



Building Non-Dues Revenue Programs

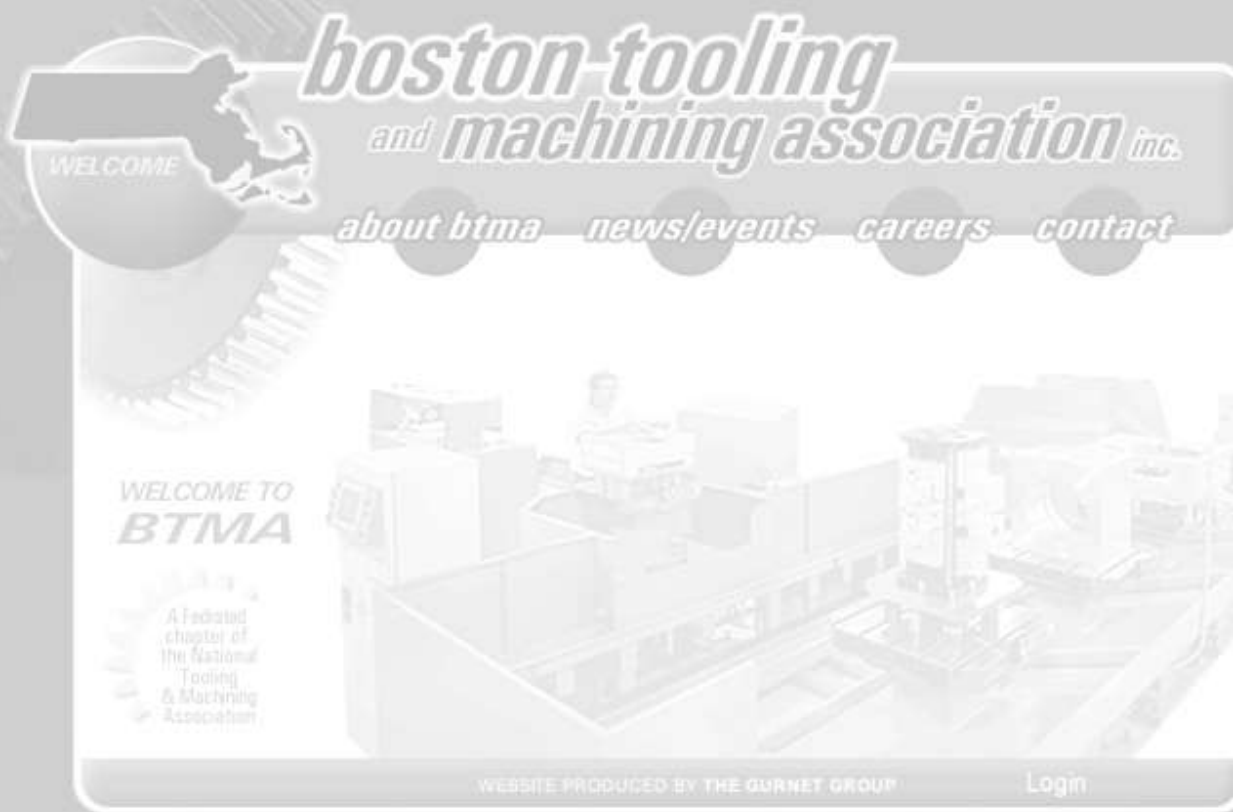
**National Tooling &
Machining Association**

**October 5, 2008
*Austin Texas***

**Kevin Whorton
Whorton Marketing & Research
info@kwhorton.com
*301-312-8938***

Program Outline

- What I learned from you (your challenges)
Review your current practices as NTMA chapters
- Case studies of strong non-dues programs:
lessons/examples from the association world
- What you need to know about developing and
maintaining non-dues revenue programs
- Program tools/checklists and best practices:
 - Conferences/Monthly
Education programs
 - Special Events
 - Fundraising
 - Exhibits/Sponsorships
 - Print/Online Advertising
 - Products
 - Subscriptions
 - Consulting/Training
 - List Rentals
 - Co-op Promotions
 - Affinity Programs



A: What I Learned From You

Contact
Congress

GO!

Enter ZIP code

- ☞ **Your Programs**
- ☞ **Your Performance**
- ☞ **Your Concerns**

Your Chapter's Single Greatest Weakness in Generating Revenue Today

- Getting people involved and having members understand the need to increase revenue
- Inability to ask for money
- Inability to educate Board on governance issues; operate like a for-profit
- Lack of interest by Board - seem content to keep things as is
- Lack of professional fundraising expertise (asking for donations)
- Lack of volunteers and money
- Member apathy and an extremely poor state economy
- Recruiting volunteers to put forth effort to revenue-generating programs
- Slow erosion of membership base
- Small membership
- The chapter's subsidy of member participation

Bright Spots: Single Greatest Source of Increase

- Increased fees for meetings and our fall conference (single source of revenue increase past several years).
- Insurance program royalties; higher premiums, more participants, modest employment increases
- It has increased because we bill for our events and collect payments.
- Partnership Programs initiated in 2008 with Companies who pay promotional allowance to the Chapter.
- Regional Conference Revenue: event started 2 years ago, attendance/sponsorships increased.
- Regular/Associate Member dues doubled over past 2 years: concerted/consistent marketing/sales effort.
- Sponsorships (4)
- Trade show exhibitor revenue. We started the show in 2005.

