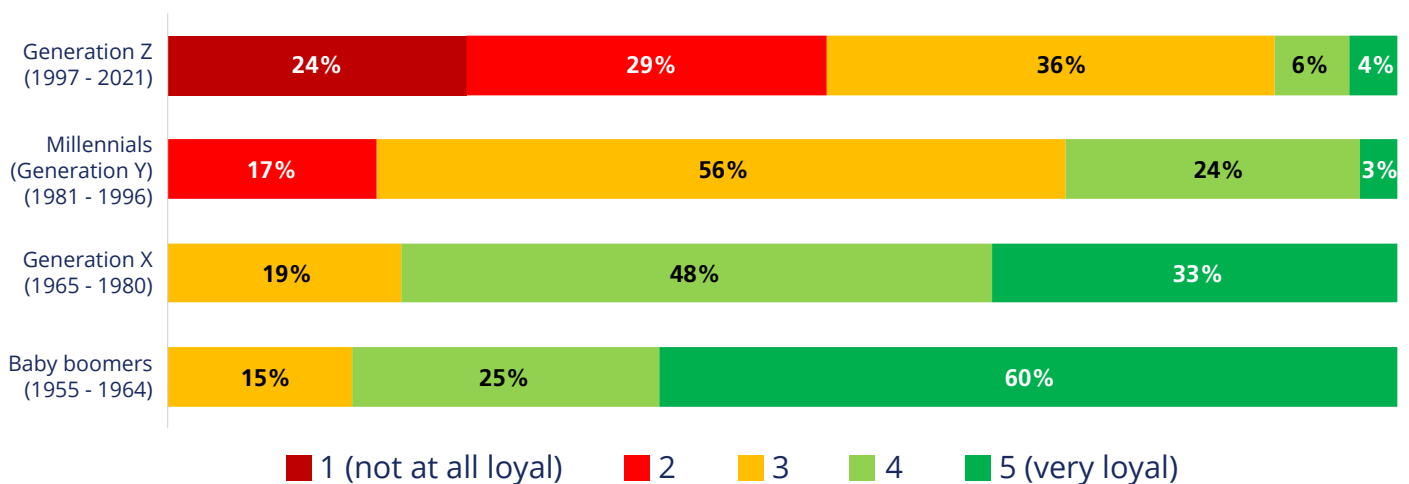# Multi-generational membership

When looking across the generations, findings from the State of the Sector survey show that over half of organisations (53%) describe members from Gen Z as 'not loyal to their membership organisation.' Meanwhile just 10% describe them as loyal. This is in stark contrast to how Gen X and Baby Boomers are described.

**How would your rate the following groups in terms of their loyalty to your membership organisation, where 1 is not at all loyal and 5 very loyal?**

| Generation | 1 (not at all loyal) | 2 | 3 | 4 | 5 (very loyal) |
|---|---|---|---|---|---|
| Generation Z (1997 - 2021) | 24% | 29% | 36% | 6% | 4% |
| Millennials (Generation Y) (1981 - 1996) | | 17% | 56% | 24% | 3% |
| Generation X (1965 - 1980) | | | 19% | 48% | 33% |
| Baby boomers (1955 - 1964) | | | 15% | 25% | 60% |

Those who describe Generation Z members as disloyal cite that these members are:

- Price sensitive;

- Unsure how their membership can aid their career development;

- Struggling to see the value of their membership.

In addition, survey respondents suggest that their organisation's **member value propositions** are not aligned to the needs of this newer generation.

Membership organisations are acutely aware of the need to evolve their membership offer to remain relevant to new (and younger) members.

*"There's so much we need to do but keeping pace with tech and AI and understanding how the new generation wants to utilise membership bodies is really important, and our current propositions will have to change dramatically to service a new generation".*
**Survey Participant**

However, the challenge to demonstrate relevance is not just limited to younger members. Membership organisations are also grappling with progressing members through the grades, with 4 in 5 organisations suggesting grade progression is a current challenge for them.

