

The Membership Nexus:

Positioning Your Association in the Face of Declining Revenue Streams

2013 FSAE Foundation Think Tank

This September in St. Pete Beach, 22 association executives committed over one and a half days to FSAE Foundation's Think Tank. The goals were to engage in dialogue on the important topic of enhancing the value proposition of associations and to develop actionable and deeply thought out ideas to assist FSAE members to position their associations to grow and prosper in the face of declining revenue streams. The Think Tank was intended to be the start of an ongoing discussion to explore how associations can:

- Improve non-dues revenue streams
- Serve a dynamic membership demographic, and
- Keep our associations vibrant while exploring new possibilities

This White Paper is written so that even if you were not present at the Think Tank, you can still understand what the group discussed and accomplished. The White Paper is intended to summarize discussions, convey ideas, provoke thought and hopefully spur action.

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Think Tank
Host Sponsor:
Sirata Beach Resort
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25 2013 Think Tank Participants

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About the FSAE Foundation

Philanthropy and education are among the most powerful influences working to shape the future of society. The FSAE Foundation integrates these in a unique way to help shape altruism and excellence in association professionals and to promote best practices in the association management industry in Florida.

The FSAE Foundation was founded in December 1984 with the purpose of enhancing the FSAE's programs and services through education, research, scholarship and certification initiatives.

What is Think Tank?

- An opportunity for key Florida association executives to look at complex issues from a different perspective
- A discussion that has no "right answer"
- A discussion that does not lead to a vote, decision, position or commitment
- A challenging, stimulating intellectual exercise
- Choices associations must make
- Challenges which will need to be overcome
- Opportunities to be seized



Malcolm Baldrige National Quality Award

It is worth noting that the facilitator discussed the Malcolm Baldrige National Quality Award and its applicability to association systems, processes, results and outcomes.

The Malcolm Baldrige National Quality Improvement Act of 1987 was created by an act of congress by President Ronald Reagan through the US Department of Commerce and the National Institute for Standards to improve the competitiveness and performance of U.S. organizations.

The concepts discussed were related to how an association needs to view the seven key criteria areas of Baldrige and apply them to their associations. The seven key areas are:

- 1. Leadership:
 - How upper management leads the organization, and how the organization leads within the community.
- 2. Strategic planning: How the organization establishes and plans to implement strategic directions.
- 3. Customer and market focus:
 How the organization builds and maintains strong, lasting relationships with customers.
- 4. Measurement, analysis, and knowledge management: How the organization uses data to support key processes and manage performance.
- 5. Human resource focus: How the organization empowers and involves its workforce.
- 6. Process management:
 How the organization designs, manages and improves key processes.
- 7. Business/organizational performance results:
 How the organization performs in terms of customer satisfaction, finances, human resources, supplier and partner performance, operations, governance and social responsibility, and how the organization compares to its competitors.

This is a step-by-step look at organizational needs from top to bottom in terms of a thriving and breakthrough organization. The Baldrige program is available to organizations small and large and is a mechanism and tool by which associations can further improve in these key seven areas. The overall outcome is alignment with process and results, which is critical in moving great organizations to breakthrough organizations. More information about Baldrige can be found at www.nist.gov/baldrige. Each state also has its own state Baldrige program.

Framing the Think Tank Questions

Among the intense discussions and brainstorming, were sets of questions asked in both a group and breakout setting with general questions asked in a group setting and specific questions explored in breakouts.

The breakout groups were formed based on organizational size and scope. Therefore, each breakout group had a good distribution of small and large association types.

This segmentation led to a much deeper understanding across the board of the challenges facing organizations with small budgets to very large budgets. The size limits were established for:

- Better group interaction
- Ability for good note taking
- Cohesive approach to dissecting issues
- Ability to learn from both large and small ideas and experiences

The following questions were evaluated on both days. We list these here so that you may use them in your associations as these questions are applicable to any type of future thinking discussion:

General Group Discussion Questions (Day 1)

- What challenges has your association faced in terms of membership recruitment and retention?
- Over the past 5 years have you noticed a decline or increase in membership growth, or has it remained steady?
- Over the past 5 years have you grown membership service offerings or cut back in an effort to decrease expenses?
- Is there any correlation between those organizations that reduced benefits to save on expense and membership decline?