More Detail & Shared Experiences

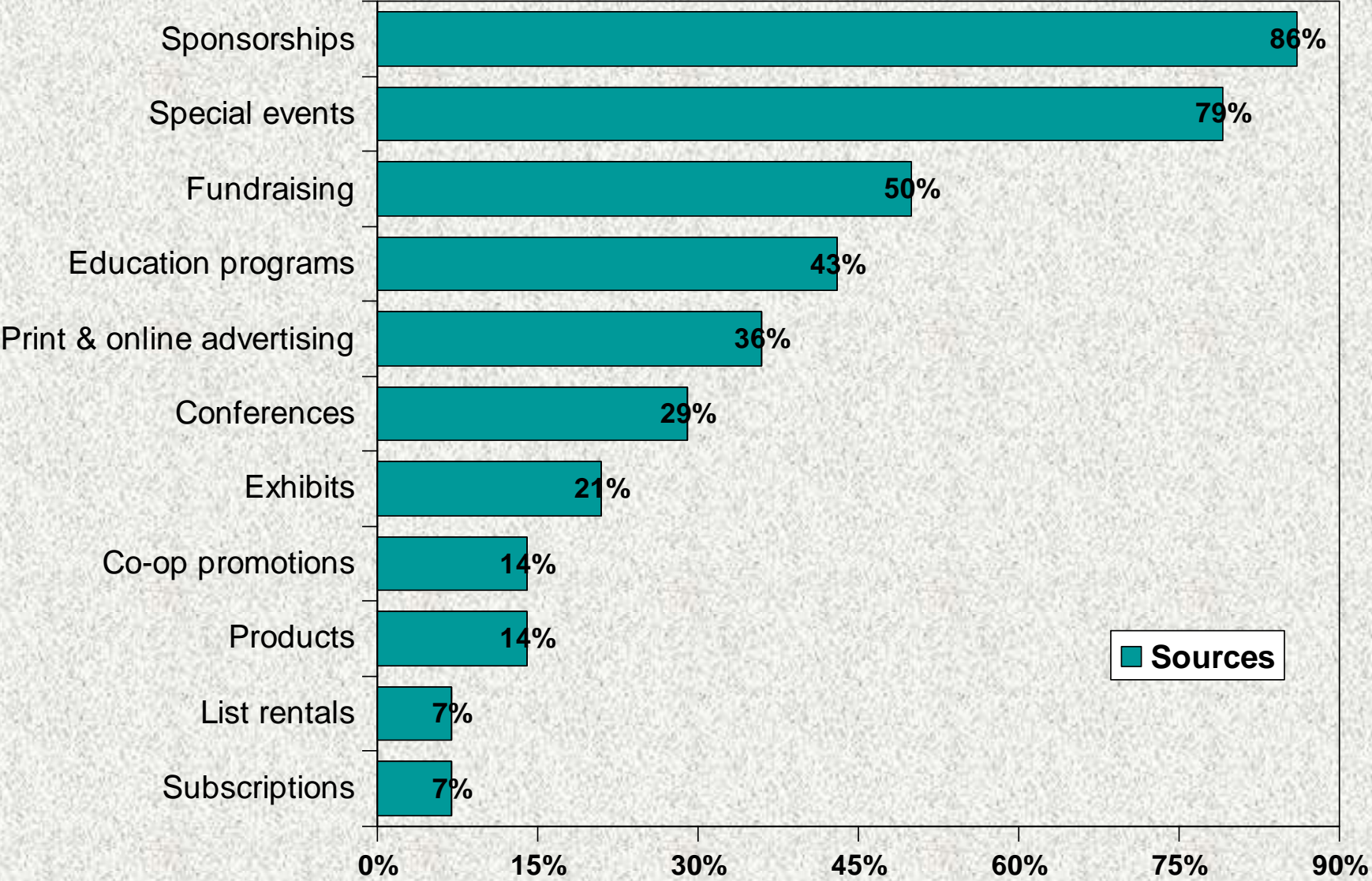
Sponsorship

- More actively pursued
- Chapter doing more to promote industry in local Vo-Tech HS
- We host two annual golf outings. Promoted more heavily in recent years. New golf committee.

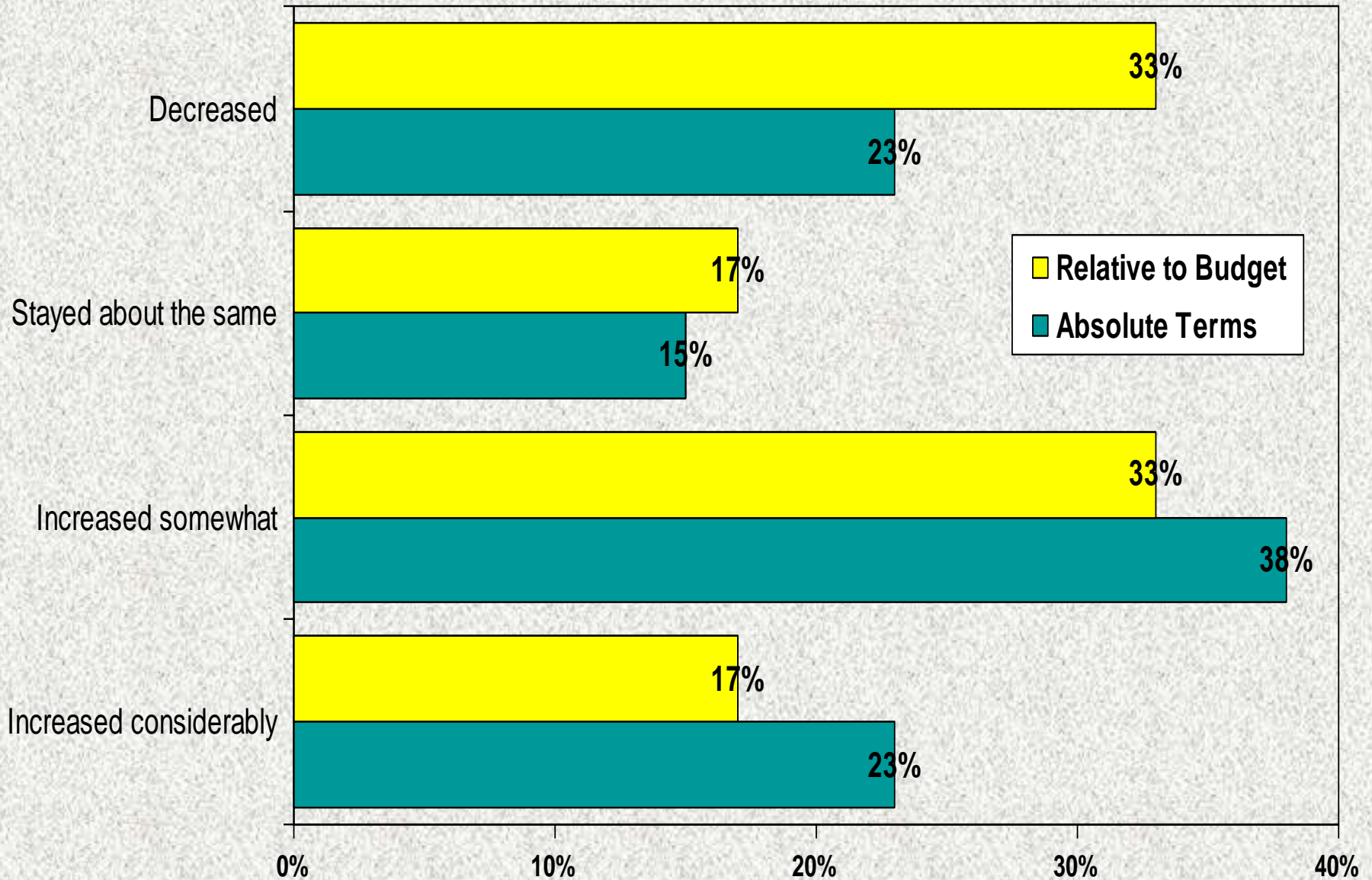
One Chapter's Experience

- We've had to pass some of our increased costs to members to stay out of the hole and keep afloat.
- I don't see that we'll never make a profit. Instead, we travel through a repetitive cycle of having money in the bank and when we don't.
- The Board feels participation/membership will fall off if members are asked to pay full price to participate. I 'respectfully' disagree.

