THE LANGUAGE OF MEMBERSHIP

The key performance indicators every carwash operator must understand to evaluate, manage and grow a high-performing membership program.

Ask 10 carwash operators what their saturation percentage is, and you will likely get 10 different answers, calculated 10 different ways. Ask about voluntary versus credit card churn, and the room gets quiet. Our industry has built extraordinary membership programs over the past decade, but we have not always built a shared language around them. That ends here.

As our industry matures, so too must the way we evaluate membership health. The key performance indicators (KPIs) covered in this article are not academic. They are the numbers I review every single day at our wash and with every operator I work alongside. Understanding them is the first step. Tracking them consistently is where the real work begins.

A single metric never tells the complete story. A wash can have exceptional conversion and poor retention. Another may have modest conversion but a deeply mature, loyal membership base. Without a common framework, meaningful comparison becomes difficult, and coaching becomes guesswork. These are the four KPIs that form the foundation of any serious membership program.

1. CONVERSION

Conversion is the most immediately actionable KPI in membership. It measures how effectively your team is turning non-member customers into paying members — right now, on the lane, in real time.

- **Formula:** Conversion rate equals total "pitchable" (non-member) vehicles divided by total membership sold.

This is the number I talk about most. It is the clearest daily signal of how your sales culture is performing. Every pitchable vehicle that passes through your tunnel is an opportunity. Conversion tells you how many of those opportunities your team is actually capturing.

Recent industry data from the Rinsed Q1 2026 report adds important context. Locations with more than 3,000 active members averaged roughly 12% to 13% conversion, while larger membership operators consistently outperformed smaller ones. Locations with 5,000-plus members averaged around 9.4% conversion, compared with 5.8% for smaller programs. Large private equity operations tend to see lower conversion rates per vehicle but compensate with dramatically higher daily traffic volume.

This is one of the most important distinctions in the entire KPI conversation: the difference between raw conversion and true opportunity conversion. Raw conversion divides total memberships sold by total vehicles washed. True opportunity conversion accounts only for vehicles that were actually pitched: the non-member customers your team had a real chance to convert.

WASH PROFILE	TYPICAL CONVERSION RATE	CLASSIFICATION
Underperforming	3% to 6%	Needs attention
Industry average: express exterior	7% to 10%	Below potential
Strong multi-site operator	11% to 14%	Solid
Top quartile/ best-in-class	15% to 20%	High performing
Elite sales cultures	20%-plus	Exceptional

A team that pitches every car and converts 10% is performing very differently than a team that only pitches 30% of cars and appears to convert 20%. Industry benchmarks that fail to account for pitch rate can be deeply misleading. I suspect this is one of the biggest reasons reported conversion numbers vary so wildly across the industry.

My personal target is 20% or above. At our wash, we have sustained 40%-plus monthly conversion — and those numbers are not accidental. They are measured, reviewed and reinforced every single day.

2. USAGE

Usage measures the average frequency with which active members wash their vehicles during a given period. It is a direct indicator of member engagement, perceived value and program adoption.

- **Formula:** Usage rate equals total member washes divided by total number of members.

Usage is a tricky KPI, because it cuts both ways. Members washing too infrequently are at risk of canceling; they are not getting value, and they know it. Members washing too frequently can threaten the unit economics of your program. Finding the healthy middle is the goal.

What makes usage particularly powerful as a key performance

	MONTHLY USAGE (AVERAGE WASHES PER MEMBER)	SIGNAL
⚠	Under 2.0	Attrition warning: members disengaging
	2.0 to 3.0	Low engagement
✓	3.0 to 4.0	Average: healthy range
	4.0 to 5.0	Value warning: monitor margin
$	5.0-plus	Profit warning: review pricing

indicator is its sensitivity as an early warning system. An unexpected swing outside of normal seasonal patterns can signal a disgruntled employee, an equipment issue or a service quality problem, sometimes before it shows up anywhere else in your data. If usage drops suddenly and you cannot explain it with weather, pay attention.

Speaking of weather: Seasonal context always matters. After a long stretch of snow, usage spikes. In the heat of summer, it typically drops. These are expected movements. The beauty of a strong membership program is that your revenue remains stable through both — and that predictability is precisely the point.

3. ATTRITION

Attrition is the percentage of active members who leave your program during a specific period. It is the metric most operators underestimate — until it becomes a problem they cannot ignore.

