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Asking Questions: Adding Value

AENC CEO Forum Presentation
Raleigh, North Carolina
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Overview

- In this session:
  - We will discuss the pragmatic reasons why we need to ask questions … surveys, interviews, focus groups
  - Then apply what we learn to deliver greater value
- This entails
  - How to ask some of the key questions
  - When and whom to ask
  - How to analyze and communicate what we learn
  - We will present/discuss varied examples, mini-case studies of organizations translating 'research into value'

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How Research Can Create Value

- Specific Products: Compensation, operations, profit & loss, economic conditions studies.
- Program Support: Documenting common business or professional practices & impediments for advocacy programs, issue identification.
- Decision Support: Helping Boards make right, fact based decisions on program launches, sunsets, dues levels, etc.
- Background: Documenting membership profile, populating demographic database, supporting trend analysis.

Key Decisions that Affect Your Value Proposition

Decisions

- Do more
- Do less
- Do something new
- Drop something old
- Do something different

Implications *(if done right)*

- More effectiveness; better ROI
  Greater value in "bundle"
- Better focus, minimal fallout
- Launch excitement, greater relevance & footprint
- Cut budgets/free resources, retool the service portfolio
- Demonstrate responsiveness, be dynamic in the face of change

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Greater Urgency: Economy's Impact on Us

How often have you observed each of these changes in your membership program over the past six months that they can attribute to the economy?

	Total	IMO	Trade
B- Decreases in the proportion of members renewing	50%	53%	47%
C- Decreasing participation in activities (e.g. conferences)	49%	42%	60%
A- Decreases in the normal number of inquiries we would be receiving for membership	26%	23%	31%
E- Exit surveys or other direct communications to you from members that are lapsing because of the economy	15%	14%	19%
D- Substantial numbers of bouncebacks due to newly-unemployed individuals or newly-closed businesses	10%	7%	14%
F- None of the above	26%	31%	18%

Results of economic survey of associations completed Monday (N=342)

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Magnitude of Economic Impact

	A inquiries	B retention	C activities	D bounces*	E surveys*
Significant decrease	21%	31%	37%	16%	19%
Moderate decrease	1%	4%	11%	5%	9%
Slight decrease	60%	64%	45%	70%	56%
About same	9%	0%	1%	8%	9%
Increase	9%	1%	6%	0%	6%
Mean average reported	-19.8%	-7.4%	-20.1%	+13.3%	+37.8%

2. For each factor you indicated in #1 above, please estimate the magnitude if you can. Ideally, estimate a numeric or percentage change, but feel free to use more subjective terms if necessary (e.g., 'slight change,' 'substantial,' or 'very high').

A: Changes in membership inquiries

B: Changes in membership renewal rates

C: Conference attendance/other participation

D: Bouncebacks/undeliverables

E: Number in exit surveys lapsing due to economy

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Our Responses to the Economy

What actions are or have you taken to factor in lowered expectations for association membership programs recently and/or in the coming year?

	Total	IMO	Trade
Implementing more 'touches' with new and other existing members to bolster relationships & retention with the members you have	63%	66%	69%
Shifting some of your existing activities to lower-cost methods such as less mail/more e-	56%	57%	51%
Adjusted our budget revenue projections significantly downward to factor in decreased renewal/retention	43%	43%	48%
Adjusted our budget revenue projections significantly downward to reflect decreasing non-dues revenue	40%	39%	39%
Instituted a hiring freeze, reduced outsourcing, or other staffing changes that have some impact on membership	28%	25%	29%
Eliminating one or more specific campaigns that you would otherwise have conducted, such as a membership acquisition mailing	21%	14%	15%
Choosing to delay implementing dues increases that would otherwise have occurred	20%	16%	20%
Changing (informally or formally) our policies regarding 'carrying' unemployed or out of business members for some period of time	17%	12%	22%
None of the above	6%	6%	3%
Other tactics	29%	30%	34%