Revenue Areas: Greatest Interest, Potential Growth



Non-Dues Revenue Program Trends



Chapter Profile

◆ **Non-dues revenue share:**
48% of budget (mean)
Maximum 95%
Minimum 10%

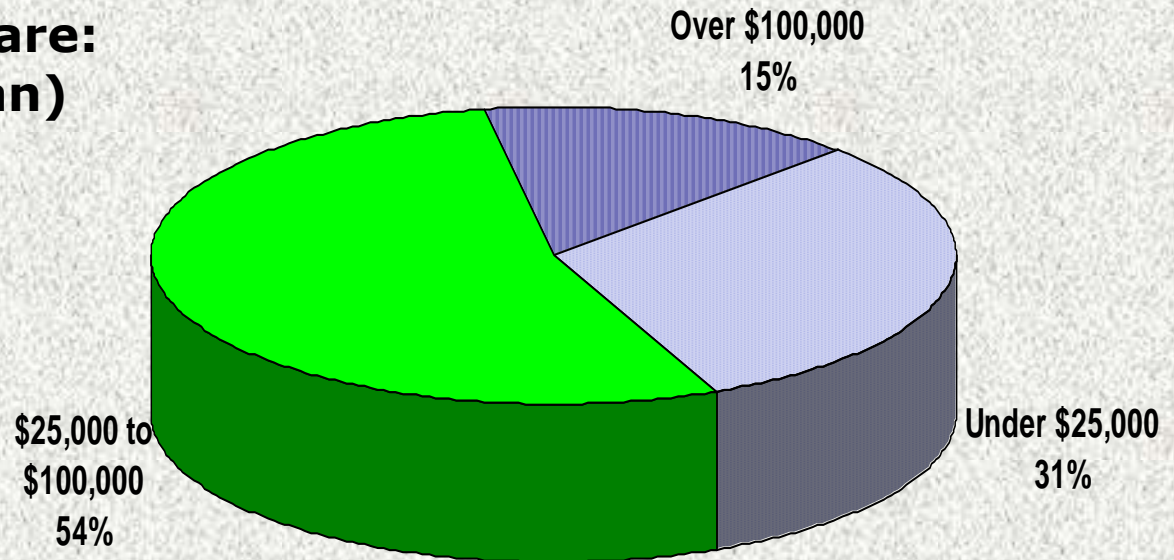
◆ **Average of 76 total company members**
Maximum 330
Minimum 26

◆ **Average 4.6 years on the job**

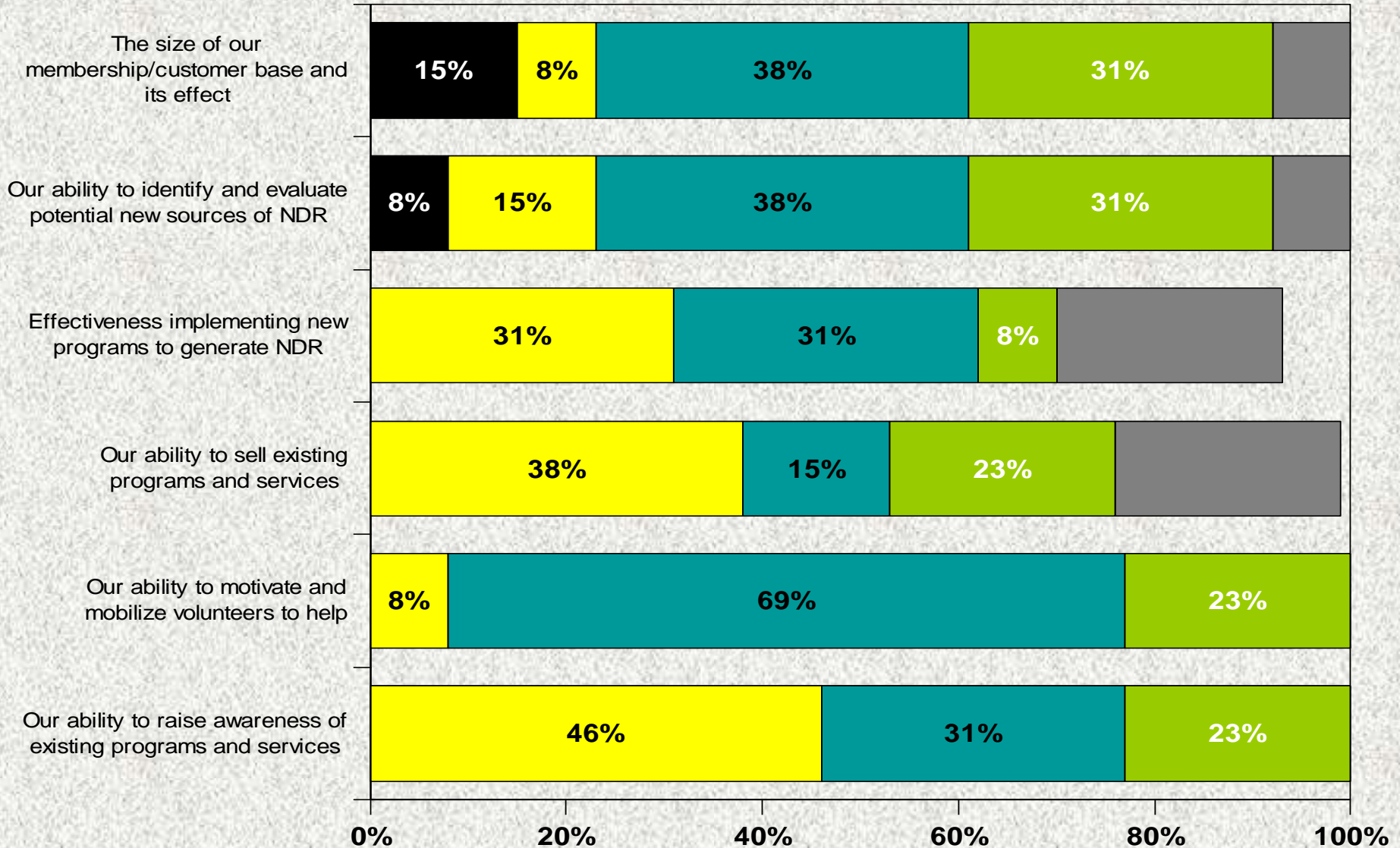
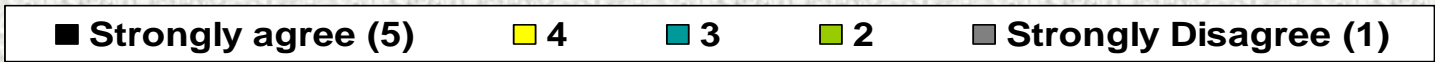
Satisfaction: remarkably low

- ◆ **Our ability to raise awareness of existing programs and services highest (3.2 on a 5-point scale)**
- ◆ **Other program features: 2.9 to 2.7. Many needs—program identification, volunteer management, new sources, sales & customer/member base**

Total Budget Size



Are You Satisfied With Your Non-dues Revenue?



NTMA Non-dues/Affinity Programs:

1. **A-Z Corporation/Krause Tool:** 15% discount on **Absolute Zero** centering tool.
2. **Broadwing Telecommunications:** Great long distance service rates, data, Internet services.
3. **DHL Express Shipping:** Save up to 25% on Next day, 2nd Day, Ground, International Express Services.=
4. **Dynamic Solutions & US Freightways:** Save 65% off national/regional LTL.
5. **Energy Buyers Program:** APPI energy negotiates electric rates from suppliers, negotiates and secures lower natural gas rates,
6. **E-chx, Inc. Payroll Solutions:** 15% discount for those working with smaller competitors or doing payroll in-house. If switch from national competitor, 10% savings guaranteed.
7. **FedEx:** Member discounts on Express, Ground and Home delivery. FedEx Kinko's discounts on b/w/color print/copy service, signs, graphics, other finishing services.

NTMA Non-dues Program

8. **Grainger:** 10% off online/catalog purchases. Automatic enrollment. Addn. discounts up to 45%. Viral members sign up employees for personal NTMA discount.
9. **Jergens Inc:** Exclusive Online Catalog Discount of 10%
10. **JobBOSS Software:** 15% off originating orders; 5% off additional orders.
11. **NTMA MasterCard:** Show off your industry affiliation with this card displaying the NTMA name prominently.
12. **NTMA MasterCard for Businesses:** The card you've been waiting for! Corporate credit card identifies separate business expenses from personal expenses, set individual credit limits for employees, misuse insurance.
13. **OfficeMax:** Significant savings on more than 12,000 office products. Access to OfficeMax ImPress™ (print/document needs). Office delivery or purchase products at retail location.
14. **SelfLube Die and Mold Components:** Members receive a 25% discount. They offer industry standard Bushings, Wearplates, Wearstrip, Gibs, Keeper Blocks, Parting Line Locks, etc., at distributor pricing.