### Extent to which progressing members through the grades is a challenge

To a large extent, 13%

Not at all, 20%

Somewhat, 39%

A little, 28%
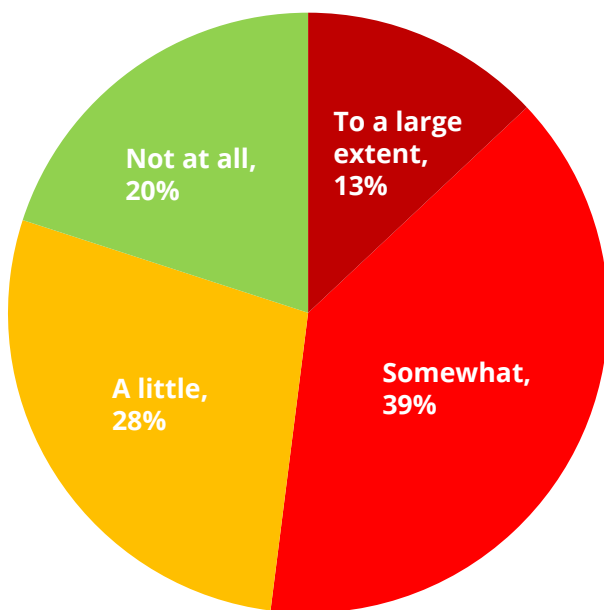
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# RbD Insight

**A new landscape of younger professionals**

RbD's research with our membership clients has seen the challenge of appealing to younger members becoming ever more prominent. We are seeing that **professional registration,** for example, is less of a driver into a membership body than it once was, as newer professionals navigate their career differently and put priority on different areas. Market trends are also impacting; the increase in **alternative training/education providers,** for example, that are competing with membership organisations often in a more agile (and cheaper) way.
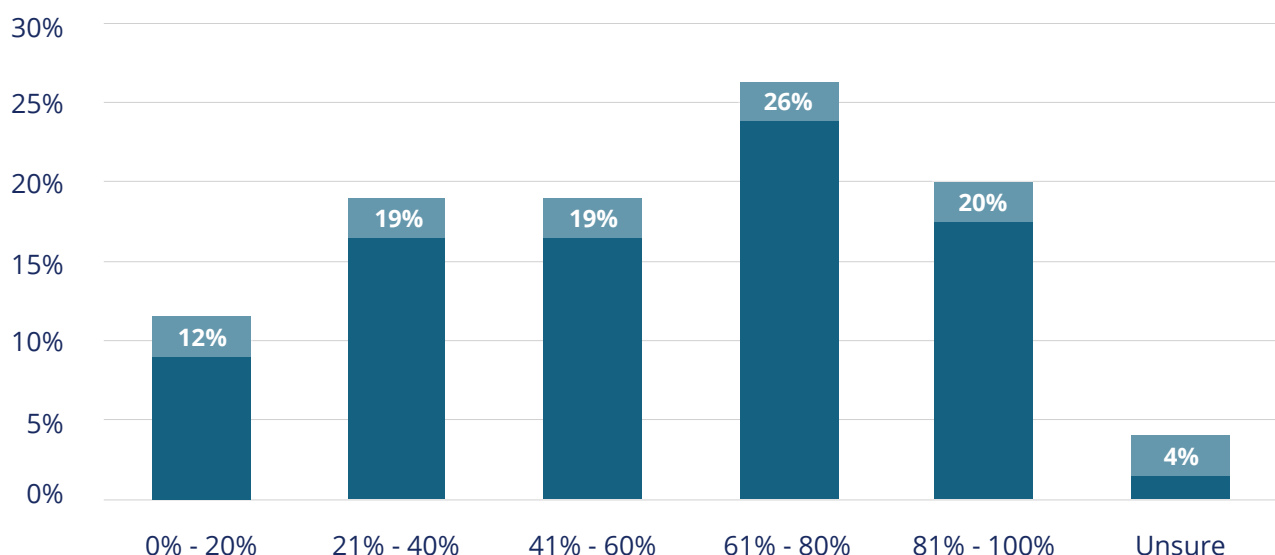
# Income diversification

The State of the Sector survey reveals membership fees are the biggest source of income for almost half of membership organisations (46%).

1 in 5 organisations (20%) suggest that membership fees equate to at least 81% of their total income, whilst an additional quarter (26%) cite that membership fees equal 61%-80% of their total income. As such, understanding how to maintain and build on revenue streams is coming into sharper focus for organisations.

*"We need to diversify our income and reduce member fees as a percentage of overall income".*
***Survey Participant***

## What percentage of your total income comes from membership fees?

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The State of the Sector survey generally supports what we are seeing within our membership clients. While the themes highlighted are not new, namely technology advancement, multi-generational membership challenges and income diversification, there has definitely been a **supercharging of the pace of change** in these areas and membership organisations are having to be more agile and adapt quicker. It is encouraging to see 37% of respondents saying they have started to use AI in the last year. This is an area where we will see organisations having to **consider their strategy** and the skills required to adapt are likely to be a challenge.