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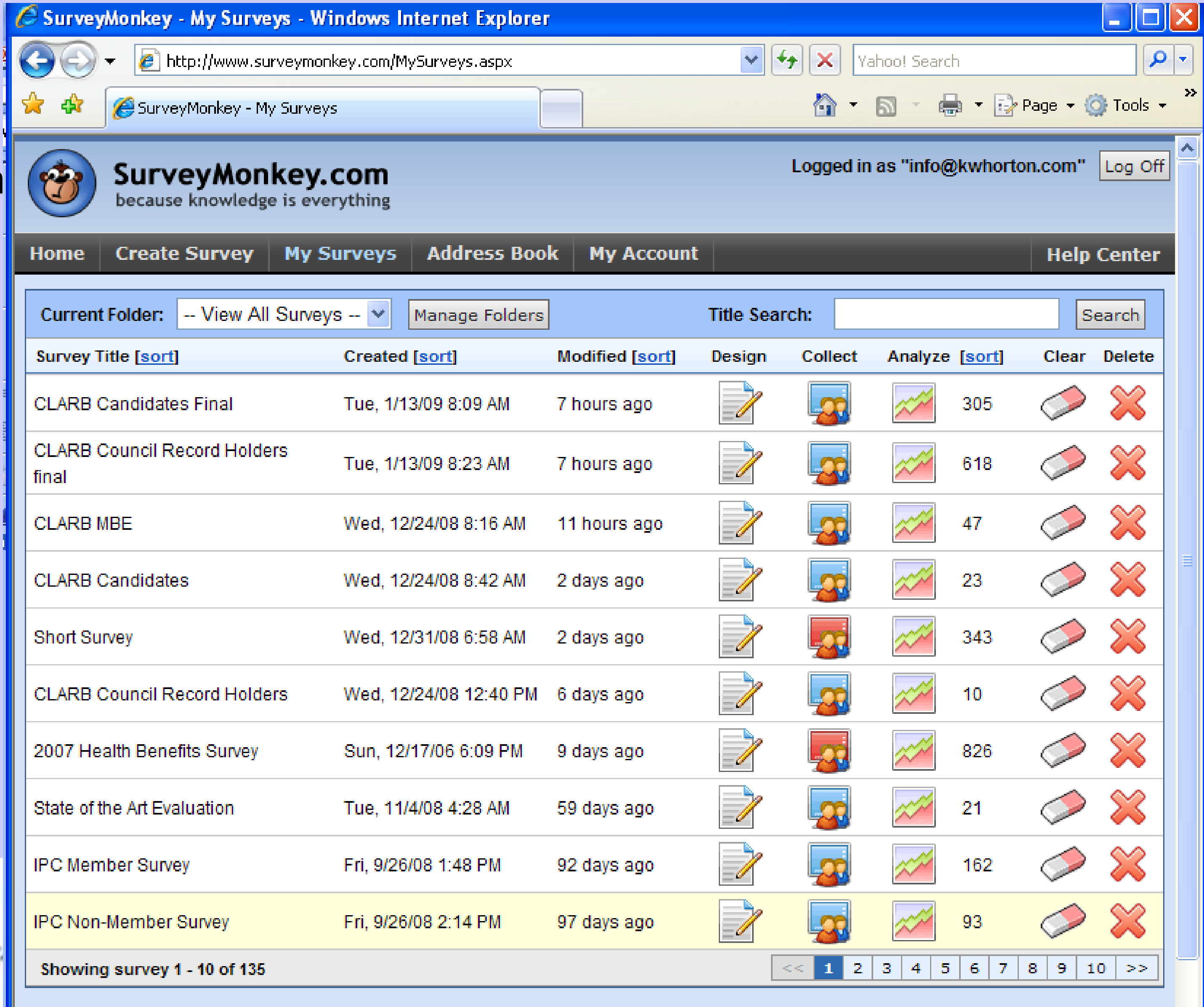
Surveys: How to Conduct

Use good online tool

Supplement it with other info sources:

- Mail surveys (audience coverage)
- AMS data-mining
- Qualitative research:
  - focus groups
  - interviews



Qualitative Interviews: Strengths/Weaknesses

Strengths

- Relative Absence of Bias
- Built-in Flexibility
- "Feeds" Your Survey
- Enough Talk Time for Members
- Candor and Intimacy
- Low Cost/Easy Interpretation

Weaknesses

- Missing Objectivity
- Negative Reactions
- Open-Endedness

Excerpt: upcoming ASAE membership newsletter article.

Listening to Your Members: What I Hear

- Older accountant: "Don't ever retire. Once you do, nobody will ever ask you again for your opinion." He was explaining the reasons why he remains a volunteer leader and won't leave the profession anytime soon.
- Recent graduate: "Yeah, I belonged to four associations when I was a student but I've dropped them all now that I'm a professional." Why? "*That's because associations are for students*."
- Real estate exec: "I'm pretty social. The first time I went to a BOMA event I wasn't welcomed by anybody. They just clustered around with people they knew and I went home early."
- Former subscriber: "Your publication was short bits, well presented—the Internet before the Internet. But now I have an Internet, I still like you. I just won't pay to get it in the mail anymore."
- Physician: "I spent my whole career independent, but today I feel like an employee."