NTMA Non-dues Program Descriptions

- 15. Shoptech Software:** 15% off the E2 Shop System.
- 16. SourceHorizon:** Find new customers at SourceAuthority. Members pay one-time \$500 registration fee. NTMA members pay a 4.5% commission only on jobs awarded through the marketplace.
- 17. Staples Office Supplies:** Deep discounts: Business Advantage Program. Download/registration: password-protected ordering, FREE next day delivery of \$35+ orders. Employee affinity program.
- 18. U.S. Bank Equipment Finance:** Competitive financing with application-only on financing up to \$350,000.
- 19. Vistage International:** Largest CEO membership organization: programs and opportunities to help CEO's/key employees make better decisions. Waived enrollment fee for NTMA members.
- 20. Yellow Transportation:** 70% savings on standard ground! Exact Express, Definite Delivery, Exhibit Services, shipments to Canada and Mexico. Seamless integrated air, ocean, overland service worldwide.

Group Discussion

- What are the greatest challenges you face today for generating non-dues revenue?
- What is your potential for long-term program and revenue growth?
- What are the greatest impediments to achieving your potential, and how can you overcome them?



MEMBER LOG-IN

Los Angeles Chapter of the
National Tooling & Machining Association

1219 Ganado
San Clemente, CA 92673
Tel. (949) 369-7309 Fax. (949) 366-1057

Official Web Site of the Los Angeles Chapter of the National Tooling & Machining Association

Vision, Mission &
Values Statement

Let's
What We Have to Offer

Second:

Lessons from "Association World"

Board of
Directors

Become a
Member

Members
Directory

Cross Reference
Principal to Company

Member Search by
Capabilities

Associate
Members

Training Centers of
Southern California

Affiliated
Associations

E-Newsletter



Illustrations of Programs



Trades/Chapter Networks





AMERICAN OSTEOPATHIC ASSOCIATION



Nonprofit Federation



The National Office Products Alliance



National Federation of Professional Associations



ELECTRONIC RETAILING ASSOCIATION



AMERICAN COLLEGE OF RHEUMATOLOGY
EDUCATION • TREATMENT • RESEARCH



Southwest Indian Relief Council



HUMAN RESOURCE MANAGEMENT



Program Example: Non-Dues Programs at Rollerskating Assn. Intl.

Trade Association's Actual Programs (700 members):

- RSA Convention
- RSA Trade Show
- *IMPACT seminars*
- *RSA University*
- Consumer promotions/Local Marketing Toolkit*
- Pepsi program
- *Promotions packet*
- RSA magazine
- *RSA Today* monthly newsletter
- RSA Section regional meetings
- Information on www.rollerskating.org
- RSA worker's comp insurance*
- RSA liability/property insurance*
- Music licensing discount programs*
- Group purchasing programs*
- RSA products

