Local Chapter/National Association Survey A Look at Component ROI From the Member Experience

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Introduction

The Component Relations Section of ASAE, The Center for Association Leadership is conducting an ongoing project to explore the ROI of components and methods of measuring that. It was important for us in examining the ROI of components to understand it not only from the association staff perspective, but also by measuring the actual experience of members. For that reason, Mariner Management and Whorton Marketing & Research conducted a study to follow an ASAE online study of common association structures and practices pertaining to their network of components. Beginning in November 2006 we contacted a variety of diverse associations to identify participants who would be willing to sponsor a study of their members to determine their experiences with components. This report provides a look at the full survey results. We have also included in the appendices the survey instrument and data by participating association. Available separately is the full raw data.

The survey instrument and data report are copyrighted by Mariner Management & Marketing and Whorton Marketing & Research. We do welcome questions; please direct inquiries to Peggy Hoffman, 301-725-2508 or Kevin Whorton, 202-258-9889.

Participating Associations

For the Phase II study, four organizations chose to participate. We present their profile below:

- Organization #1 is a trade association in the hospitality field with 3,500 members and 41 components.
- #2 is a professional society in a health care field with more than 100,000 members and state level components.
- #3 is a hybrid organization with primarily individual members with 11,600 members and 75 sections.
- #4 is a professional society with over 50,000 members and 182 components.

Methodology

Each association provided a cell of 2,000 members to be surveyed that was randomly selected among their membership. Although this survey sample was of necessity a different proportion of total membership for each organization, we wanted to weigh the results equally among the participating associations with the response rates carrying a little more weight.

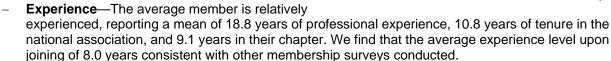
As we find in our single-client research, responsiveness varied considerably. The comparative response rates ranged from a high of 23% (#3), to 18% (#1), to lows of 11% (#2) and 8% (#4). We use a uniform methodology for each organization—online administration, similar language, survey pages customized for each association, and a contact sequence that consisted of an invitation and two reminders to non-respondents.

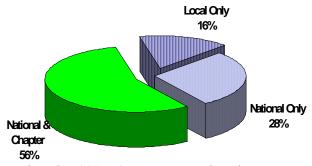
The surveys differed only in terms of start time, ranging between just before Thanksgiving to early December.

Respondent Profile

Membership Tenure—Nationally, respondents indicate belonging 1-2 years (17%), 3-6 years (19%), 7-15 years (26%), or greater than 15 years (23%).

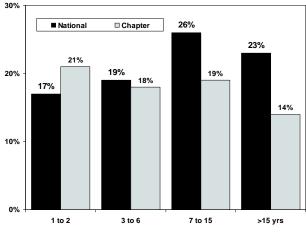
At a chapter level, they belonged 1-2 years (21%), 3-6 years (18%), 7-15 years (19%), or greater than 15 years (14%). The industry experience of the typical member is between 1-5 years (13%), 6-15 years (29%), 16-25 years (33%), or greater than 25 years (26%).



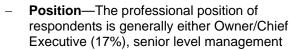


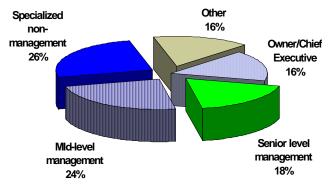
(19%), mid-level management (25%), specialized non-management professional (26%), while very few are entry level (3%) and 14% indicated another open-ended status.

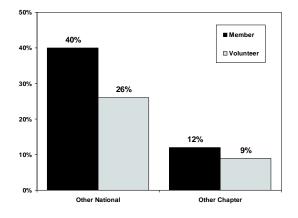
 Volunteer Engagement—Respondents tend to participate as a volunteer in the local chapter at reasonably high rates, either as a Board Member (31%), Committee Member (21%), Program Volunteer (18%), or other involvement (15%).



 National/Chapter Memberships—The majority of members were member of both the national and its affiliated local chapter (56%), while some were members of the national association only (28%) or members of the local chapter only (16%).