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Listening to Your Members: What I Learn

- We should consider our generational appeal to *older individuals*.
- We should carefully evaluate and work to clarify the impressions that young people form from our student chapters and memberships.
- We helped explain subpar attendance levels for a conference that was well-priced, well promoted, offered many topical and well-rated speakers, and a good trade floor.
  The "missing link" was the community itself.
- Sometimes, our investment in website redesign and new e-newsletters is rewarded with lower traffic, read rates, clickthroughs. We need to understand/predict what, why, and when our members read.
- Our policy departments understand long-term industry changes and specific issues logically. How well do we understand & communicate on issues from a personal, emotional level?

Examples/Case Studies

Example: Membership Audit

Description: Kansas City professional society takes a systematic look ahead.

- Issue: Four years with new E.D., post-relocation. Great turnaround.
- Key Questions: What is our image today? How much and how should we spend over time on membership marketing? How should we spend now, given the economy?
- Methods: Stakeholder interviews with staff. Systematic review of past/current materials. Survey of 350 associations re: effect of economy on membership programs.
- Outcomes: Adjust budget/spending levels. Adjust forecasts of performance. Encourage strong outreach stance to help announce “we have arrived” to non-members.

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Example: Strategic Planning

Description: Richmond IMO needs to "feed" its strategic plan.

- Issues: How to maintain/improve relevance. How to grow market penetration. How to translate successful tradition of service delivery into greater value.
- Key Questions: Determining key sources of value. Identifying who belongs to national AICPA, local chapters. How do members define expectations on each level?
- Methods: Personal interviews with top leaders, some rank-and-file, all senior staff. Conduct online/print surveys among sample of members & non-members.
- Outcomes: Support retreat: ensure appropriate prioritization of issues. Flag the weakest services—some Board pet projects and/or civic service activities. Define communications priorities.

Example: Branding Review

Description: D.C. association simultaneously investigating name change and change in dues structure.

- Issue: "We do *infomercials*. Let's describe ourselves better." Changing dues structure to accommodate new media, etc.
- Key Questions: Willingness to pay, perceived value, degree to which members believe others recognize and value organization.
- Methods: Personal interviews with members worldwide. Address WIIFM openly. Explore new issues such as trade show identity.
- Outcomes: Simpler structure, lower dues ceiling. No name change—too much resistance, poorly-researched trademark options.

Example: Willingness to Pay

Description: Chicago trade association assessing changes in dues structure.

- Issue #1: $1,000 dues paid *per location*. What if we changed?
- Issue #2: Add-on EMTF—Technology Forum (bundled events & industry research) is tanking. What's wrong?
- Methods: Short, focused online surveys and personal interviews (focused on Asian, European members). Asking openly—how much are you willing to pay? Analysis: # of member sites per firm.
- Outcomes: Board proposal to "fold in" EMTF and a technical papers library into dues. 1st proposed dues increase in 15+ years. Ongoing discussion on per-site dues (good conversation starter).

Example: Competitive Analysis

Description: Virginia trade association reviews competition prior to restructuring dues.

- Issues: High levels of Expo attendance, yet apparent 10% membership penetration. How well does organization meet business needs? How is membership regarded?
- Key Questions: Usage and awareness of key services. Perceived fairness of dues. Reasons why self/others don't join (personal observation + hearsay). How to penetrate deeper into member companies.
- Methods: Comparative scanning of competing associations. Online/print surveys of three distinct audiences: current, former, and never-members.
- Outcomes: Reduced core dues from 5 to 2 categories, changing base from employees to dollar volume. Increased base rate 50%. Resume aggressive direct marketing acquisition campaigns. Identified areas for education/other program development.

Example: Member Structure

Description: Dallas trade association considers individual members.

- Issue: Progressive organization delivers great value to core members (many x the cost). Can't reach others in company, especially sales "staff" who are independent contractors.
- Key Questions: What are your reasons for restricting PPAI information? What are our potential gains in ad/dues revenue?
- Methods: Personal interviews with CEO members, leaders, member surveys re: willingness to pay and new category acceptance, scans/interviews with membership directors of "hybrids."
- Outcomes: Demonstrated minimal opposition beyond "squeaky wheel." Identified large opportunity cost/cultural change in "going hybrid." (If we could do it all over again, we sure wouldn't.)

Example: National/Chapters

Independent Electrical Contractors

Description: Virginia federation: 90 chapters/national office needs to assess membership, apprenticeship, other programs.