Program
Categories

**“Golden
Handcuffs”**

**Affinity
Programs**

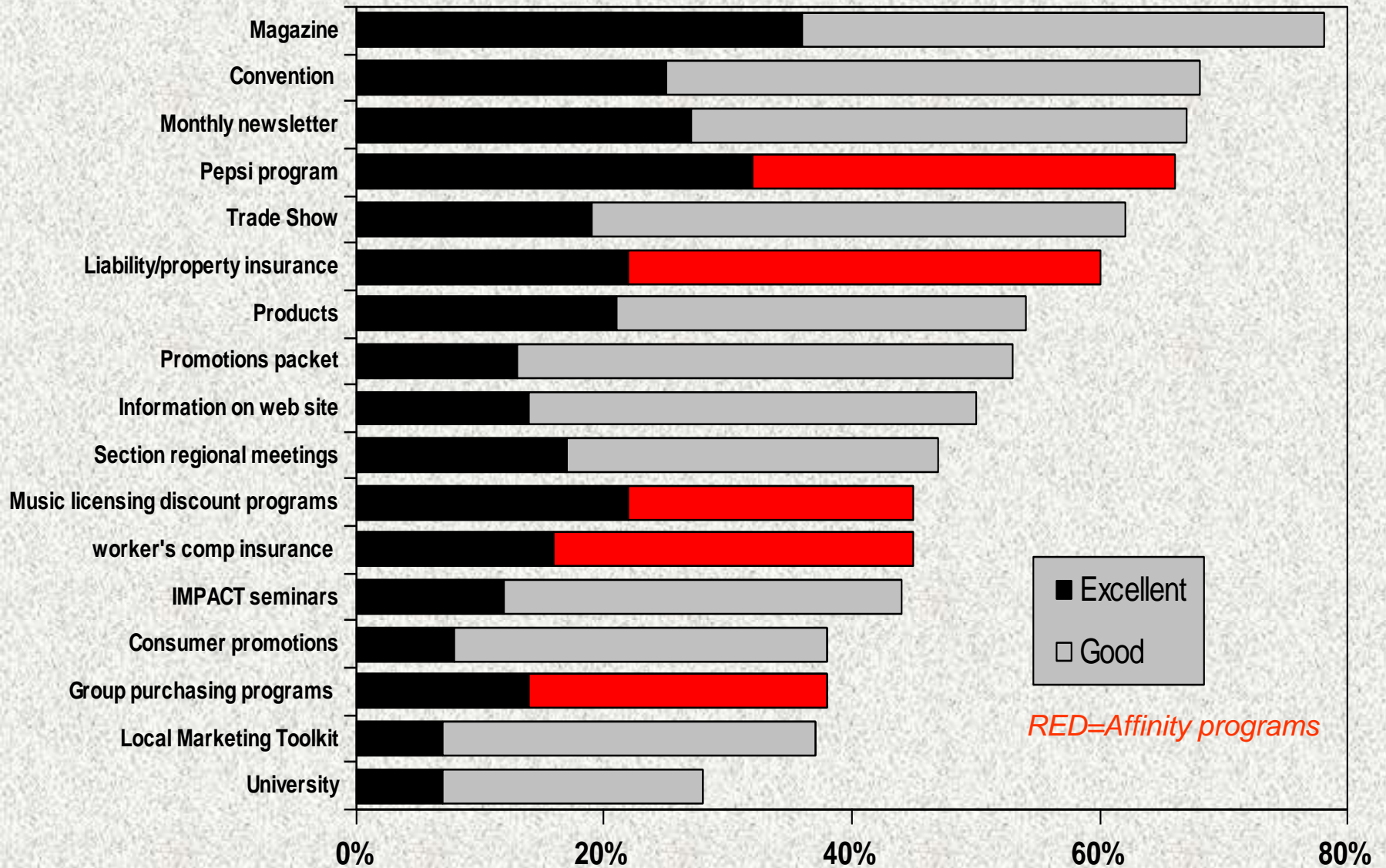
Core Services

* potential golden handcuff

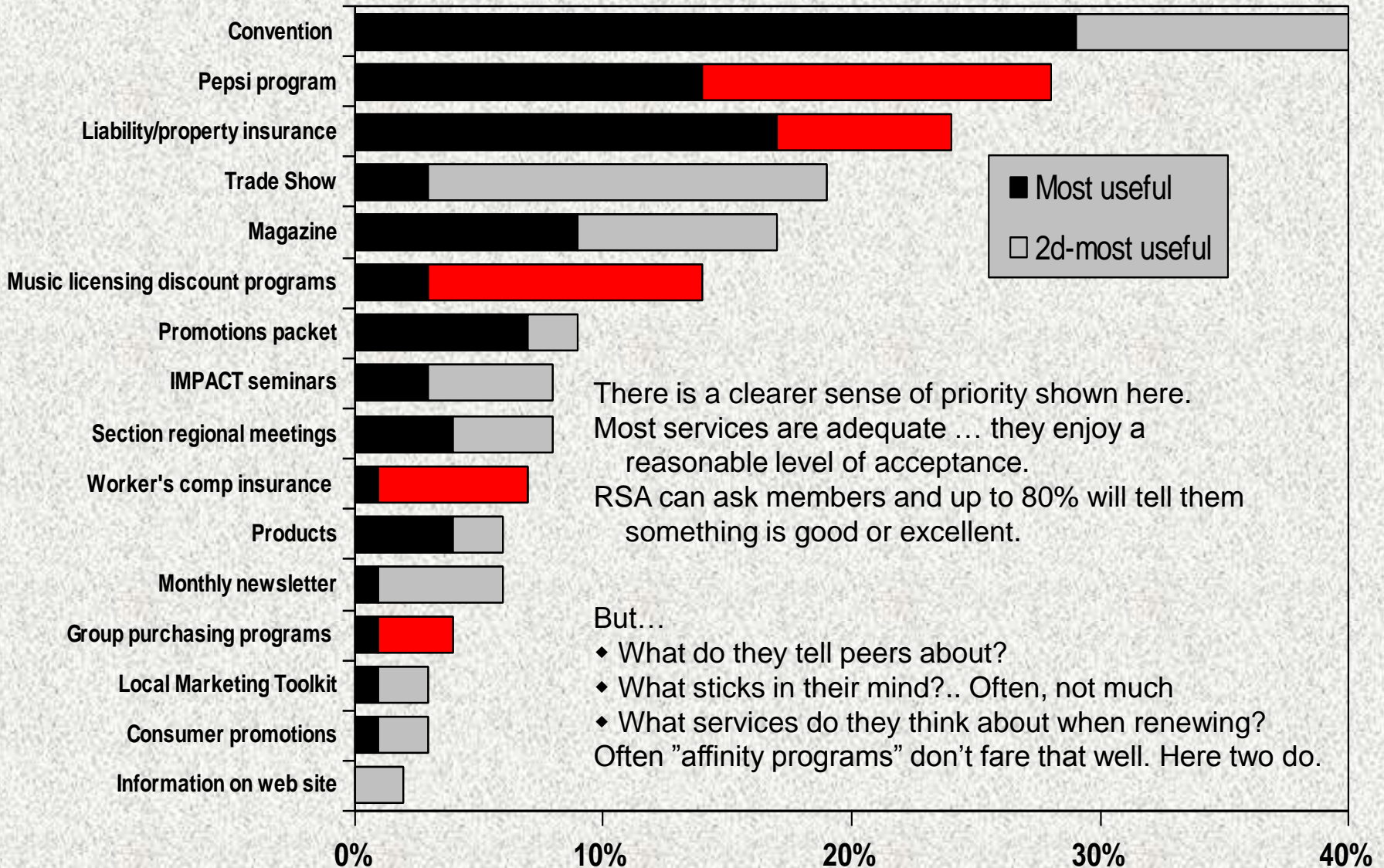
xxx: potential core/sunset

Note: member usage, perceptions = distinction between potential and actual

RSA Performance: Perceived Satisfaction



Top Priorities: Among Two Most Useful Programs



There is a clearer sense of priority shown here. Most services are adequate ... they enjoy a reasonable level of acceptance.

RSA can ask members and up to 80% will tell them something is good or excellent.

But...

- ◆ What do they tell peers about?
- ◆ What sticks in their mind?.. Often, not much
- ◆ What services do they think about when renewing? Often "affinity programs" don't fare that well. Here two do.

Brainstorming Programs Close to the Business

Source: National Flea Market Assn: *Possible Sponsors/Partners*

- Foam roofing manufacturers
- Blimps/balloons
- NASCAR banners/logo
- Tobacco companies
- Carrier Heating/AC
- Cleaning chemicals
- Industrial flooring
- Metal building fabricators
- Alarm companies
- Ticket printing
- Cash registers
- Digital surveillance
- Customer relations videos
- Mobile food carts
- Soft serve/frozen ice cream
- Golf carts
- Ice machines
- Kitchen equipment
- Fryers
- Knives
- Landscaping services
- Street sweepers

Looking at group buying, existing relationships with businesses/employers. Network of 90 members. Many small players: virtually no existing programs. (Small national conference, no other infrastructure.)

NFMA “Possible Partners” Exercise, *continued*

- Pole barn builders
- Trash bags
- Tools
- Waste haulers
- Portable toilets
- National janitorial services
- Check cashing services
- E-bay or large consignment
- Business computers/machines
- Light bulbs
- Information/intelligence
- Security guards
- Billboard/signage
- Mascot costumes
- Concessions outsourcing
- Gas retailers (cards/promo)
- Video game wholesalers
- National traveling acts (circus)
- Country bands
- Spanish language organizations
- Model chains (discount offers)
- National church groups
- Local convenience stores
- National Rifle Association (petitions)

Wide ranging consideration of products, services, and partners.

“Reverse engineering” approach means flexibility: some relationships may become affinity programs, others “just” exhibitor/sponsors/advertisers.

PPAI: Mature Program/Large Revenue Streams

PPAI (Promotional Products Association International):

- Federal Express shipping program
- Ordinarily a “commodity” program (RSA Group Purchasing)
- Distributor members save 13x their avg. \$500 dues
- Supplier members save 4x avg. \$1,300 dues
 - Calculated on a per-member basis
 - High participation: 35% distributors, 30% suppliers*
 - Savings communicated annually
- Good news/bad news:
 - Took years and considerable negotiation to get here

Some penetration rates even higher: AICPA (NY) 65% life insurance, 50% professional liability insurance.

NACDS Services Corp. Example

History

- Large national trade association decides to launch "front end programs"
- Opportunities: huge brand name, tradition of service, policy/pharmacy reputation
- Challenges: brand/product line extension, lack of relevant contacts, no infrastructure, no staff support, fear of 'reputational risk'
- Outcome: abandoned after three years—'fail forward'

Range of Programs

Agreed to develop a full slate:

- Traditional P&C insurance
- APPI: power deregulation
- Shipping services
- Employee screening
- Loyalty card program
- Zoning: newspaper inserts
- Front end programs newsletter
- Employee training programs
- **Internet portal**
ChainDrugStore.net

NACDS

NATIONAL ASSOCIATION OF
CHAIN DRUG STORES

NACDS Program Development: Lessons

Methods

- Some “top-down” programs
- Flexible criteria
- Senior management review
- Survey process for each program: appropriate contacts
- Measure practices/interest
- Process *became* the product
- Some best programs were never launched; but still yielded value
- Choice: program vs. other form of relationship

Real value to NACDS

- Better service to smaller chains
- Goodwill: doing something
- Forced action in pharmacy unit
- Created an incubation process: magazine/missing services
- Outreach to underserved audience segments
- Portfolio of programs: eventually focused into "one big idea"

LEARN | TRAIN | SUCCEED

Die Design & engineering
Mold Design & Engineering.
Electric Discharge Machining (EDM)-RAM & Wire
Mold Makers.
Plastic Injection Molding.
Grinding, Honing & Lapping
Heat Treating
Precision Machining
Milling & Turning.
ISO 9001 Certified

the **best job**
you never heard of..
Dean's List Student
in Precision Machining
Sodus Central High School graduate
Attended Wayne Technical
Career Center



C. What You Need to Know

👉 **Program Design**

👉 **Marketing & Sales**

👉 **Finances & Growth**

"I was awarded an RTMA Scholarship to attend MCC's Applied Tech Center."