**Income diversification** remains a key theme and has been a challenge for decades and this goes hand in hand with keeping relevant, where the survey showed loyalty dropping in every generation with Gen Z scoring lowest for the first time. It is therefore essential that membership bodies focus on their key reason for being, delivering value to members, providing the right benefits and **moving with the times.**

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**Kathryn Burton
Partner**

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# RbD Insight

### Learning and education
The learning and education space is one area where membership organisations are looking to in a bid to increase the diversity of their income streams. Whilst on the one hand this is becoming an increasingly saturated market, membership organisations are in a unique position with their legacy, reputation and brand heritage to offer a credible and compelling alternative. The challenge is in matching the agility and delivery of some of their competitors.

It is also important to note that many membership organisations are looking at member acquisition in global markets to grow their income. Supporting an increasingly global membership, and the challenges and opportunities this creates, is a reality for many in the sector.

### Competitive landscape
Demonstrating clear value touch points across the career and life of members has never been more important, in a less certain and more competitive landscape.

# Governance

**Chief Executives indicate that members are looking for their organisations to lead best practice in their profession throughout a number of areas, these range from:**

- Increasing diversity, inclusion and a sense of belonging.

- Understanding and implementing best practices to enhance sustainability.

- Creating frameworks for the implementation of AI.

- Providing education and training to make sure the profession is helping to combat wider societal challenges.

Free text survey responses highlight the role of governance in making sure that organisations can respond and adapt to changes within their environment.

Of particular importance is agility in governance, along with transparency and diversity.

*"Being agile and adaptive to membership and industry needs. Transparent governance. Better communication. Engagement with membership. Continual review of value proposition. Embrace diversity and inclusion. Smart collaboration".*
**Survey Participant**

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## RbD Insight

### Governance structure

Fostering such an agile and diverse governance structure should not just be seen as a moral obligation, it is vital for long-term sustainability and success, as wider research has shown[2]. It can help membership organisations develop strategies that meet the different needs of the varied communities that make up their membership base, whilst also helping to build trust and relevancy to newer professionals entering the workplace.

[2] McKinsey & Company; Diversity Wins: How Inclusion Matters (May 2020)

# Final thoughts

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In recent years, the membership sector has learned the importance of **adapting and evolving** to stay relevant and meet members' needs in an ever-changing environment. The survey findings highlight the critical role of data in understanding those needs, and using insight to navigate challenges such as technological advancements, member engagement, and income diversification.

A decline in loyalty across generations, particularly among Gen Z, reinforces the need for membership bodies to **continuously evolve** and **deliver value** to their members. We've certainly witnessed our membership partners increasingly looking to address these challenges by expanding their proposition and broadening the suite of services available to members. For instance, incorporating professional services such as legal advice can provide **tailored support for members** at any stage of their professional careers. We also find different generations consume benefits in different ways; while some members value telephone advice, others prefer the self-service aspect of an online portal. Affinity partners can serve as another data touch-point to better understand how members interact with their membership body.

By applying data-driven strategies, membership bodies can ensure **long-term success** and relevance. This approach helps them respond to the unique challenges their members face, adapt to changing priorities, and **engage with members across generations** and throughout their careers.

We look forward to leveraging these insights to support the membership community in **driving positive change** and **adapting to evolving trends.** As the sector aims to build and drive value for their members in the years to come, these **insights will be invaluable.**

"

**Charles Coburn
Head of Partnership Development**

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# Authors of this report

Memcom, Research by Design (RbD), and
the Institution of Occupational Safety and Health (IOSH).

## Memcom

From specialist recruitment for the
membership sector, to the sector's
leading Conference and Excellence
Awards, Memcom has been supporting
and empowering membership
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Beyond the Conference and Awards,
Memcom offers ongoing events,
webinars and workshops focused on
key topics like member engagement,
digital transformation, sustainability
and governance. Our online platform
further supports the community by
providing valuable resources, industry
research and a space for members to
exchange knowledge and best practices
year-round.

To find out more,
contact Catherine Whitmore, via
Catherine@memcom.org.uk

## About RbD

Research by Design is the world's leading
market research agency for membership
organisations. We have worked with over
70 separate membership organisations
using the full suite of qualitative,
quantitative and secondary research
tools and in a consultancy capacity.

Our work empowers membership
organisations like yours to identify and
prioritise the things that really matter.
We help you unleash the full potential
of both your organisation, and your
members. If you'd like to know more,
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## About IOSH

We are the Institution of Occupational
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body for health and safety professionals.

Founded in 1945, we are a charity with a
simple vision – a safe and healthy world of
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world's largest professional health and
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Our training and consultancy solutions
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