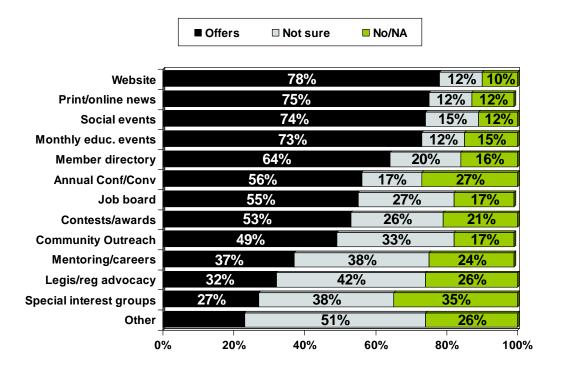
- **Geographic location**—Respondents come from the South (32%), West (23%), Midwest (21%), Northeast (17%), Canada (5%) or International (2%).
- Other Associations—Respondents indicated in which other professional or trade associations they currently hold a membership, or actively participate in as a volunteer. Only 40% of all respondents hold another national membership and 26% are active volunteers; at a local chapter level, only 12% hold memberships and 9% are active volunteers.

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Delivery of Services

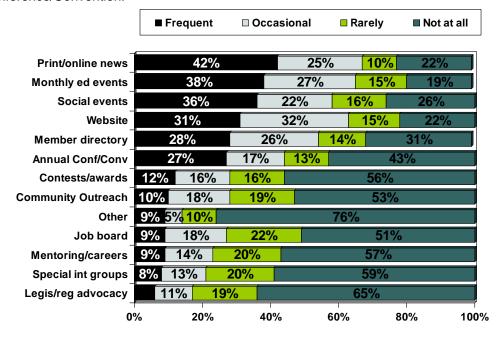
We asked members a series of questions regarding local chapter program/activities. For twelve specific areas of service, we asked first if the service was offered, then how frequently the member participated in/used them, then finally to identify the two most valuable and the two they would choose to eliminate if they had to.

- Respondents indicated that their local chapters offered an average of seven services listed
- The first tier of most commonly offered services —monthly educational events and social events, print/online news, and a Website—are each offered by roughly three-fourths or more of the chapters where respondents belong and participate.
- The second tier of services—member directory, an Annual Conference or Convention, a Job Board, contests/awards, and community outreach—are offered in roughly half or more of the respondent's chapters.
- The third tier of services —mentoring/careers, advocacy, and special interest groups—were indicated as being offered in less than 40% of respondent's chapters.

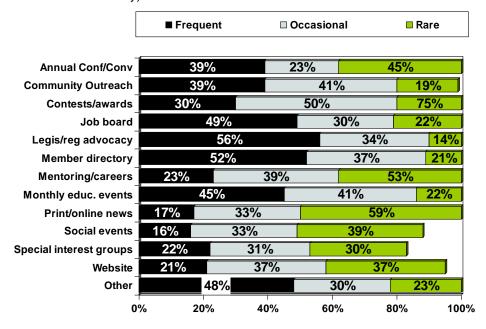


Usage of Services

We also looked at the proportion of members who indicate that they use specific services. The services that are offered the most often are also the services for which the highest proportion of members indicate they are frequent users. The proportion who use frequently is above 35% for print/online news, monthly educational events, and social events, and around 30% for the Website, member directory, and the Annual Conference/Convention.



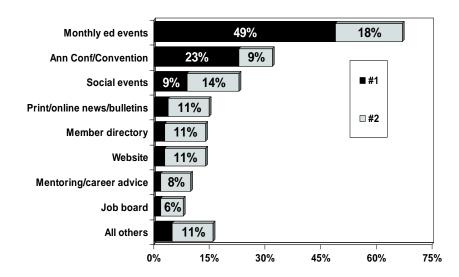
We also looked at the proportion of members who participate, controlling for whether the service was actually available. (Interestingly some members indicated using services at least occasionally when they were not available, but generally almost all members use services when they are available and none checked "do not use" on the survey).



Prioritization of Services

Although there are often a wide range of services available at the chapter level, and members generally use these services to at least some extent when they are available, there are much clearer priorities when respondents are forced to indicate their top priorities.

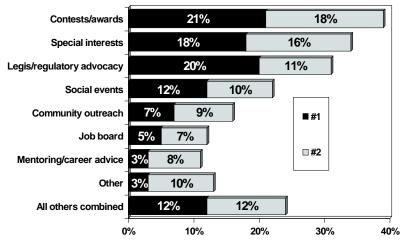
Most-Valued Services—The most commonly indicated services of value to members are monthly educational events (rated by 49% as their #1" and by 18% as their "2" services) and the Annual Conference/ Convention (23% #1, 9% #2).