- **Formula:** Attrition rate equals cancelled members divided by starting active members.

A wash can have outstanding conversion and still struggle if it is losing members as quickly as it gains them.

There are two distinct types of attrition, and understanding the difference matters enormously for how you respond to it:

- **Voluntary churn:** Occurs when a member actively chooses to cancel. This is a signal about value perception, customer experience, pricing or competitive pressure. It deserves your full attention.
- **Involuntary churn:** Often called credit card churn, it occurs when a membership is canceled due to a failed payment or billing issue rather than a conscious customer decision. This member did not want to leave. A proactive outreach system can recover a meaningful percentage of these.

The current attrition environment is worth paying close attention to. According to the Rinsed April 2026 report, we are seeing some of the highest churn levels in recent memory:

- 5.2% voluntary churn increase year-over-year (YoY)

MONTHLY ATTRITION RATE	CLASSIFICATION
3% to 5%	Excellent
5% to 7%	Average
7% to 10%	Concerning
10%-plus	Problematic

- 2.3% credit card churn increase YoY
- 4.1% total churn increase YoY.
- Total monthly churn rose to 7.3% in Q1 of 2026.

Economic sensitivity is clearly visible in the data. The price of gasoline has historically shown a direct correlation with attrition increases; when household budgets tighten, subscription services get scrutinized. We are, in my estimation, approaching concerning territory. If your numbers are climbing, now is the time to focus on five things: membership value perception, customer experience, pricing strategy, member appreciation events/swag and competitive differentiation.

One important exception: If you run a compelling first-month promotional offer, you will naturally see elevated churn in the early months of a member's lifecycle. That is not necessarily a problem, provided your conversion rate is strong enough to compensate. Think of it as a yin-and-yang relationship. A powerful introductory offer drives conversion up. A predictable bump in early churn comes with it. The question is whether those two numbers are in balance for your personal business model and tolerance.

SATURATION RATE	CLASSIFICATION
Under 10%	Emerging
10% to 15%	Developing
15% to 20%	Established
20% to 30%	Mature
30% to 40%	Best-in-class
40%-plus	Exceptional

4. SATURATION

Saturation measures how deeply membership has penetrated your customer base. It is the big-picture view of where your program stands relative to the total opportunity available at your location.

- **Formula:** Saturation rate equals member washes divided by total washes in a given period.

High saturation is a trophy. It represents years of consistent sales effort and a loyal customer base that has overwhelmingly chosen to commit to your wash. But it comes with its own strategic challenge: the risk of over-saturation.

Too many members can begin to squeeze out new customers and what I call LNMs (loyal non-members). These are repeat customers who genuinely prefer to pay per wash. They are valuable. They represent future conversion opportunities. An overly saturated program can inadvertently reduce their experience by creating congestion, wait times or the perception that the wash is "for members only."

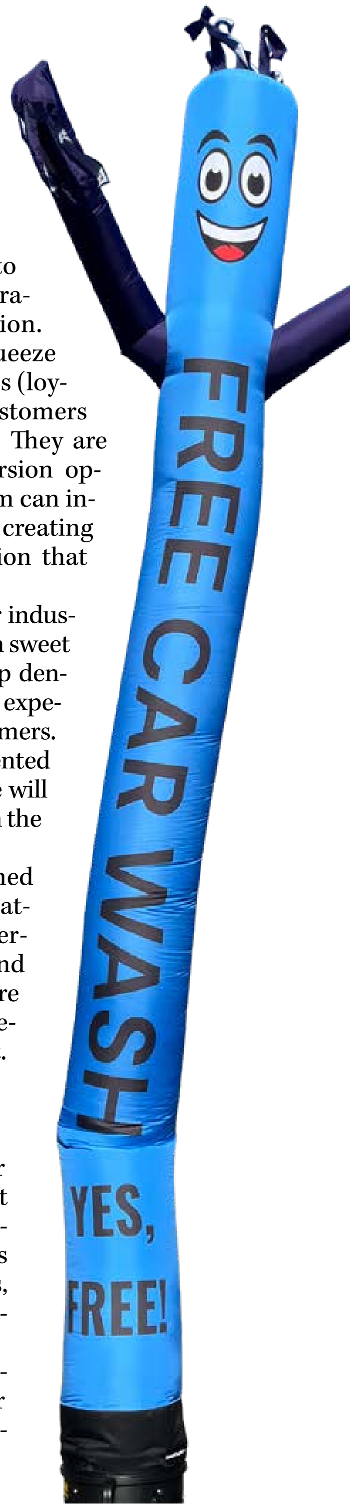
There is a growing conversation in our industry right now about finding the saturation sweet spot — the threshold where membership density is maximized without degrading the experience for non-members or new customers. As large wash groups reach unprecedented membership levels, I believe this balance will become one of the most debated topics in the industry over the next several years.