Specific Table Discussion Questions (Day 1)

- Outside of membership dues, what other revenue streams have been successful for your organization?
- If your organization had unlimited resources, what one added membership offering or service would you offer and why?

This is the first year where FSAE introduced an Innovation Lab for the second day to allow attendees to creatively design new products or services without budget or other limitations. The questions asked are listed here and designed to illicit general thinking on day one in order to prepare for a more complex and deeper discussion on day two.

Innovation Questions with Group (Day 1)

- If we didn't have an existing association, how could we best build a new one right now the right way?
- What would we stop doing?
- What would we start doing?
- What would we keep doing?
- Where is your association's "petri dish" for experimentation? If it doesn't exist, how could it be developed?
- During yesterday's discussion, you listed the following items as one added, impactful, membership offering. Let's vote on the top three (26 items were discussed and brought to the forefront. During the session, we ended up combining most of the items into four key topic areas that were tackled in the breakout groups).

Innovation Lab Questions (Day 2)

- How do we make this new membership offering or association enhancement a reality? (Report findings back to the group)
- Describe the service offering or enhancement in as much detail as possible
- How you would launch this service or enhancement?
- What sources of funding you would investigate?
- What are the benefits of this service offering or enhancement?

What challenges has your association faced in terms of membership recruitment & retention?

Budget cuts & economic hardships are the **number one reason** for not renewing membership.

Marketing General's 2013 Membership Marketing Benchmarking Report

Economic Factors

The economy has been a major factor impacting association growth and retention. Marketing General's 2013 Membership Marketing Benchmarking Report cited that budget cuts/economic hardships of companies as the number one reason for not renewing membership. Following closely is a lack of engagement with the organization and the ROI not being justified. The Great Recession is still impacting associations today given that they lag behind the economic effects by two to four years.

Specifically, during our discussion, the <u>housing industry has</u> <u>significantly contributed to the loss of member companies</u> in this sector due to bankruptcies, mergers and acquisitions. During the Great Recession, <u>rapid company consolidations have affected not only trade associations but also other professional and healthcare associations</u>.

It was discussed that the current association model is not working. More and more <u>competition is now coming from the for-profit</u> <u>sector</u> where innovation happens faster and resources are plentiful.

Even though this competition exists, associations have the advantage in the communities they build and go beyond the transactional relationship. Nonprofits should understand and build competitive intelligence models in their organizations where you are constantly scanning the competitive marketplace to determine what your competitors (both non-profit and for-profit) are doing. It was an imperative within the group that competitive intelligence is conducted on a regular basis to not only compete but also "beat" the competition.

Societal Factors

Societal factors are just as important to understand. The generations of members from Boomers to Millenials is a huge factor given that their needs are vastly different from each other.

Pew Research conducted studies into each generational type and developed the infographic below that succinctly shows the different generations on a timeline.

Understanding the generations will give us a better understanding of our members/customers/ prospects wants and needs. Specifically, understanding the Voice of the Member and Prospect is critical in identifying a key set of values and benefits that will align with their specific needs.

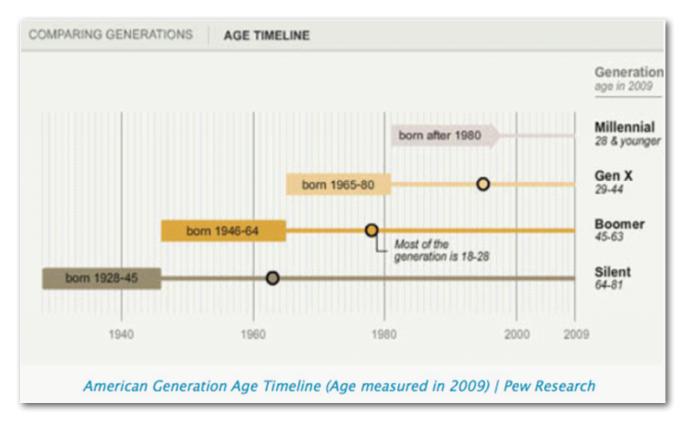
I ask all associations, regardless if it is a strategic plan, management assessment, executive search, etc., the same question: "What is your association's market share?" The response is always we have this many members. I then ask what percentage of those members represent the industry size.

They proceed to say, "about 8%" As we look at societal impacts and new generations entering the workforce, do we truly understand what our members, and specifically, our prospects need?