Below them are social events (rated among the two most-valued services by almost one fourth of members), print/online news/bulletins, the member directory, and the Website (each rated among the two most-valued services by about 15% of members). Mentoring/career advice and the job board rate a little lower.

"Potential Elimination" Services—In addition to ranking the most valued services, members also indicated the two services they would choose to eliminate if they had to. Given that a number of the areas of service in our list were not available at a chapter level at all, this ranking really represents the services that are available, but that members could live without and possible regard as a diversion of valuable resources.

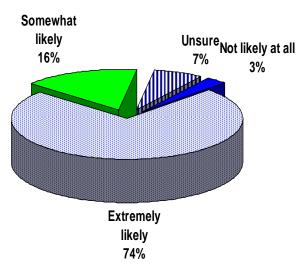
We found that members were most likely to advise elimination of contests/awards (21% rated it as #1

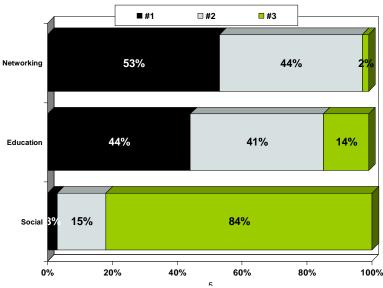


choice, and 18% as their #2 choice to eliminate), followed by special interests (18% #1, 16% #2), legislative/regulatory advocacy (20% #1 and 11% #2), and social events (12% #1, 10% #2). Community outreach, job board, mentoring/career services were each noted by between 11% and 16%, and all others combined, which included five of the six most-valued services, were mentioned as potential targets less often than the services that have the dubious distinction of topping this list.

Primary Chapter Services

The most important reasons for participating in the local chapter are generally networking (53% cite it as #1 and 44% #2) or education (cited by 44% as #1 and 41% as #2) rather than social. We primarily ask this question to learn more about the personal drivers for members in examining which are most satisfied, and to look for meaningful differences across participating associations.



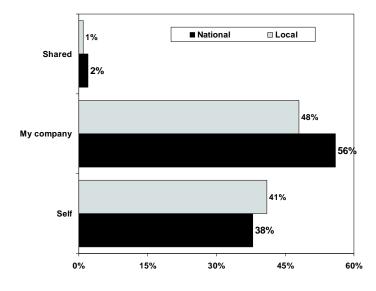


Likely Future Renewal

When asked how likely they are you to renew their membership in the national association over the next 2-3 years, 74% indicated that they are extremely likely, 16% are somewhat likely, 7% are unsure and 3% are not likely at all.

Although we generally find with most membership surveys that this figure is overly optimistic, the bias appears less pronounced here. Often, members who participate in surveys have a more positive attitude toward their association, they "answer strategically" by giving us an answer they think we want to hear, or they are simply poor predictors of their own future behavior. However, here, we see that even if all

members who are not "extremely likely" to renew don't renew in the future, the four associations would have an aggregate renewal rate around 90%—better than reality but not to a degree to make us disbelieve the overall results.



Reimbursement

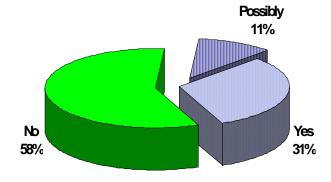
Of course, renewal is also frequently a pocketbook issue.

We also asked respondents to who pays for their national and chapter. We found that respondents have their company pay for their national dues (56%) more often than for their chapter dues (48%). Members pay for their national dues 38% of the time and for their chapter dues 41% of the time, while very few indicate that it is a shared expense or didn't respond to the question.

Chapter Role in Renewal Decision - ROI

The most important question in the survey for measuring the value of chapters came at the end.

When asked if they would be less likely to renew their membership in the national association if there were no local chapter, 31% of respondents indicated "yes" the absence of a chapter would make it less likely (31%) or questionable (11%) they would renew while 58% indicated "no" it would have no effect on the decision.



Of course, those without a chapter generally responded no because the chapter system had no effect on their membership experience.

Conclusions

Chapters appear to have a powerful impact on association membership levels. More than 40% of survey respondents indicate, in essence, that the chapter's presence has a positive effect on their likely future renewal in the sense that, if chapters did not exist, they would be less likely to participate.

