



Why People Quit

Tool #7: The Reports You Need to Know

Scott: The next tool that you should have are reports. I want you to get reports. I'm going to give you the reports that you should be getting and that you should be having on your membership dashboard, just being able to see the numbers of how well your membership business is doing. I want you to know who on your staff ... One of the reports I want you to have is who on your staff is processing cancellations. I want you to know that.

After leading a staff that processed cancellations, I learned that there were just some people who were better at processing cancellations than others. It allowed me to know who I needed to give attention to and who I needed to continue to further equip even more. Now, they were all using the same process, but for some reason, some people were better at it. I want you to know who that is on your staff that is your best person at processing and keeping people from quitting, and who is the person who needs some help and further training. Now, the way that you do that is you utilize the cancellation prevention checklist and conversation builder that I gave you. Have them complete that. Have them turn that into you. That will be the report that you get.

Listen, I mentioned this before, you can't expect what you don't inspect. You can't expect what you don't inspect. If you expect your staff to do everything possible to help members and keep them from quitting, if that's your expectation, then you need to go and inspect it. What are they doing? How are they doing it? Then, offer training. Make this training available to them. Have them go through it and learn from it. Then, have them constantly improve using the script builder, using the checklist.

Also, I want you to look at your staff and I want you to encourage your staff. Now, there are times in running large membership

businesses where your staff will be processing cancellations. They'll be doing everything they can, but for some reason your members who are quitting just are constantly telling them no. Again, it's part of the membership life cycle. They'll come back. We know we're going to everything we can to get them back. But time after time, after a person is told no so many times, they start feeling deflated. They start feeling down. I want you to look at your staff, and I want you to see how can you encourage your staff.

There was a time when I was running the previous business I was part of that I noticed that there were just a number of cancellations being processed. I could hear the conversations that they were having, and they really were trying everything possible to keep people in the membership. But for some reason, they said no. What I began to hear after a couple of conversations over and over after being told no that that staff member was starting to take it personal. I actually pulled her aside, and I said, "Hey, listen. I just want you to know I'm proud of you. I'm excited that you're really doing everything you can to help them. You know, we don't always understand why people quit their membership, but I know that you're doing everything you can to help them and keep them from quitting, and you're doing a great job."

Immediately, I saw that staff member, instead of her being hunched over her computer and at her desk, and just kind of down, and being told no, and being told over and over, and realizing she's trying everything she can, for me to tell her she was doing a great job at keeping people from quitting, even though she was being told no, immediately she was encouraged. She went back to her desk. She was sitting upright. She was no longer discouraged. She got on the phone. She sounded even more happy. She was excited to talk to the next person. What I noticed was is actually her demeanor changed even though that she had been told no a couple of times, that now, she had finally been told yes, because I encouraged her, and I helped her change her mindset.

I want you to know that as you get these reports and as you work with staff members, even you yourself, if you're canceling your own members, that you need to be encouraged. Your staff need to be encouraged. Make that as part of your reports that when you look at that report and see who is processing the cancellations, go back and encourage them. People don't like to be told no. Your staff members don't like to be told no, so encourage them as part of your reporting plan.

Then, I want you to know what are the cancellation ... If you're doing cancellation notices at 30, 60, 90 days out, I want you to know where most people respond. For those of you who have maybe an association where you're sending out cancellation notices 30 days, 60 days, 90 days out, I want you to know what is the one point in that process where most people are responding. Then, I want you to do what you're doing there, maybe see how you can move it earlier.

Let's just say people are responding at 90 days. Well, your sending out this last ditch effort, this last chance effort at 90 days, well, maybe there's something in the 60-day message or even the 30-day message that you can change to move people to respond more quickly. In your cancellation process, if you're sending out notifications, I want you to know where in the process most people are responding to renewing their membership. Also, I want you to look at what are the drop-off points in your membership. Now, I talked a little bit about this in the engagement trip wires lesson where I want you to know those drop-off points. But, I want you to know those drop-off points in as part of the reports as well.

Here's what happens. When you get this report, and you see that people are maybe canceling their membership after three months, which is a common drop-off point, most membership businesses try to do something at month three. Well, that's actually wrong, and here's why. I don't want you to just look at month three. I want you to look at month two and see what's happening at month two, because at month three, the decision is being made, but it's at month



two that you have the best opportunity to keep them from canceling. I want you to know the drop-off points. As part of your strategy in your membership business, I want you to go to work on it and address the time before that drop-off point happens so that you can keep people from canceling.

Next, I want you to know how many members, how many new members, you're getting every month. If I was to come into your office right now, would you know how many new members you're getting? At the same time, how many members are canceling every month? I want you to constantly see those two numbers in front of you. I want you to constantly see the number of people, new members you're getting every month, and the number of members who are canceling every month. Then, I want you to know what members, how many members, you have at every level, how many members you have at every level.

Now, that's a good number to have, just because it shows the overall health. Maybe there's an opportunity to upgrade the membership. Maybe, if there's too members at the top level, there's actually an opportunity to increase your pricing. Yes. Now, I talk about that in the seven system of a growing membership business, but I'll mention it here that yes, there may be opportunities to increase your pricing just based upon knowing how many people are at each level of membership.

Then, I want you to know how many members have failed billing. For those of you who are on auto-renew, or even for those of you who are sending out cancellation notices, I want you to know how many members have a failed billing for that month, or how many members are in the cancellation notice process. That's a very telling sign of maybe you need to be doing more to renew those people earlier on, or you are doing something in the way of customer service or in your membership program to be able to get people involved in updating their credit card information, or sending those notices out earlier.

The next number I want you to know really isn't a number, but it's a report on everybody in your membership program. I believe you should have a map, a map. You can go only and you can search, you know, a map, a list, or something like that. You can find these maps that where you can upload your database. It's a private tool. You can upload your data base and know where every member is in your membership program, like where is their business or where do they live. I want you to have a visual of every person. I want you to have a printout of all the names of your members.

As part of doing that, you might say, "Well, what's the reporting process in that? Why is that important?" Well, it's important because you run a membership business. Members are at the very heart of everything you do. I want you to personalize it. I want you to see on a map where they live or where their business is. I want you to celebrate that. I want you to have a printout. When you meet with your staff, I want them to be able to see it. Maybe you even put that map up on a wall to where now they are able to see those all of our members. Maybe you have a wall of fame that is your membership. You have that report, and you constantly update it maybe once a month or something like that so that you're able to see, and your staff are able to see all of the lives that are being impacted by your membership program. Now, those are just some of the reports that you should have in your membership business. Those reports in and of themselves will help you keep people from quitting their membership.