During our discussions, we struggled to define member value given the traditional association model of looking within the association to determine that value. It was discussed that an ongoing look <u>outside</u> the association is critically needed.

How can we say, as association executives, that we are meeting the needs of the profession or trade we serve when we only represent a small percentage? We struggle to recruit new members because we haven't talked to our prospects to see what they truly want and need. In the case discussed earlier, 92% of the universe of potential members is not represented. How can we, without the Voice of the Prospect, truly understand what our offerings as an association should be?

Challenge yourself and your association to look beyond your current membership. If you don't, someone else will.



Pre-Session Survey

Prior to the session, the FSAE Foundation sent participants a survey asking specific demographic questions (see end of document). In addition, we asked what other sources of non-dues revenue your association offers.

(Please note that this is pre-session work and this data is very general. We went deeper into value-added membership benefits further in the White Paper, but this is what was initially provided.)

Other sources of non-dues revenue:

- Education (live & online)
- Advertising
- Rent
- Events/Conferences/Golf Events
- Tradeshows
- Grants
- Fees for service
- Certification preparation
- Continuing education offerings
- Affinity programs
- Sponsorships

As you can see, there is nothing innovative in this grouping and it's more general in nature. Also, many of these sources of non-dues revenue are known commodities within the association industry. We wanted to dive deeper during this session to think about **membership value** and **new products and services**.

Creating Member Value

Lack of value from membership dues is one of the top reasons individuals or companies decide not to either renew or join your association.

There is no other more important mission in an association than to increase its overall value to its members and constituents. We spent quite a bit of time on this topic and we came up with 12 areas to create more value to your members.

Help Your Member – What do THEY Need?

Talk to your members and find out what they need to not only survive but to truly thrive in this economy, their profession or trade. Do this by providing tools to help them do their job better at no cost. One association, the Miami Association of Realtors³, has created more than 1,800 free resources to its realtor members. That's 1,800!

>> Look beyond just education to how to help your members when they are unemployed, filing company bankruptcy or other sensitive issues where support may be offered.

Vendor Partners – Your vendor partners can help you stay in touch with your members and prospects.

Who sees your members every day? Who collects data on a regular basis to improve their company sales? The vendor partners within your organization are already creating new interactions and actively collecting data within your industry and profession. Actively engaging vendor partners to help you better understand your members and also help you "touch" your members more frequently in different ways is a golden opportunity. Negotiate ways in which your association can have access to their data so that you are better informed about not only current members but just as importantly, the prospects who you are not serving.

Use your vendor partners to help you grow membership. Provide a succinct marketing piece
about your association that speaks specifically to the needs of that industry or profession your
vendor partner is touching. This could be more than one promotional piece depending on the
supplier's market. Make it specific so that you speak directly to the heart of your prospects
through your vendor partner.

Supplying vendor partners and sponsors with materials about your association that can be used as leave-behinds is crucial – it makes it much easier to introduce yourself to the prospect association. Materials could be business cards, tri-fold brochures, etc., but should be something tangible as members and prospects are possibly seeing your vendor partners more than they are seeing you.

- 2. **Create a <u>vendor-get-a-member</u> referral campaign**. For any new member brought on board by a vendor partners they receive either cash or promotional benefits within your association. Be creative in working with your vendor partners and the award system that is put in place. Also, don't develop it on your own; get your vendor partners involved!
- Member Profiles What does your current member look like? What about your <u>next</u> member?

We discussed the universe of members and the need to reach them to grow membership and customers within the organization. The Voice of the Customer/Prospect is a critical step in understanding this need. This is a great first step but the ability to go deeper is critical. Do you know what your members look like, their buying habits, their needs and their future desires? Most associations don't have that complete picture. A discussion centered on creating profiles for each member type or building that member from the "ground up."



Imagine, if you will, a silhouette image of one of your members or prospects. Discuss each type of member by generation (Silent, Boomer, Gen X, Millenial), their characteristics and attributes, their professional level and any other key profile items that pertain to this specific member or prospect type.

Then define 6-10 different types of members and prospects and identify benefits under each member type. You can then determine what member profile is weak. Fill in the blanks in each profile type with potential benefits that will need to be created.

The final step, once the benefits are identified or created, is to market to each segment differently based on their preferred mode of communication.