"I just completed my first year apprenticeship in Rochester, and I love what I'm doing."

RTMA'S MISSION

To be recognized as the Upstate New York leader for providing information and creating quality educational opportunities in the precision machining, plastics and manufacturing industries.

RTMA Member Sign-In

ID:

Password:

Sign In

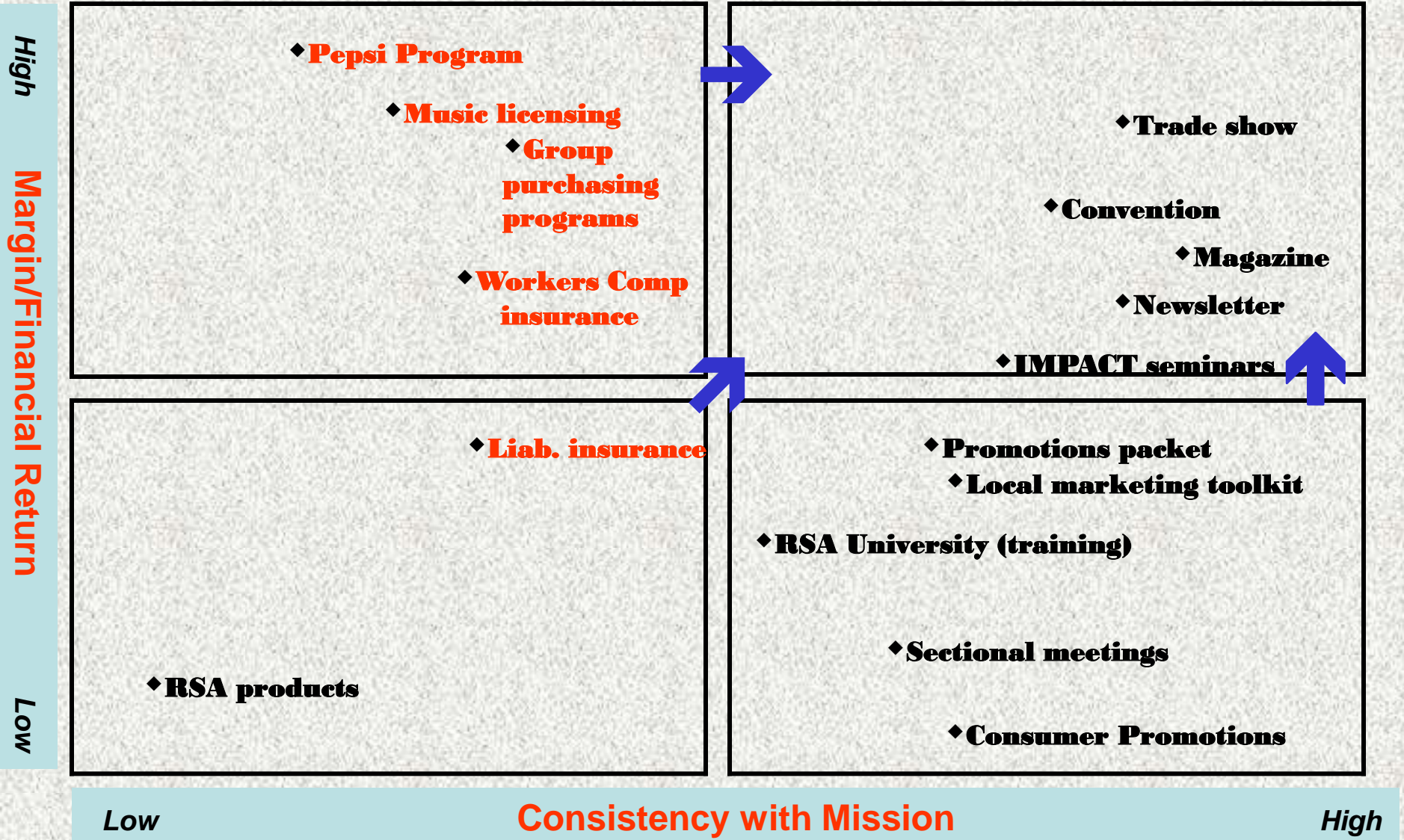
Assessing Member Program Needs

- Identify & distinguish between met and unmet needs
 - Interviews, case studies of specific member companies
 - Drill down into what they *say they need*, then drill further into what they *really, uniquely need*
 - Find out who else they use for various areas of service
 - Assess quality of those offerings and diagnose them: what do they do wrong?
 - Collect this insight across a variety of members, aggregate them for a needs profile
 - Match this up against the prospective vendor offerings
- Great tool for working with vendor business partners
 - Scares the bad ones off, gives the good ones something to work with

A Program Portfolio/Evaluation Model

Method for evaluating the overall mix

Applied to the RSA Example:



One Way of Categorizing Your Programs (ASME)

Quadrant model: testing for relevance, accounting for financial opportunity

High
Margin/Financial Return
Low



High Margin:
No relevance
to core mission
Opportunistic
Cross-subsidize

Best possible outcome:
Program generates high
gross, net revenue
Serves a purpose
Builds the brand; comes to mind often



Low Margin: little relevance
pet projects/sacred cows
In retrospect: programs
don't make sense
Very "backwards-looking"

Doing the right thing
Worth subsidizing
May have hidden
contributions
Underperformers may
need better management



Low

Congruence with Mission

High

Financial Management of Programs

- Consider the direct and *indirect* benefit of your programs
 - Two mindsets: “feature bloat” or diversified range of services
 - The range of benefits often provide greater perceived value
 - Tie-ins also work: being ‘part of the family’ through an NTMA network helps raise general sense of value
 - Assortment theory: products that serve 5% of members deeply have great value lost in a one size fits all mentality
 - Financial tracking:
 - Gross revenue (\$5,000), net (\$1,000)
 - Subtract direct & allocated marketing expense (\$500)
 - Calculate margin: $1 - (\text{expense} \div \text{net revenue}) = 50\%$
 - Revenue share: $\text{net} \div \text{gross} = 20\%$
 - Define your performance targets/compare across programs

Developing New Non-Dues Programs

- Feasibility research
 - Solid criteria for programs (see *checklists*)
- Brand/product line extensions
 - Regular self-directed search (some opportunistic development)
- Build on success of large programs: flesh out portfolio
 - Negotiate good deals, some will be adequate
 - Establish program metrics & goals for specific programs and larger ones
- Scaling Up
 - Working in partnership with other chapters
 - Co-op programs with NTMA
 - Voluntary networks/buying group models

Launching Non-Dues Revenue Programs

- Structured program criteria:
 - Demonstrate that there is a market
- Due Diligence
 - Program evaluation; competitive assessment; negotiating for best terms
 - Evaluation of alternatives: comparison & secret shopping
- Develop a program business plan:
 - Implementation schedules
 - Revenue milestones
 - Communications & rollout
 - Monitoring and evaluation
 - Appropriate program modifications
- Assignments/Responsibility
 - Execute programs you can manage, efficient outsourcing turnkey vs. in-house



How to *Promote* Non-Dues Programs

- Media mix: mail, personal sales, web, press/PR
- Vehicles: brochures, factsheets, landing pages, co-op
- Messaging: value-focused, brand-building, teasers/building demand
- Customer service: inbound call handling, lead tracking, feedback, secret shopping
- Overall goals: cut through the clutter in a crowded market
- “Sell unto others as they would sell unto you”





from the president
leadership
local associations
member services
calendar of events
legislative news
HIPAC
Tennessee
HomeBuilder
magazine
education
associates council
important links
sponsorships
contact us
home



featured sponsor



member services



- **GET TRIPLE VALUE WITH A 3-IN-1 MEMBERSHIP**

Join your local affiliated Home Builders Association, and you'll automatically become a member at the state and national level as well—that's three memberships for the price of one! Your annual dues payment entitles you to a full range of services at all three levels, including product and service discounts, networking opportunities, news and education. You'll triple the return on your investment!