- Issues: Local associations collect dues, dominate relationship, repurpose national content. Need to assess … and improve value.
- Key Questions: How do members value each level?
  Why do they establish the value they do.
- Methods: Surveys of local staff/officers, current and never-members. Call it a "report card" that asks about services at both levels.
- Outcomes: Long survey with spectacular response. Provides basis for identifying "strong/weak" (i.e. supportive) local assns.
  Helping determine for cooperative programs where the value is.
  Contingent valuation—what proportion of benefit do they receive.
  No easy answers: feeds diplomacy & relationship building.

Example: Conference Plans

Description: Georgia medical society determines why non-attendees avoid major event.

- Issues: ACR Annual Scientific Meeting draws well, at least 12k to 14k. Some members never attend.
- Key Questions: Why don't they attend and what can be done to draw them?
- Methods: Identify and invite select group to attend (free travel and registration) who wouldn't have otherwise. Conduct focus group among them. Secondary analysis of past educational needs and member census results.
- Outcomes: Documented segment-level impediments (basic scientists vs. clinicians); identified social impediments due to size ("the loner meeting"). No easy solutions—need to drive new copy/messaging, find ways to provide "intimate periods" on-site.

Example: Marketing & Fundraising

Give the Gift of Hope this Holiday Season
CATHOLIC RELIEF SERVICES

Description: International NGO needs to understand how it is viewed, why people give, and how to best communicate its strengths.

- Issues: Resolve religious affiliation with secular goals. Find how to extend appeal online. Assess relative appeal to donors of basic (food, disease), complex (microfinance, civil society), and controversial (HIV/AIDS).
- Key Questions: Very applied--What would you read from us (envelopes, messages)? What stands out in our messages? How (& do) you read what we send you?
- Methods: Focus groups among donors evaluating storyboards, choosing “winners” and telling us why. Exercise of reading a direct mail package then telling us what they valued/what they didn’t.
- Outcomes: Education for vendors, agencies, consultants, staff. Taught us to drill down below the quantifiable: understand the “why & the how” not just the “what” (results).

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Key Concept: How to Assess Feasibility

Online tools for non-online people.

Requires interactivity.

Requires an understanding of deeply-held beliefs.

Successful promotion means finding out:

- ➢ How would you describe it?
- ➢ What is it like?
- ➢ Why would you use it?

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Example: Geographic Challenge

Description: State society merges chapters 5 years ago, needs to address travel/service delivery considerations.

- Issues: Simple geography: Sacramento, Los Angeles, San Diego, San Francisco all distinct markets, communities. How does assn serve association member, vendors, CVBs in this environment?
- Key Questions: How to get members to attend? How to build community across the state?
- Methods: Online surveys of primary/associate members, non-members and personal interviews.
- Outcomes: Traditional needs assessment findings. Also an element of “teach us to fish” that helps ensure future in-house, efficient data collection.

Example: Communications Assessment

Description: Virginia trade association determines how many members are "going digital."

- Issues: Needs assessment primarily for Board review chooses to go into several very specific, excellent questions.
- Key Questions: How many of you have substituted electronic for print professional resources in the recent past? How many of you plan to shift some of your learning from face to face to distance learning (CD/online)?
- Methods: Online/print surveys of members/non-members. Just a few questions in a much larger study. Modules provide opportunity to measure targeted information.
- Outcomes: Showed that RBMA, others are "training" members away from print, many non-members resistant. Far fewer plan to migrate to newer education formats.

Example: Operational Studies

Description: Indiana trade association needs to document how members make money to help them make more.

- Issues: Rollerskating facility operators don't make much money so they don't pay for their own consulting services. How to document common practices and areas of opportunity?
- Key Questions: Size/type of facility. Ownership structure. Food and birthday parties. Apparent consumer demographics. Nothing is too basic!
- Methods: Conduct short operations study and add questions to members regarding association services (importance/satisfaction) to develop gap analysis.
- Outcomes: Gave members good basis for "self examination." They proposed consumer studies—what they want, why they decide to skate—that comes up now and then. Holy Grail of building business: operations help with efficiency and lost opportunity; understanding consumers grows demand.

Example: Compensation Studies

NACDS

Description: Virginia retail trade association needs to address labor force dynamics, measure compensation levels for pharmacists, key employees influencing cost & overall member profitability.

- Issues: Pharmacist scarcity driving up compensation. Large multi-state operators need to understand pay levels, variances in bonuses, benefits, and working conditions.
- Methods: Conduct annual in-house survey (rejected vendor) among pharmacy/operations directors. Ensure absolute confidentiality—no public release of data.
- Outcomes: Near-100% participation. Document salary levels, annual increases, regional variations, expected future increases, coping mechanisms. Provide metrics, baselines, and ideas for improving future profit/loss picture (for member & association).