■ The "Golden Handcuffs" – What could we provide that we can hold members happily "captive" to the organization?

Bob Harris, CAE, defines them as "benefits so appealing that members simply would not drop out of the association. It is said that golden-handcuff benefits hold members 'captive.'"⁴ Think about your association. Whether it be a certification program, insurance program, etc., there needs to be one compelling item that is "golden" to the membership and keeps them engaged. But, having a "golden handcuff" as the main benefit is not a strategy – it's a huge risk for the organization. Mitigating this risk through other important programs and services is critical.

Subscription Membership – Should membership be one-size-fits-all?

We've discussed the universe of members several times in this White Paper. Should we limit how this "universe" interacts with our organization? Do you have to join Amazon.com to buy its products and services? No, but imagine if you did and how much that "universe" would shrink for them. They surely would lose their status as global retail leaders.

How do we define a subscription membership within our associations?

- Define your products and services well; every benefit and service has a compelling description with testimonials
- Determine which products and services can be bundled; understand what your member buys not only as one item but what do they buy together and then start to bundle them
- Determine your bundling price for both members and non-members
- Determine which products and services can be sold on a subscription basis; what services can you provide as a "starter package" for anyone with an interest in your association
- Determine the depth of the products and services where incremental sales can occur; find opportunities to up-sell from basic education to more advanced (i.e. a learning curriculum that is year round from beginner to advanced)
- Determine the financial impact of the subscription model; avoid cannibalizing sales but do seek opportunities to increase incremental sales

The subscription model needs to be well thought out as there are financial impacts and ramifications. In addition, find ways to get to your "universe" of potential customers/members prior to instituting a subscription membership base.

■ Value Members More Than Once A Year... Please!

Value your members more than once a year when you send out your dues renewal. In dues renewals we typically note benefits your member has received and sometimes we also assign a dollar value showing the difference in dues paid versus the full value. This is no longer enough. Showing the value of membership should be a consistent message throughout the year so that when the year is almost complete, reinforcement is all that is necessary.

Establish Strategic Partnerships & Collaborations – Enhance Your Offerings!

One of the key elements of value is providing a body of knowledge in the profession or industry that is unrivaled to competitors (both for-profit and non-profit). Establishing strategic relationships and collaborations can enhance overall member offerings. For example, partnering with association XYZ may provide a journal to all of your members that were not currently available and conversely, your association may provide Webinars and other resources currently not available. Ultimately, consumption of services will increase given the greater pool of potential "customers."

■ New Categories of Membership – Do Prospects fit your current model?

Earlier in the White Paper, we noted that creating a profile of any and all types of member prospects is a good exercise to determine untapped markets for new membership. In addition, if you conduct the exercise, you may find that there is a member category that does not currently exists. If benefits currently exist or can be created for that category, then an association may want to consider adding a new membership category to serve this new member type. Research is also key to determine what percentage of the "universe" of members/customers you can serve in that category and determine if there is enough return on your investment to create or update resources.

Segment Newsletters – Target your content to the right audience

Newsletters, either printed or electronic, are good communication tools that increase member value. Oftentimes, newsletters try to "pack" too much information into one document and become too many things to too many audiences.

Newsletters can be more impactful if they are segmented in categories such as:

- General One newsletter for all general association news and topics
- Legislative One newsletter to cover all of your legislative information and wins
- Education One newsletter to cover all of your education news and offerings

This is just a sampling but if you take a moment to review your current newsletter, see how many different topics are covered and determine how to parse them out into separate newsletters. Finally, using software such as Constant Contact, will help you easily identify if your members are opening what you are sending. Therefore, the process of just creating several newsletters without statistics is only half of the work. Know your open rates to determine what is an effective message.

Finally, <u>be consistent</u> with your newsletter and other regular emails, etc. If you are consistent (i.e. every quarter on the first Monday of the month) then members will expect your communication. Randomly sent messages get confused with your members' other inbox priorities. Your members will anticipate your message rather than ignore it.

Sponsors & Advertisers – They have more to offer than just money

We all have some form of sponsor or advertiser that works with our association in a business relationship. For dollars received by the association, the sponsor or advertiser receives a set level of promotion to your members.