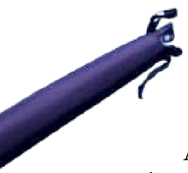
For most independent and family-owned operators, however, I want to be direct: Saturation is largely a future concern. The overwhelming majority of single-location and small multi-site operators are nowhere near a saturation ceiling. Your energy belongs on conversion. Build the base first.

SATISFACTION: THE SIGNAL BEHIND THE NUMBERS

Before we discuss how to listen to your members, it is worth understanding just how much happier they are than everyone else. The ICA Pulse Report tracks member sentiment on a quarterly basis, and the data is consistently striking. According to the Q2 2026 report:

- 14% more members reported higher overall satisfaction with their wash experiences compared to single-wash customers nationally.





- Members rate the value their wash provides 16 points higher than non-members — a gap that speaks directly to the power of perceived value in membership retention.

These numbers matter beyond their face value. A member who feels satisfied and believes they are getting exceptional value is far less likely to appear in your attrition data. Satisfaction is not a soft metric; it is the upstream driver of every KPI in this article. When satisfaction erodes, usage drops, voluntary churn climbs and conversion becomes harder as your reputation softens.

Your most loyal customers — your members — will tell you exactly what they need if you create the conditions to hear them. On-site feedback, email surveys, app reviews and Google reviews are all tools that most operators underutilize. The key is learning to filter signal from noise. Look for themes, not one-offs. The customer who leaves a scathing review because five years' worth of carbon did not come off their wheels is not your data point. Five customers who mention wheel cleaning in one month absolutely are.

At our wash, our members told us early on that the wheels were not coming out clean enough. We added wheel prep. They told us the towel dryers were underperforming. We replaced them. More recently, they asked for a tire air machine. It has been a big hit, and it paid for itself in non-member revenue several months after installation. Every one of those improvements came directly from listening.

Satisfaction also lives inside the KPIs themselves. A sudden drop in usage outside of seasonal norms is a satisfaction signal. A spike in voluntary churn is a satisfaction signal. A dip in conversion could even indicate that your customer experience is no longer creating the emotional pull that makes membership an easy yes.

I have learned that if I simply listen, our customers and members will largely set my priority list for me. It has worked so far.

COMING NEXT: INTRODUCING THE MEMBERSHIP PERFORMANCE QUOTIENT (MPQ)

A great deal of what has been covered here will feel foundational to experienced operators. That was intentional. These metrics that I have presented are the ranges as I see them. All of these KPI's could be debated for hours and hours. The caveat to all of this is that you should be benchmarking against yourself. Not every carwash is the same. There are huge differences between automatic washes, tunnel washes and every variant in between. What we can agree on is that before we can evaluate membership health at scale, we need a shared framework — a common language.

As our industry continues to mature, so must the way we measure it. Conversion, usage, attrition and saturation each tell part of the story. But no single key performance indicator tells the whole story. A wash can have exceptional conversion and poor retention. Another may have modest conversion but a highly mature, deeply loyal membership base. Without a unified scoring system, meaningful comparison across locations, operators and markets remains elusive.

In my next article, I will introduce the Membership Performance Quotient (MPQ), a new metric designed to bring these critical measurements together into a single composite score. Think of it as a quarterback rating for membership programs: a standardized way to evaluate overall program health, compare locations, identify opportunities and track progress over time. My hope is that MPQ will give operators, managers and investors a common language for the conversation our industry has been waiting to have. After all, what gets measured gets managed. And what gets managed gets improved. PC&D

Sean Pashley is a nationally recognized carwash membership sales trainer and consultant known as "The Car Wash Membership Guy." As vice president of partner success with EverWash, he has helped hundreds of carwashes build high-performing membership programs and trained thousands of employees to sell memberships more effectively. Pashley also operates an express exterior wash with consistent 40%-plus membership conversion, bringing real-world credibility to his training. He serves on the board of the Carwash Association of Pennsylvania and is passionate about helping operators build profitable, membership-driven businesses.