

TO: ALA Executive Board

RE: Membership Special Promotions

ACTION REQUESTED/INFORMATION/REPORT:

To review and approve the recommendation from the ALA Membership Committee to offer two special membership promotions

ACTION REQUESTED BY:

Kay Cassell, ALA Membership Committee chair, kcassell@rutgers.edu

CONTACT PERSON:

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DRAFT OF MOTION:

That the Executive Board approves in principle a special promotion for first-year, personal members, and a special promotion for small and very small organizational members, subject to review and recommendation by BARC.

DATE: April 12, 2012

BACKGROUND:

The ALA Membership Committee held a conference call on April 12, 2012 to review a proposal to offer a special membership promotion to two groups:

- First year members who dropped their membership after 12-months. Many of these members joined ALA to take advantage of discount conference registration in the “join and save” conference promotions.
- Small and very small library organizational members who dropped their membership over the last two years.

The goals for both of the special promotions is to build ongoing relationships, show support for our members during the continued economic downturn, and grow revenue incrementally.

The ALA Membership Committee voted to approve the attached proposal and to forward it to the ALA Executive Board and to BARC. The Executive Board is empowered by Article I, Section 4 of the Bylaws to approve special promotional membership rates.

Attachments: Membership Retention

MEMBERSHIP RETENTION
Renewal Offer for DROPPED
JOIN & SAVE/FIRST-YEAR MEMBERS

MEMBERSHIP NEED:

Increase retention of dropped Join & Save/First Year members. Retention of these members has been identified as a key membership action item.

PROGRAM OBJECTIVE:

Increase retention of targeted Join & Save/First Year members.

STRATEGY:

Offer a special dues rate to Join & Save/1st year members dropped for non-payment of dues during the last 12 months. Utilize results to assess future expansion of this program.

GOALS:

- Build longer-term relationship with targeted members.
- Increase renewals to build their ALA relationship and to create the “habit” of annual renewal.
- Reintroduce the value of ALA membership, including the ALA’s willingness to help during the economic downturn.

KPIs:

- 25% of targeted group renewals. Revenue = \$32,500
- Build goodwill with targeted group. (Longer-term value.)

TACTICS:

- In FY2012 offer an ALA renewal rate of \$65 (equal to the 1st year rate). Then, one year later, those who renewed based on this \$65 promotional offer, will receive a renewal billing at the ALA 2nd year rate of \$98 (rather than the \$130 rate which would normally be charged for their 3rd year of membership).
- Send e-mail and a personalized letter from the ALA President with a one-time special pricing message and to reinforce membership value.
- Offer members the option of renewing by telephone or by returning a renewal form with payment.
- Offer an online renewal form to allow on-line renewal.
- Call to action of “Offer valid for 60 days.” Define a start date and an end date.

SIZE OF TARGET GROUP:

- 1,927 members meet the specified criteria.
- These 1,927 dropped members represent lost dues revenue of \$188,846.

ITEM	POTENTIAL	REVENUE/RESULTS
Dropped members revenue	1,927 @ \$98	\$188,846
Discounted renewal at 100% renewal	1,927 @ \$65	\$125,255
Expected results (~25%)	500 @\$65	\$32,500
Build longer-term relationship	<u>Qualitative</u> measurement	Good will, ongoing renewals

MEMBERSHIP RETENTION
Renewal Offer for DROPPED
Small and Very Small Libraries (Organizational Members)

MEMBERSHIP NEED:

Increase retention of very small and small libraries (organizational members).

PROGRAM OBJECTIVE:

Increase retention of small and very small libraries (organizational members) to build ongoing relationships, show support during poor economic conditions, and incrementally grow revenue.

STRATEGY:

- Offer a discounted renewal rate for very small/small libraries, whose memberships were dropped for non-payment of dues during the last 24 months.
- Utilize results to assess future expansion of this program

GOALS:

- Communicate that the ALA understands their economic challenges and is taking this action to assist them.
- Build longer-term relationships. "Governmental Affairs >> strength in numbers."
- Reintroduce the value of ALA organizational membership.

KPIs:

- 25% of targeted group renews. Revenue = \$12,744
- Build goodwill with very small/small libraries and with potential and existing personal members who work at the very small/very small libraries. (Invest in longer-term relationships.)

TACTICS:

- Offer the target group a one-time only rate of 50% off the regular renewal rate.
- Send e-mail and a personalized letter from the ALA President, reinforcing membership value and demonstrating a tangible understanding of small library financial challenges.
- Library members will be given the option of renewing by telephone or by returning a renewal form (mail/fax).
- Offer an online renewal form to allow on-line renewal.
- Call to action of "Offer valid for 60 days." Define a start date and an end date.

SIZE OF TARGET GROUP:

- 509 very small/small libraries meet the specified criteria.
- These 509 dropped organizational members represent lost dues revenue of more than \$100,000.

ITEM	POTENTIAL	REVENUE/RESULTS
Very Small Libraries. Dropped. Revenue (FY11/FY 12)	406 @ \$175	\$71,050
Small Libraries. Dropped. Revenue (FY11/FY12)	103 @ \$300	\$30,900
Total (100% renewal). Small/Very Small at 50% off.	406 @ \$87.50=\$35,525 103 @ \$150=\$15,450	\$50,975
Expected results (25%)	\$50,975 x 25%	\$12,744
Build longer-term relationship	<u>Qualitative</u> measurement	Goodwill, ongoing renewals, commitment to small libraries