How do we currently use our sponsors and advertisers right now? Suggestions included asking them to develop Webinars for the association, create white papers and share key industry data. There is so much potential for a well-managed sponsor/advertiser relationship where there is a constant flow of new information from our sponsors and advertisers. In actuality, they probably study our members better than we do as an association.

■ Surveys – Ask, collect and offer the data

Surveys are another way of capturing information about our members that we currently do not have. This can be done via email, phone, focus groups and other means. Just as we talked about sponsors and advertisers providing us insight into our members, we can also collect key data as well. For example, a survey on member buying habits, trends and statistics would be easy for an association to survey and it would be valuable to its vendor partners. An industry buying survey is a non-dues revenue item that can be sold to vendor partners or offered at larger sponsorship levels.

■ Research – Are there methods that don't require extensive staff time?

On many levels, we talked about research and data gathering within your association. The only impediment to conducting research is staff time and money. During the Think Tank, we discussed alternative means by which this could be done. An excellent idea is to contact local universities and solicit PhD interns to help with research projects. If it is highly statistical in nature, using a graduate student in statistics may be your best bet. Using student interns at various levels within the organization is not only a resource saver but a smart way to get the help you need as well as build organizational capacity.

Paying an intern is also important and should be negotiated. Payment may be as simple as a trip to your annual meeting with all expenses paid. Be creative as there are many options.

If Your Organization Had Unlimited Resources, What **One** Added Membership Offering or Service Would You Offer and Why?

Beyond the member value discussion during the think tank session, the group was tasked with thinking, without limits, on the creation of a new membership offering or service. During the general discussion, there were 26 items that were discussed on a high level. Of the 26 items discussed, most of them were combined into four specific offerings or services:

Association Innovation: How To Get New Ideas In Motion

Videos Are Power!
Using the Power of Video in Your Association

aBay, the other eBay: Creating an Effective Group Buying Program

Bolstering the Trade: Creating Partnerships/Linkages with Community Colleges, Technical Institutes & Junior Colleges

Association Innovation: How To Get New Ideas In Motion

Identify trends, ideas and the environment to allow your association to be proactive in identifying new products and services.

How can we, as association executives, stimulate product and service innovation within our organizations with a potential societal impact? In 1833, Walter Hunt, a New York Mechanic, invented the sewing machine and in 1849 invented the safety pin. The thought is that he invented these items as he was pretty rough on his clothes and needed a more efficient way to repair them.

Imagine all of the Walter Hunt's we have in our associations and how they are thinking of new ways to change the way they work, which could help their entire profession. Unlike Walter Hunt, most of our members don't take that next step in inventing the next big thing. Can we help bring the product to market via an association Kickstarter program? We probably can.

This Think Tank Group of leaders brainstormed the following ideas:

Association Kickstarter Program

Every day our members work in their professions or industries and constantly strive to improve their workplaces, the industry or patient care. Creating a program to capture these improvements could be accomplished by:

- Market and promote that your association wants the members' best ideas and each year, the association will fund the top invention of a product or service.
- Consider creating a separate for-profit company to act as a holding company for all of the new products and services that will be launched.
- Developing a website to accommodate submissions from members on great ideas. Use Kickstarter⁵ as a model for your site. In addition, ensure all legal bases are covered and agreements are signed (i.e. ownership of product, licensing, use of your association's brand, etc.)
- Seek out a panel of entrepreneurs and potential co-investors to review the product (think Shark Tank⁶)
- Selection of the winner at your annual event

Imagine this Association Kickstarter as a program to generate non-dues revenue for the association through product sales. This matching of a member's dream for a revolutionary product and the association funding the dream can be mutually beneficial.¹

¹ It is always advised to consult a tax accountant and attorney as unrelated business income tax may be a factor as well as reviewing any tax-exempt status issues.

Other ideas on association innovation focused on using the Board as thought leaders and forming a research institute.

Board Thought Leadership

Ask your Board members to provide a list of their top 10 ideas. If you have a Board of 21, then you will have 210 ideas at maximum, but with duplication this will be reduced. After the ideas are generated, allow each Board member 25 votes. Board members will then vote for each idea with a goal of identifying the 10 most popular. Use this to research the top 10 ideas for feasibility and then re-engage the Board to distill each item into a succinct strategy.

Research Institute

Form a research arm within the association that regularly develops white papers, industry and professional statistics, salary surveys, industry reports and other valuable information. The association can sell these products to its current members and prospects at varying prices.