- **INSURANCE PROGRAMS AND SPECIAL AFFINITY PROGRAM DISCOUNTS**

Because you are in business, the Home Builders Association offers insurance programs through some local, state and national associations. In addition, discounts are available through the national association for everything from computers to rental cars.

- **HBATSIT** - Home Builders Association of Tennessee Self-Insured Trust

**OSHA 10-Hour
Safety Training**

**OSHA Safety
Review Seminar**

Over The Edge
Current HBAT-SIT
Newsletter

- **2-10 Home Buyers Warranty** - 2-10 HBW is the largest and oldest new home warranty program in the United States.
- **Home Buyers Warranty Insurance Services** - HBWIS assist in meeting the risk management needs of builders and real estate professionals across the country.
- **Builders Mutual Insurance Company** - BMIC provides convenient and affordable workers' compensation coverage to its members along with a complete line of property and casualty insurance



California Medical Association

County Medical Associations & Societies
Southern California Physician's Council, Inc. & NORCAP

High Deductible Health Plans and Health Savings Accounts: Open a Health Savings Account now! If you already have a qualified high deductible health plan, [Click here](#) to go directly to the CMA UMB online enrollment site.

New Discount on Workers' Compensation Rates *for members only!*

We are pleased to announce a new enhancement to the sponsored Workers' Compensation program. Employers Compensation Insurance Company (rated "A-" by A.M. Best Company) has agreed to provide a premium discount for members:

- **Members are now eligible to receive a rate of \$1.14 per \$100 of annual payroll!**

And depending upon where you place your group health insurance, members may qualify for an additional discount on their workers' compensation insurance premiums.

[Click here](#) to download a premium indication request form and fax it Marsh at 213-346-5946 to see how much you could be saving!

(Not all members may qualify for this rate.)

Mercer Select HRKnowHow

Available to CMA Members at no cost!

Do you play a role in your medical group's health care and benefit plan decisions? If you do, you know that staying current on the issues is challenging, especially with today's increasingly complex marketplace and regulatory conditions. Mercer Select HRKnowHow may be the perfect solution for you.

Do you need:

- to stay current on health & benefit issues?
- sample forms for required compliance tasks such as COBRA?
- need at-a-glance information about important HR matters?

[Click here](#) to learn more about HRKnowHow.

To receive a quote on your group medical plan, please contact Marsh at 800-842-3761, or [download the quote request form](#) and fax it to us at 213-346-5946.

Core Principles: Program Marketing

- “Multiple media” works well, even for small scale programs
- Mix of phone, mail, and email
 - Develop a common message, starting small
 - Elevator speech points lead to phone script, short introductory letter, cut & paste emails
- Keep graphics downscale: often you have partner collateral
 - Remember most market-testing in associations proves that ‘ugly sells’
- 2-color beats 4-color: short beats long, apparently inexpensive is appreciated
 - We live in a post-marketing era when fancy feels like poor stewardship
 - Many of our members may be ‘handshake’ people who need to be sold: good programs have members selling...

How to *Maintain* Non-Dues Programs

- Manage as part of an overall program portfolio
- Promote judiciously:
 - Appropriate levels for the market:
current, prospective members
 - Distinguish between impediments to use:
don't promote to definite non-users
 - Handle new potential partners
 - Consider when to shift
providers, or sunset failure
- Devote resources (\$/time)
proportionate to program
contribution





National Tooling & Machining Association
Northwestern Pennsylvania Chapter

FEATURED MEMBER:

EXPANDED TOOLING SERVICES



Top Shop
Click here for more info >>>

ROBOTS
BATTLE YOUR BOT OFF!

Current & Upcoming Events

[NTMA Board Meeting 8/20/2008](#)

[NTMA Board Meeting 9/17/2008](#)

[NTMA Board Meeting 10/15/2008](#)

[Click here to see all events](#)

Newest Store Items

[Boyar Schultz Grinder](#)
Posted by CORE ... on 6/26/2008

[waste oil burner](#)
Posted by CORE ... on 6/26/2008

[Bridgeport Mill and Excella ...](#)
Posted by CORE ... on 6/26/2008

[Click here to see all store items](#)

Member Login

Username:

Password:

Log me in automatically

[Lost password? Click here for help.](#)
[Not a member? Become one!](#)

- Overview
- Member List >
- Capability Search
- Online Store
- Member Area
- Calendar
- Message Board
- Newsletter
- Teams >
- Scholarships >
- Links

D: Program Checklists
Best Practices

The National Tooling & Machining Association (NTMA) is the national representative of the custom precision manufacturing industry in the United States. For the most part, NTMA members are small businesses, yet the industry generates sales in excess of \$25 billion a year. Our members design and manufacture special tools, dies, jigs, fixtures, and precision machined parts. Some firms specialize in experimental prototyping.

Mission Statement

The purpose of the NWPA Chapter of the NTMA is to promote the business success of our members through:

- Continual analysis of needs;
- Empowerment of our members with knowledge and resources;
- Identification, utilization and sharing of resources to benefit our members;

Additional Handout

Criteria: New Non-Dues Programs

- A. To what extent does this program reflect a business need of my members?
- B. Have I determined my goals and defined success?
- C. Will my leadership and colleagues be aware of, and become vested in the program?
- D. Have I explored the program idea with relevant target audiences, or am I simply responding to a proposal?
- E. Have I identified the best program providers or relied on a single proposal to evaluate on its merits alone?
- F. Will my customers/members have reason to buy through this program?
- G. Have I fully evaluated the provider's quality, stability and ability to perform?
- H. Are terms fair: marketing plan, equitable fee sharing, reasonable projections, customer tracking/reports?
- I. Am I protected: what is my exit strategy, recourse for members who are participating?

Success Factors: Program Launches

- A. Explore all communications channels for strong positioning, effective promotion
- B. Maintain optimal customer service (staff *and* vendor)
- C. Treat your programs like (small, startup) businesses: look for maturity and growth, margin over time
- D. Review the quality for what you have to offer
- E. Be active, not reactive; consolidate deal decision-making
- F. Be patient: long-term relationships/short-term benchmarks
- G. Develop and adhere to annual marketing & business plans
- H. Keep re-evaluating the overall slate of programs, and each individual program (i.e. look for “the weakest link”)

Reviewing Your Program

- A. Establish clear metrics for success:
 - Look for trial and adoption
 - Ongoing usage: # and depth of use
 - Measure user satisfaction (anecdotally at least)
 - New customer growth
 - Existing customer retention
 - Channel level performance: what brings them in?
- B. Measure long-term value of the acquired customer
 - Determine their value to determine what you can spend or give away to attract new users
 - Not all are created the same, but tracking individual customers on a spreadsheet helps
 - Fields: name/company, year by year usage level, original marketing source.