There are several aspects to this value perception that are worth noting in an analysis of the characteristics and attitudes of people who indicated that chapters have the greatest effect on their future renewal decisions:

- They are least likely to pay out of pocket for their own national or state dues. Even though a
 majority of them are reimbursed for dues at both levels, they still would be more likely to drop their
 national membership if there was no chapter.
- They are more likely to already be "at risk" members—only 66% are "extremely likely" to renew, compared to 80% of those who indicate the chapter would have no effect.
- They are more likely to be active in another association, even though they hold fewer memberships on average; 36% belong to and 33% participate in at least one other national association, compared to 44% and 21% who belong and participate in another association among the other respondents who indicate the chapter doesn't matter in their renewal decisions.
- They are earlier in their careers and thus probably younger, reporting an average of 16.5 years in the industry, 25% less than other respondents. They also have spent far less time as a national member (average of 8.2 years) than other respondents (12.5 years) although they report almost as many years of chapter level membership.
- They are more likely to be located in future high-growth areas: 40% of those who say "yes" are in the South and 9% are in the Northeast, compared to 28% and 22%, respectively, among those who indicate no chapter effect.
- They are probably far more connected in that far more indicate networking as their #1 motivation (61%), compared to 44% among other respondents.
- On a chapter level, they have a far more pronounced preference for the monthly educational events—almost 50% more likely to indicate this are their most valuable, while those who indicate no chapter effect are twice as likely as them to indicate the Annual Conference/Convention is more valuable.
- There are also significant differences in the effect of chapters across the four associations who contributed members to this study: the number fluctuates from 65%, 42%, 14% and 6% indicating

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that chapters definitely have an effect on renewal decisions, while 42% of members of a scientific/technical society did; in contrast the two organizations with primarily state level affiliates only had 6% and 14% indicate a definite effect.

This study provides strong evidence that chapters DO matter in terms of their impact on future renewal decisions for their national parent organization. While the scenario we use to measure the perceived impact of chapters is intentionally extreme—after all, most associations are highly unlikely to eliminate their chapter network—it does allow us to visualize an alternative membership structure for the associations in our study group.

While we did not measure the intensity of feeling or predict the actual behavior of those who say that chapters matter, most associations would not want to gamble their future on eliminating such a critical level of service delivery. What is less well-understood is to what degree associations already jeopardize their futures unwittingly by not sufficiently supporting and managing their chapter networks with guidance and support to maximize the likelihood that they are delivering services at a local level. The segment of current members who care most about chapters are a younger audience, tend to work in higher growth areas, value networking and interaction more, and are at potentially at greater risk of attrition, often to other associations who can "lock up" their loyalty.

To some degree this study quantifies the ROI of chapters in terms of present value to association membership programs; of far greater concern is the apparent strategic impact of chapters on the long-term value and overall financial performance of associations.

In applying these findings to your own association, there appear to be three key drivers that play major roles in determining the value of chapters:

- Association Culture
- Geographic Location
- Factors Influencing Local Involvement

Association culture matters in the sense that associations primarily serving professionals we would consider more extroverted showed stronger responses in terms of their frequency of participation, and see greater chapter influence on their positive decision to renew. Professions or industries that are reliant on joint participation in the marketplace should find the value of participating in local components higher than those in more technical or more introverted fields.

Geographic location matters, in that participation in chapter level services appears strongest in the South. It may be that the culture of specific locations encourage or discourage the need to affiliate at some level. Our stereotypical views of Southern hospitality, Western independence, and Northeastern competitiveness have at least some basis in reality, and some effect on participation in and perceived value of chapters.

The value of chapter involvement is, not surprisingly, focused on professional development. While we often speak of creating opportunities to socialize, real value of membership is created through professional networking and education. Although in this study we see strong value potential in the future of chapters, there are serious challenges in the area of service delivery. In coming years, if chapters are to realize this potential, they (and their national parent associations) must find ways to offer an increasing variety of formats to meet the needs of a membership that is shifting to a younger generation, who may value non-traditional communications, and an overall membership who are facing increased transportation challenges that make face-to-face interaction less possible.