Regardless of how you think about new product development and innovation, remember that others are doing it and you can too. There are many resources around bringing a product to market. One such resource is *New Product Development for Dummies*⁷, which is one of the many "dummies" resources out there in the market place.

Videos Are Power!

With social media fully entrenched in our societies, the ability to communicate differently and beyond words is the norm. As the old saying goes, "a picture is worth a thousand words." The video medium goes beyond a picture and helps to put you in an emotional state to drive your message home with music, words and images that capture imaginations and the hearts of your members.

Uses of Video in Today's Marketplace

YouTube

One of the most popular and if not the "king" of this medium. YouTube was founded in 2005 and now hosts billions of people who can experience a violinist in China to a street dancer in San Francisco from the comfort of their own home and to their own needs. ⁸

- Create a YouTube Strategy: Identify who your audience is and why they would want your information on YouTube
- **Develop a YouTube Association Channel**: A channel can be a low-cost distribution of education, information and news around your association. Creating a channel is just like anything else that is created that needs to be nurtured. There are plenty of YouTube videos on how to create a YouTube company channel. Again, there needs to be a purpose and a regular schedule of posting content.

Training & Education

Webinars are moving up quickly as a means to educate members. In my association, as an example, we hosted two targeted one-hour Webinars that generated over 325 registrants each. These are big numbers. Videos allow for a laser focus on the needs and wants of niche audiences. Successful Webinars have these components:

- **Relevant Problem:** When there is a problem or issue in the profession or industry, there is demand for a solution. In the two Webinars that we created, we identified two "hot topics" that are top of mind for many of our members. In any industry, there is a very good chance that you will have a "hot topic(s)" to address.
- **Speakers & Depth:** Find the industry leaders in the field to discuss the issue. In our case, we identified a PhD who wrote a white paper on a specific topic. In addition, this speaker is also a major sponsor. The depth of the piece was unparalleled as this company conducted the research, provided a brilliant white paper and answered questions with great knowledge and wisdom. We also shared the white paper as an added benefit.

- **Guidelines:** We specifically ensured that our speakers understood our non-commercialization policy. In layman's terms, we asked them not to promote their business throughout the presentation and left that to us prior, during and after the session to market. This enables "pure" content not tainted by advertisements. In the end, the company generated more leads than it has ever generated.
- **Professional Software:** Using a service such as Go-To-Meeting is advised as it has all of the tools necessary to record information and to then post it on your Website. You can then effectively sell this Webinar many times over and allow your members and customers to enjoy it at their leisure at any time of the day or night. Skimping on a free service comprises quality and ultimately the reputation of the association.

Committee & Board Meetings

On average, a Board meeting of 12 including staff of three will cost an association on average \$10,000 in hotel, travel and other expenses. In addition, the time spent traveling is not even recognized. Using video conferencing as an alternative is not only efficient but smart in terms of conserving your association's resources. It is recommended that the following be in place:

- **Tight Agenda:** Video calls via Skype, Zoom.US, Join.Me and others are cost-effective but can be hard to manage. Creating an agenda with specific timelines, actions, pre-written motions and other information is very helpful to move the meeting along.
- **Timekeeper:** It is essential to identify the timekeeper for the meeting along with the staff leader. Some services allow you to put a clock on the screen so individuals can see it counting down to the next topic. In addition, providing a five-minute or less warning prior to winding down an agenda item is critical.
- **Logging In:** With conference calls and no video, all you hear is a "ding" or similar tone to let you know when someone is either dialing in or leaving the conference call. With video, you see their name and their video as they come and go. No need to stop the call with the infamous, "who just logged in", "I think someone just left the call" or any of the other myriad of things that slow down a call. Your roll call is automatically displayed in your control panel so you always know when you have a quorum and how is present.
- **Voting:** Use the voting tools in the software to vote on critical issues after a motion and second has been made along with ample discussion time. Sensitive issues could be tackled anonymously. This also helps to move the meeting along.