Best Practices: Conferences/Monthly Education

- Content management
 - Rotate programming to attract a diverse range of members
 - ‘Serialize’ content
 - Generate longer revenue stream, help non-attendees see what they have missed
 - Capture spirit of events: short video, photo, 1st-hand accounts
- Planning size/number/slate
 - Track member preferences: timing, location, length, topics
 - Systematically gauge reactions: satisfaction/expectations
 - Link responses to actual behavior, attendance patterns
 - Be willing to change established formats: freshen, even host fewer programs to create more of a sense of event
- **Goal:** Maximize return on investment, make education a strong representative of your overall quality and value proposition

Best Practices: Special Events

- Plan distinct from your education although they may coincide
 - Education: delivering valuable content, personal development
 - Events: delivering networking opportunities where you may learn, also develop business contacts and peer networks
 - Communicate the two distinct benefits:
Accept and capitalize on fact that some members/customers want one
- Find and engage sponsors
 - Have them promote their presence/support to their clientele
 - Use their support to attract others, increase/auction demand for slots
- Manage your audience to maximize participation
 - Understand and overcome the sales objections of non-attendees
 - Monitor the preferences of attendees
 - Be mindful that the two audiences have different needs:
address the needs of non-attendees to expand the base
 - Eventual positioning: “If you are not there, you’re conspicuous in your absence”
- **Goal:** Indispensability, maximized revenue, evolving program that reflects continued growth.

Best Practices: Fundraising

- Diffused responsibility, group goals
 - Fundraising is everyone's job
 - Important since nobody wants to do it
- Start with a leadership gift from your best member
 - Publicize the generosity, treat as a matching gift
 - Use it to convey a clear sense of mission and real accomplishment
- Follow best practices:
 - Rapid and repeat acknowledgement
 - Unrestricted and donor-directed gifts: allow them to 'distort your priorities' (i.e. do what is fundable)
 - 'Laddering' with first-time givers to get them in the habit: get big enough gift to upgrade well, low enough to ensure they're on board
 - Try mass appeals—reach employees a la United Way payroll giving programs, set participation goals
- **Goal:** Create a consistent habit, reliable base of highly concentrated funds from small donor base and broad awareness

Best Practices: Exhibits/Sponsorships

- Get year long commitments from select firms (play favorites)
 - Link exhibits to sponsorships: make it a package
 - Try to mix approaches: named, defined-benefit levels (platinum, gold, silver) with some exclusivity & unique tangible benefits
- Manage relationships across the board
 - Some relationships yield exhibits, sponsorships, content, and/or affinity programs
 - Understand their goals, value proposition, and how they are perceived
- Structure and reward appropriately
 - Reward active participation: not just money but in-kind, time, service
 - Ensure they take audience seriously: avoid new/junior booth staff
 - Reward the seriousness by mobilizing members to support exhibits
 - Train exhibitors to understand your members: they are often confident in sales but misguided on the nuances
 - Help educate them with factsheets and help with promotional kits
 - Use your members to make sales contacts, ‘guaranteed appointments’
- **Goal:** Program demonstrates supplier support for core industry. Gives sense of voice, tangible return to sector, variable return for each firm.

Best Practices: Print/Online Advertising

- Create (or maintain) one solid vehicle
 - Newsletter can provide space ads.
 - Flyer inserts in monthly mailings, event ‘On-site Special’ just as good
- Provide limited # of opportunities
 - Avoid giving too much choice
 - As with exhibits, educate firms beyond the basic press kit
 - Document buying power of your audience; present at least one case study of a successful partnership
- Add to ‘package’ (sponsorships and exhibits)
 - Rotate opportunities, avoid exclusivity
 - Avoid impression that only one company in your market finds you appealing!
- Keep rates flexible at first
 - Let the market find its own level defined by willingness to pay
 - Offer a traditional range of multiple-placement discounts (10% for 2x or 3x)
- Use online as lead-in
 - Most advertisers find online a novelty (with you) even if they have sophisticated corporate web marketers
 - Recognize sales impulse may be tempered with awareness-raising or buyer education
 - Give them opportunities to collaborate, mutual links
- **Goal:** Diversify existing relationships. Help your publications pay for themselves.

Best Practices: Products/Subscriptions

- May be less relevant if your members aren't big readers
- Use web to sell one-time and ongoing-fulfillment purchases
 - Catalog techniques work well for products & subscriptions
 - Simple devices devoting limited shelf space to each item
 - Convey the basics in a compelling way but always provide links to more extensive backup
- Use pricing model that leverages supplier support (sponsorship or advertising)
 - Most efforts will have insufficient scale/scope to be efficient purchaser or subscriber-driven revenue streams
 - Approaches to maximize likelihood of multiple purchases per member/location
 - If a bulk ship or resale, avoid taking title if possible
 - Co-marketing agreements are just as effective
- Position relationship as expanded access to relevant information
 - Avoid the aggressive persistent sale
 - Rather serialize the content to help engage the membership
 - Soft sells increase likely purchase for employees, use in training programs
- **Goal:** Program primarily diversifies your value and reach. More expanding relationships with other publishers or product manufacturers.

Best Practices: Consulting/Training

- Makes sense to leverage the benefits of the community you represent
- Often have suppliers with consultative sales approach, valuable IP
 - Association allows you to harness their knowledge in objective forum
 - Pursue ‘big tent’ approach: expanded directory profile on web site
 - Caveat emptor—referrals without recommendations
 - Offering a service or team to help in-house allows them to sample the wares
 - When done under the chapter umbrella there is more discipline/accountability
 - Service providers are beholden to you and to their client
 - Greater continuity and perceived value for information dissemination
- Tap into the revenue stream on a commission basis:
 - Finders fees vs. percentage arrangements
 - Avoid appearing to piggyback forever on a hand-off relationship
 - Benefit from truly new transactions that reflect additional engagements
- **Goal:** Expand the range of perceived relationships with more varied types of suppliers; go deeper into serving existing members. Going beyond generic podium presentations or articles, applied directly.

Best Practices: Lists/Cooperative Promotion

- Consider a way to help suppliers directly reach members
 - Build in firewalls and risk management factors
 - Screen the firms who might qualify
 - Add mailing lists to the range of benefits but use to upcharge continuity programs
 - Huge multi-year commitments might have multiple-time (not unlimited) rental access
 - Single time commitments or exhibits might use you as intermediary
 - Mailing drop-shipped materials; emailing approved content
- With all programs, convey mutual goal
 - Get members to understand these are the tasteful ways to extend programming, provide value beyond what they can pay directly
 - Ensure a community with regular information flow (from association and from service providers)
- **Goal:** Facilitate commerce the way vendors do national accounts. Allow them to share their typical promotions, literature, trade campaign tie-ins.

Final Thoughts

- How do we balance revenue vs. membership considerations?
- Why is there a conflict/distinction?
- How can we best make meaningful contributions to overall membership value, retention, recruitment?
- What can we reasonably achieve and maintain?
- How can we best help our members ..
and work with them to help us?

Thank you!!

info@kwhorton.com