



Anniversary vs Annual Membership Investment Billing

During my tenure as president of the Walton County Chamber of Commerce, one of my most successful initiatives was transitioning from Anniversary billing to Annual Billing. This change significantly freed up my staff's time to focus on programming, events and enhancing benefits. We knew we wanted to do this, that we would need to prorate membership renewals AND we also knew that our budget couldn't take that hit all in the same year. So we did this over a three year period using the four steps below.

Step 1

We moved all membership renewals into calendar quarters .
Q1-Jan-Mar, Q2-Apr-June, Q3-July-Sept, Q4-Oct-Dec

Step 2

Year 1 - We mailed membership renewal invoices in January for the full amount to Q1 Members and we prorated Q2 membership renewals by 25% with a letter explaining our move to Annual Billing. We invoiced Q3 in July and we invoiced Q4 in October for the full membership rates.

Step 3

Year 2 - We mailed prorated membership renewal invoices to the Q3 members in January for 50% of their membership investment fee with a letter explaining our move to Annual Billing. We invoiced Q4 in October.

Step 4

Year 3 - We mailed prorated membership renewal invoices to the Q4 members in January for 25% of their membership investment fee with a letter explaining our move to Annual Billing.

What else you may want to know...

- From Year 1, we set the new members up on annual billing. Lesson learned - they need to pay in full when they join and prorate in the renewal year vs prorating when they join.
- Administrative Processes are so much more efficient with annual billing.
- The stress of not dealing with invoicing, reminders, collecting, and dropping members every single month is amazing for staff morale and productivity.
- Having all membership investment renewals paid annually by mid April gives you the actual vs budget number and then makes figuring the retention rate much easier.

See the reverse side for staff time with anniversary vs annual billing.

Want to know more?

Let's chat!

770.315.8031
teri@starfishpartnerships.com
starfishpartnerships.com



@Starfishpartnerships

Months	Anniversary Billing	Annual Billing
Jan	Invoice January, 30 Day Reminders, 60 day reminders, 90 day reminders, drop letter, add to board report to drop	All Members have invoices emailed Due in January
Feb	Invoice January, 30 Day Reminders, 60 day reminders, 90 day reminders, drop letter, add to board report to drop	All Members receive 30 Day Reminder
Mar	Invoice January, 30 Day Reminders, 60 day reminders, 90 day reminders, drop letter, add to board report to drop	All Members receive 60 Day Reminder
Apr	Invoice January, 30 Day Reminders, 60 day reminders, 90 day reminders, drop letter, add to board report to drop	All Members receive late notice, are dropped if not paid by April Board meeting & we have the total membership investment in and can easily calculate our retention rate.
May	Invoice January, 30 Day Reminders, 60 day reminders, 90 day reminders, drop letter, add to board report to drop	STAFF FOCUSES ON PROGRAMMING, EVENTS, BENEFITS
June	Invoice January, 30 Day Reminders, 60 day reminders, 90 day reminders, drop letter, add to board report to drop	STAFF FOCUSES ON PROGRAMMING, EVENTS, BENEFITS
July	Invoice January, 30 Day Reminders, 60 day reminders, 90 day reminders, drop letter, add to board report to drop	STAFF FOCUSES ON PROGRAMMING, EVENTS, BENEFITS
Aug	Invoice January, 30 Day Reminders, 60 day reminders, 90 day reminders, drop letter, add to board report to drop	STAFF FOCUSES ON PROGRAMMING, EVENTS, BENEFITS
Sept	Invoice January, 30 Day Reminders, 60 day reminders, 90 day reminders, drop letter, add to board report to drop	STAFF FOCUSES ON PROGRAMMING, EVENTS, BENEFITS
Oct	Invoice January, 30 Day Reminders, 60 day reminders, 90 day reminders, drop letter, add to board report to drop	Invoices are mailed mid-October with renewal letter to all members and a January due date
Nov	Invoice January, 30 Day Reminders, 60 day reminders, 90 day reminders, drop letter, add to board report to drop	STAFF FOCUSES ON PROGRAMMING, EVENTS, BENEFITS & PREPARING FOR NEXT YEAR
Dec	Invoice January, 30 Day Reminders, 60 day reminders, 90 day reminders, drop letter, add to board report to drop	STAFF FOCUSES ON PROGRAMMING, EVENTS, BENEFITS & PREPARING FOR NEXT YEAR