■ "Pay-for-Play" Exposure

Create pay-for-inclusion in a video from companies that want to be showcased to leaders that would like to increase their own personal and professional awareness. For example, key industry leaders may want to be highlighted in a CEO anthology with wisdom and guidance from them to the members. The benefits are many:

- Exposure and public relations for the participants and the association
- Visual messaging is more effective and the future trend
- Appeals to broad demographics
- Shortens or eliminates the learning curve
- Provides for a very flexible format where you are not committed to paper, printing and a timeline
- Addresses industry needs quickly (just in time)
- Provides a "call to action" around issues and advocacy
- Pushes through "breaking news" with great speed
- Improves the organizations ability to serve as a source/resource on many topics
- Provides a broader audience with viral capability; move beyond just your members and build the "buzz" within the industry or profession
- Lowers the cost of distribution and access
- Leverages search engine optimization and potential advertising dollars
- Provides for a source of revenue through alternative education and training, which is moving more mainstream than traditional models

Other Helpful Tips:

Develop a Marketing Plan for Video Distribution with the following tactics:

- Budget the human and financial capital to the project or otherwise it will fail
- Identify your key stakeholder's needs; what message are you conveying based upon each stakeholder?
- Prioritize the development of videos on identified needs by always asking: "Is this relevant and does this truly represent "who" we are as an association?"
- Hire a videographer to make your videos shine and look professional. This could be a student or intern as well but someone that knows how to film and can do your message justice
- Maintain responsibility for the content as it is your content and your association
- Maintain ownership of your intellectual property. It is yours and no one else's content!
- Amateur video from members can be okay if used properly
- Ensure that permissions/releases are obtained for any promotional or education piece from participants and to retain ownership rights. Always work with an attorney to ensure that the association's rights (intellectual and other) are protected.

aBay, the other eBay: Group Buying Program

Everyone has heard of eBay® but has anyone heard of aBay?

(You probably haven't heard of it as it didn't exist prior to this group's discussion of how to translate the way eBay® works in an association environment with your key suppliers.)

aBay would be designed to match your association members to a group-buying program with your industry suppliers regardless if the vendor is a member or not. In essence, as a member, you can now receive large volume discounts by being part of aBay's buying group.

Why is it so Valuable to the Member?

- Helping the smaller member company compete with the larger member company
- Provides immediate value through price discounts
- Fixed value for predictability
- Lower operating costs
- Increases profits
- Increase funding for association lowering things like meeting costs
- "Golden handcuffs" to lock people into membership given the benefits they receive from the program

How would you launch it?

- Hire or recruit a Cheap Negotiating Officer (CNO) to handle vendor relations to ensure the product offerings are ones that members desire, pricing is negotiated better than market and there is a residual income to the association
- Design an Amazon.com-like system where all products are connected to buyer and seller
- Launch it in the state to all members
- Once established, look to franchise the site to other state and national groups. Your state
 organization can effectively develop this product that will be relevant for other states generating
 income beyond your own state sales
- Create a marketing plan to assimilate partnering groups who want to tie into it
- Enable a voting mechanism on aBay for future product development where members can post
 new potential products they would like to purchase. The products that move to the top of the
 list can be considered for offering and secured by your CNO

Benefits to the Association:

- Increasing bottom line through a percentage incentive of all sales
- Growing reserves to re-invest in other programs and services
- Creating member loyalty
- Marketing tool for new vendor/supplier members
- Enhance Sponsorships through premium listings
- Create Ad sales on buying site given the traffic it should generate
- Promotion of key suppliers on a regular basis
- Drawing non-members to the site for purchases, which increases the potential of new members to the association

Bolstering the Trade: Creating Partnerships/Linkages with Community Colleges, Technical Institutes and Junior Colleges

Our society pushes college and places negative stigma on physical work. Colleges and Universities are the staple of American higher education. Society has placed a major emphasis on these institutions and oft-forgotten are the trade and technical schools that America relies on for building our homes, keeping our streets clean and safe and building/improving our infrastructure and roads.

We can't change the school system and its emphasis on colleges and universities but the association can change how it cultivates the next level of technical worker. Junior Colleges and Technical Institutes are emerging in our society more and more as the economy continues to grow. Creating partnerships with technical institutions and Junior Colleges is a potential strategy to help bolster the trades within our trade associations (i.e. electricians, plumbers) and healthcare associations (i.e. licensed practical nurse, medical assistant, home health aide).

Approximately 1.1 million youths do not pursue higher education and an additional 59% that do pursue higher education, do not graduate. As we look at trade professionals, the market is there but are they seeking training at technical or junior community colleges? Associations that rely on this workforce can make an impact on the youth of America to find a satisfying blue-collar career.