Appendix A: Results by Participating Association

	Org.1	Org.2	Org.3	Org.4		Org.1	Org.2	Org.3	Org.4
ROI		J		J	SERVICES		J		
Renewal Likelihood					<u>Available</u>				
Extremely	66%	86%	78%	61%	Annual Conf/Conv	51%	43%	42%	13%
Somewhat likely	18%	10%	14%	22%	Monthly ed events	80%	23%	46%	65%
Unsure	13%	3%	4%	11%	Social events	90%	15%	44%	63%
Not likely at all	3%	1%	3%	5%	Member directory	72%	15%	49%	27%
Effect of chapter					Spec int groups	31%	12%	13%	18%
Yes	65%	6%	14%	42%	Print/online news	73%	36%	49%	63%
No	21%	89%	76%	45%	Website	80%	38%	52%	54%
Possibly	14%	6%	11%	13%	Legis/reg advocacy	15%	30%	30%	8%
Pays national dues					Community outreach	67%	11%	25%	31%
Self	19%	84%	35%	41%	Contests/awards	62%	29%	24%	37%
My company	68%	13%	62%	50%	Mentoring/career	40%	13%	22%	27%
Pays local dues					Job board	52%	24%	46%	21%
Self	26%	80%	42%	42%	Other	11%	4%	10%	11%
My company	73%	10%	39%	42%	Average Satisfaction				
<u>Volunteering</u>					Annual Conf/Conv	2.02	2.51	2.74	1.58
Board	35%	21%	28%	33%	Monthly ed events	3.36	1.96	2.63	2.78
Committee	25%	16%	16%	28%	Social events	3.46	1.51	2.31	2.46
Program vol	20%	13%	15%	22%	Member directory	2.92	1.61	2.69	1.85
Other	18%	8%	12%	20%	Spec int groups	1.99	1.46	1.51	1.63
<u>#1 reason</u>					Print/online news	3.01	2.52	2.88	2.84
Education	26%	79%	49%	50%	Website	2.96	2.29	2.67	2.51
Networking	69%	20%	50%	48%	Legis/reg advocacy	1.39	1.82	1.83	1.19
Social	5%	1%	1%	2%	Community outreach	2.27	1.39	1.62	1.77
#2 reason					Contests/awards	2.28	1.46	1.48	1.80
Education	50%	11%	43%	39%	Mentoring/career	1.96	1.44	1.62	1.75
Networking	27%	78%	48%	49%	Job board	1.90	1.55	2.05	1.46
Social	23%	12%	10%	12%	Other	1.53	1.14	1.55	1.50
					Frequent Use				
PROFILE					Annual Conf/Conv	19%	18%	22%	7%
Average (mean) Years					Monthly ed events	55%	4%	17%	30%
National membership	4.9	9.8	13.7	13.2	Social events	58%	4%	12%	25%
Chapter membership	4.3	8.2	9.3	10.8	Member directory	37%	4%	18%	10%
Industry experience	14.5	20.2	19.8	24.0	Spec int groups	11%	2%	2%	6%
Member type					Print/online news	41%	15%	26%	37%
Local only	45%	1%	1%	19%	Website	38%	11%	15%	21%
Both natl/local	52%	46%	61%	61%	Legis/reg advocacy	4%	4%	4%	2%
Natl only	3%	53%	38%	20%	Community outreach	14%	1%	4%	10%

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	Org.1	Org.2	Org.3	Org.4		Org.1	Org.2	Org.3	Org.4
Other Associations					Contests/awards	18%	2%	2%	12%
National participation	36%	10%	28%	22%	Mentoring/career	11%	3%	2%	7%
Local participation	19%	4%	12%	11%	Job board	10%	2%	6%	3%
Local membership	7%	4%	14%	8%	Other	4%	0%	3%	7%
National membership	30%	21%	57%	42%	Occasional Use				
<u>Title</u>					Annual Conf/Conv	10%	9%	15%	7%
Owner/CEO	33%	0%	13%	15%	Monthly ed events	22%	14%	19%	21%
Sr level mgt	32%	9%	16%	10%	Social events	24%	4%	16%	14%
Mid level mgt	28%	15%	29%	24%	Member directory	25%	7%	21%	11%
Spec non-mgt prof	3%	38%	36%	32%	Spec int groups	16%	3%	6%	8%
Entry level	0%	10%	1%	2%	Print/online news	23%	13%	18%	17%
Other	4%	28%	5%	16%	Website	27%	12%	25%	23%
Geographic Area					Legis/reg advocacy	5%	8%	11%	1%
Northeast	5%	42%	14%	21%	Community outreach	28%	4%	6%	10%
Midwest	15%	13%	22%	41%	Contests/awards	23%	5%	6%	8%
South	48%	18%	30%	22%	Mentoring/career	15%	3%	8%	11%
West	29%	21%	24%	11%	Job board	15%	6%	15%	8%
Canada	3%	3%	7%	5%	Other	2%	0%	3%	1%
Intl		2%	3%	1%					