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Environmental Scans/Intelligence Gathering

Example: Business Outlook/ Health Insurance Studies

NJBIA New Jersey Business & Industry Association

Description: State business association needs to address critical areas driving higher costs and to measure ongoing attitudes.

- Issues: Premiums are major element of cost to small business. Most businesses regard NJ business and regulatory environment as difficult for business profitability, growth, even survival.
- Methods: Annual online surveys, cross-tabulated by counties, general intrastate regions, business sectors/types. Short questions measuring *specific* data—cost per covered employee, attitudes toward Gov. Corzine.
- Outcomes: Regular published barometer for the association, helpful in statehouse lobbying activity. Questionable overall value: if premiums go up annually, does "misery love company?" Project may have negative side effects by reminding members of current conditions—making association seem less effectual.

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Example: True Non-Member Profile

Description: DC real estate trade association needs to reach non-members they have never touched before.

- Issues: Anticipating impact of the downturn.
- Key Questions: What levels do they belong to?
  How important/satisfied with existing services (gap analysis)?
  Future plans and anticipated business issues.
- Methods: Ask major underwriters (5 nationally) to send generic link to their agent network (includes members & non-members. Provide language so agents understand why they are getting repeat notices. 4,000 member organization hears from 2,000.
- Outcomes: Truly unique, objective perspective. Avoids inherent bias of typical “prospect” responses. Many knew nothing of national, huge fans of their state, or consciously rejected national long ago. Some parts—”a rude awakening.”

More Applications/How-To's

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Applications: Conferences/ Education

- We often spend heavily on conference communications
  - Create a sense of event
  - Demonstrate level of effort for sponsors/exhibitors
  - Boost attendance levels
- Research/asking key questions help us:
  - Measure attendance drivers—why do/don't they come?
  - Defining expectations—how stable is the relationship with current attendees?
  - What would improve the experience? Are these improvements win-win or do changes incur costs/dissatisfaction elsewhere?
  - What does the future hold: Virtual meetings? More junior attendees? Lower perceived value for exhibitors?

Opportunities: Evaluations

- We all conduct meeting evaluations … how can we do more?
  - Go beyond assessing each speaker; assess curriculum and speakers as group. In absolute terms and relative to other events.
  - Assess real potential changes—some simple tweaks, other radical changes.
  - Assess educational/professional development needs of all individuals; match content/delivery to
  - Address pricing and market impediments
    - Example: IBS (NAHB's International Builders Show)
  - Factor in long-term planning: prepare for a future when trade show "dead model" no longer drives association business model
    - Possible example: CEA's Consumer Electronics Show

Acquire (At Least) Most Basic Capabilities

- If you don't already have them—build a "research infrastructure":
  - Develop a simple interview pool:
    people who know how to interview & report objectively
  - Keep an unlimited-use online software license:
    SurveyMonkey is $200/year, or SurveyGizmo
  - Know how to run surveys, use it occasionally
  - Communicate some of the findings
  - Act on some of the findings and tell members when you do
  - Survey a variety of audiences:
    Never-members, exhibitors, students, membership segments, user studies, sometimes consumers or influencers

How to Report Findings Objectively

- *"It seems clear that these members know about the Meeting.*
  - *The real issue is what they think they know.*
  - *Each participant has well-defined expectations based on their past attendance history and years of membership.*
- *These participants report having positive experiences.*
  - *Repeatedly, participants expressed that the Meeting has become much better and better organized.*
  - *Positive personal experiences can be the most effective marketing. Exposing more new attendees will spread positive word of mouth.*
  - *Our findings imply ___ has a body of members with no recent attendance; absent new experiences they continue to define their expectations in terms of older experiences.*
  - *____ benefits by convincing more non-attendees each year to choose to attend/have a new experience."*

Conclusions & Observations

- Sometimes you have to "bite the bullet" to truly add value.
  - Be brave—willing to ask the tougher questions.
  - Prospective respondents infer intent & smell fear.
  - Research balances the old servant leader conundrum: "my vision is their vision" but what if leaders are dumb?
  - Research should be formal/informal; periodic/continuous
  - Don't ask "only what we would act on"
  - Ask what members would expect to be asked
  - Share results, but share wisely. Transparency & "closed loop" systems don't require "indecent exposure"
  - Find ways to analyze what you know:
    - MS SQL for your database/transactions,
    - Cross-tab tools for your online surveys
    - Objective people to conduct your interviews

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Thank You!

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