Why is it so Valuable to the Member?

- Services and products provided by skilled professionals are essential to our future. As an association, we need to better communicate this value on behalf of our professionals
- Basic literacy is the key to the future in those industries, which will help drive individuals to pursue Technical or Junior College majors
- Work conducted by your trade association members needs to be recognized as dignified and financially beneficial to attract enough interest and entrants into the field
- Careers are well defined in the field (individuals do not think about framing, carpentry, etc. as career choices)

How would you launch it?

- Create an outreach campaign in middle and high schools from our associations to stimulate interest in these careers.
- Utilize public events in the community (i.e. firehouse, police event) to discuss a potential career in fire fighting or law enforcement. Take advantage of these opportunities when children are present where a positive impression can be made
- "Plant the seed" of interest with children to show them what possibilities they have in their careers so that they are aware and informed. Visiting schools is the best way to showcase your association's trade and to plant this seed early on
- Organize community open houses or events attracting little children, with emotional causeoriented videos for younger people, followed up by career fairs for the students approaching a critical point in their education or job choice
- Find partners, and stretch you imaginations about who those partners may be, to create the demand and interest in future workforce. Identify these critical pathways to your future labor

Call to Action

Every association should identify potential community partnerships that would allow for them to expose youth (of various age levels) to their industry.

Fast Facts

- The National Center for Education Statistics notes that 59 percent of full-time, first-time students who began seeking a bachelor's degree at a 4-year institution in fall 2005 completed the degree at that institution within 6 years.⁹
- According to the Bureau of Labor Statistics, of the 3.2 million youth age 16 to 24 who graduated from high school between January and October 2012, about 2.1 million (66.2 percent) were enrolled in college in October.¹⁰

In Conclusion

Defining who your current members are and examining how you currently serve them will help you identify the gaps in your member service and your prospect universe. This is your first step to building more value and providing better services to current and prospective members.

This White Paper outlined a number of ideas that could be explored and adapted into numerous associations.

Which idea resonated most with you?

What will you try first?

Adendum

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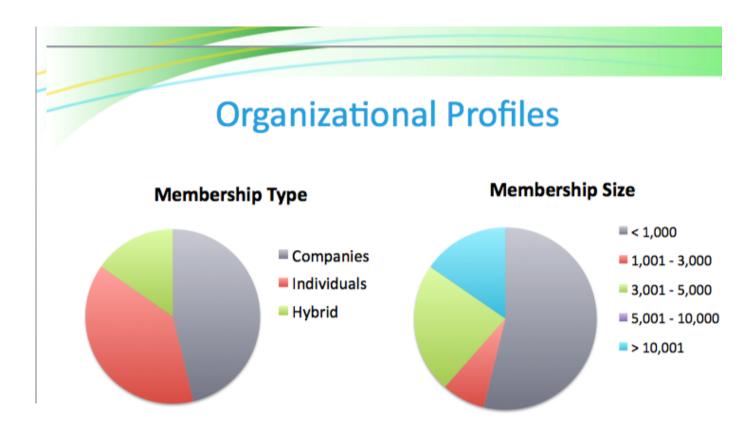
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http://en.wikipedia.org/wiki/Competitive_Intelligence

http://www.barnesandnoble.com/listing/2689694985879?r=1&cm_mmca2=pla&cm_mmc=GooglePLA-_-Book_15To24-_-Q000000633-_-2689694985879

¹ Competitive Intelligence (Wikipedia): A broad definition of **competitive intelligence** is the action of defining, gathering, analyzing, and distributing <u>intelligence</u> about products, customers, competitors and any aspect of the environment needed to support executives and managers in making strategic decisions for an organization.

ii http://thesocietypages.org/graphicsociology/2011/10/04/who-is-the-millennial-generation-pew-research/

iii Miami Association of Realtors, http://www.miamire.com

iv http://www.txnp.org/Article/?ArticleID=6722

v http://www.kickstarter.com

vi http://abc.go.com/shows/shark-tank

vii New Product Development for Dummies,

viii http://www.youtube.com

ix Source: http://nces.ed.gov/fastfacts/display.asp?id=40

^x Source: http://www.bls.gov/news.release/hsgec.nr0.htm