SERVICES

(continued)

(continuea)								
Valuable					<u>Eliminate</u>			
Ann Conf/Convention	17%	56%	48%	7%	Ann Conf/Convention	4% 3'	% 7%	25%
Monthly ed events	73%	39%	65%	80%	Monthly ed events	2% 0'	% 3%	0%
Social events	40%	1%	10%	25%	Social events	8% 46'	% 28%	19%
Member directory	22%	5%	13%	7%	Member directory	3% 13'	% 5%	6%
Special interests	2%	1%	1%	5%	Special interests	38% 30'	% 33%	30%
Print/online news/bulletins	6%	26%	19%	24%	Print/online news/bulletins	8% 6'	% 6%	5%
Website	11%	24%	14%	13%	Website	1% 4'	% 2%	0%
Legis/regulatory advocacy	1%	18%	4%	1%	Legis/regulatory advocacy	53% 59	% 14%	45%
Community outreach	6%	1%	4%	3%	Community outreach	9% 26	% 20%	14%
Contests/awards	1%	0%	0%	3%	Contests/awards	27% 35	% 53%	28%
Mentoring/career advice	13%	10%	6%	18%	Mentoring/career advic	e 10% 19º	% 10%	6%
Job board	3%	12%	11%	7%	Job board	19% 9'	% 7%	11%
Other	1%	7%	2%	5%	Other	19% 4'	% 10%	11%

Appendix B: Survey Form

Local Chapter/National Association Service Survey

We are conducting this study to assess the contribution of state and local chapters to their affiliated national associations. Your response will help us determine the benefit of chapters overall, and for your specific organization. Thank you in advance for your participation and assistance.

1. Fron	n what national association did you receive thi	is survey? (acronym please):			
2. Wh a	t is the name of your local chapter?					
The	many years have you belonged to: national association: local chapter:					
	ch of the following best describes you? Member of the local chapter only Member of both the national and its affiliated loc Member of the national association only (if so, she	•				
5. Wh a	t kind of programs and activities does your lo	cal chapter	offer?			
A. B. C D. E. F. G. H. I. J. K. L.	Annual Conference/Convention Monthly educational events (workshops/seminal Social events) Membership directory Special interest groups Print or online newsletters/bulletins Website Legislative/Regulatory Advocacy Community Outreach Contests/awards Mentoring and career advice Job board Other (describe)	rs)	Does Not Offer	Not Sure		
IVI.		□				
6. In th	ne course of a year, how frequently do you par		or use each local	chapter p	rogram or	activity?
A. B. C D. E. F. G. H. I. J. K.	Annual Conference/Convention Monthly educational events (workshops/seminal Social events) Membership directory Special interest groups Print or online newsletters/bulletins Website Legislative/Regulatory Advocacy Community Outreach Contests/awards Mentoring and career advice. Job board	FREQUENTLY	OCCASIONALLY OCCASIONALLY OCCASIONALLY OCCASIONALLY OCCASIONALLY OCCASIONALLY OCCASIONALLY	RARELY	NOT AT ALL	activity:
M.	Other (describe)	ப	J	_	_	

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7. What are the two most valuable services to you al	#2:			
$8.\ \mbox{If you had to eliminate two services, which would}$	#1:	#2:		
9. In which of the following roles, if at all, do you pa Board Member Committee Member Program Volunteer Other involvement (describe)	-			pter:
10. How would you rank the following reasons, in or participating in the local chapter? #1 #2 #3 □ □ □ Education □ □ □ Networking □ □ □ Social	rder of your n	ost important t	o least im	portant reasons for
11. Who generally pays the dues for you? National association Local chapter		MY COMPANY	SHARED	N/A
12. How likely are you to renew your membership in ☐ Extremely likely ☐ Somewhat likely		association over Not like		2-3 years?
13. Would you be less likely to renew your members ☐ Yes ☐ No ☐ Possibly	ship in the nat	ional association	n if there v	were no local chapter?
ABOUT YOU:				
1. How many years have you been in this profession	or industry?			
2. In which other professional or trade associations currently hold a membership? National Local				
actively participate as a volunteer? National Local				
3. How would you describe your professional position ☐ Owner/Chief Executive ☐ Senior level management ☐ Mid-level management ☐ Specialized non-management professional ☐ Entry level ☐ Other (specify)		_		
4. What is your geographic location? (state and zip c	ode)			
Thank you for your participation.				