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# COMPONENTS AND THE RACE TO MEMBERSHIP: 10 TIPS TO DEVELOP AND EFFECTIVELY USE COMPONENTS IN MEMBERSHIP MARKETING

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## COMPONENTS AND THE RACE TO MEMBERSHIP

### 10 Tips to Develop and Effectively Use Components in Membership Marketing

Components offer associations a multitude of opportunities to drive their missions and increase their revenues. From the development of content to driving membership, when properly designed and managed, components become essential channels through which associations develop and deliver their value.

But exactly what is a component? What are the elements associations need to consider in creating a component? What is necessary in the management of a component? How can they be used to increase membership?

The purpose of this white paper is to act as a primer and provide association executives with an appreciation of the growing importance of components in the development and delivery of membership value and how to take the initial steps necessary to develop and integrate a component strategy into an association's overall membership marketing plan.

### A Historical Perspective

Since before written language, people have formed communities to accomplish their goals. Cave paintings depict groups as they hunt for food. The Roman Empire launched the concept of apprenticeships and trade regulation while 16th century England was the spawning ground for some of the earliest trade associations with the formation of guilds to protect both the interests of groups of merchants and individual artisans.<sup>1</sup>

Today, associations are organized for all types of purposes, but there are some recurring benefits they typically provide their members, including:

- Education / professional development
- Information, research, statistics
- Standards, codes of ethics, certification
- Forums (face to face or virtual) to discuss common problems and solutions
- Service / mission orientation manifested in such activities as volunteerism and community service

Whether it was hunting mastodons for food, rebelling against oppressive regimes to gain their freedom, or providing education for aspiring professionals, a sense of joint purpose is at the heart of any community. "People voluntarily join associations because they want to work together on a common cause or interest."<sup>2</sup>

Components are, by their very nature, essential to the delivery of the most basic elements of every association's mission. They must be managed appropriately to assure they meet these expectations and that they deliver maximum benefit to the member and the association.

## A New Definition of “Community”

The ability of members of a community to communicate with each other is essential to the success of that community.

This is confirmed by results presented in the *2013 Membership Marketing Benchmarking Report*<sup>3</sup>.

“Word-of-mouth recommendation” is cited as the primary way members become aware of, or discover, an association (pg. 16) and it’s ranked as the most effective marketing channel (pg. 19). “Networking with others in the field” is considered by association executives to be the principal reason people join (pg. 20).

REASONS MEMBERS JOIN ASSOCIATION					
	2013 (n = 693)	2012 (n = 684)	2011 (n = 641)	2010 (n = 400)	2009 (n = 303)
Networking with others in the field	24%	22%	25%	24%	22%
Access to specialized and/or current information	13%	12%	14%	13%	23%
Advocacy	8%	12%	10%	11%	N/A
Learning best practices in their profession	8%	7%	7%	9%	8%
Continuing education	7%	8%	7%	11%	5%
Conferences/trade shows	6%	4%	5%	N/A	N/A
Accreditation or certification	4%	5%	4%	4%	2%
Discounts on products or meeting purchases	4%	5%	5%	6%	9%
Association publications	4%	4%	3%	6%	3%
Prestige of belonging to the association	4%	4%	5%	N/A	N/A
Access to industry thought leaders	2%	2%	1%	N/A	N/A
Advancing in their position	2%	2%	2%	2%	4%
Members-only education	2%	2%	N/A	N/A	N/A
Access to career resources	1%	1%	1%	3%	1%
Access to industry benchmark studies	1%	1%	1%	1%	N/A
Insurance (Affinity programs)	1%	1%	1%	N/A	N/A
Not sure	1%	1%	1%	2%	N/A
Other	7%	6%	8%	9%	10%

Source: 2013 Membership Marketing Benchmarking Report (p.20)

The faster new opportunities and ideas are acknowledged, discussed, and acted upon by members of the community, the greater the community's chance to grow and prosper.

Communications technology continually changes the definition of "community." Historically, this has been done through the erosion, if not elimination, of geographic borders in the delivery of information and/or products.

Before 1883, time of day was a local matter and most cities and towns used some form of local solar time, maintained by some well-known clock in the city or town. As the railroads pressed westward across the United States, this tradition wrought havoc with businesses and communities. It became necessary for the railroads to institute a "standard time" to set customer expectations and develop realistic schedules.<sup>4</sup> A new community, based upon a standard time, was created.

In the past 25 years, with advances in communications technology including the World Wide Web and ever more sophisticated databases that track customer behavior, anticipate it, and respond to it, the definition of community at the macro-level, has broadened geographically, while at the micro-level, it has become more sharply defined with increased awareness of niche markets once never imagined.

Associations have been able to leverage the human yearning for community by formally organizing and defining their missions to bring like-minded individuals together. Furthermore, as associations have grown, so too has the desire to create a local component to provide additional value. Communities, or components, now are defined not only by geography, but also by niche elements within the association – each of which has have increasingly specific reasons for joining and unique definitions of member value.

## Understanding Components

Components have been integral pieces of the value proposition to members for decades. Only recently has there been a shift by associations to recognize components and their contribution to that value proposition. Components, as defined by the *Component Relations Handbook 2nd edition - Component Relations Handbook: A Guide to Successfully Managing and Motivating Chapters, Affiliates, and other Member Groups*, are "representative of a segment of members identified by location, discipline, or interest. Examples of common components within associations are chapters, committees, federations, allied societies, sections, councils, or special interest groups."<sup>5</sup>

It's not uncommon to find that many associations view their components as something of a burden. They typically require high maintenance in terms of resources and support, there is never enough staff to meet their needs, and the cost to support them is very high. In terms of ROI, many associations have not been able to track the costs effectively which often leads to questioning their place and relevancy in an association's strategic plan.

What many association professionals do not realize is that components should not be treated as separate business functions within the organization. Rather, methods should be developed to leverage them to advance the strategic initiatives of the association. Determining how to integrate components into these initiatives can be key to the future growth of the association.

For membership initiatives, components can play a significant role in recruitment, retention, engagement, and value proposition. Associations tend to not leverage components as another communications platform, which is wrong. They fail to communicate how involvement in a component actually is part of the overall membership value proposition.

## Integrating Components Into Your Strategy

Strategy considerations start with the components themselves and how they are established within your organization. Whether your components have a long-standing and established place within your association structure or if you are looking to establish them from the ground up, the fundamental key to success is ensuring that they are set up to drive your association's strategy and provide ROI. If the components lack either of these pillars, your association will find itself in a position where the program is not relevant to the mission of the organization.

In order to build a strategy to maximize the impact of a component, it's important to determine if a component exists and evaluate how it serves the association, if at all. After all, some components are vital to the execution of an association's mission—so vital that it behooves the association to absorb the cost of servicing that component, even at a loss. Other components are simply not as important, but offer tremendous revenue opportunities that can provide the funding necessary to support the association.

Here are 10 fundamental questions to ask yourself to help determine if a component is appropriate for furthering the membership strategy of your association:

1. Is the component clearly defined within the organization?
2. Does the component reach a primary or secondary market of the association?
3. If the component is a primary market, how will it be funded and/or supported?

4. If the component is a secondary market, how will it be funded and/or supported?
5. Does the component extend and complement the mission and value proposition of the association?
6. Can the benefits of the association be achieved more effectively or inexpensively through a different component?
7. Can the component and the association work together in harmony to achieve success?
8. Can multiple components be serviced simultaneously to maximize results?
9. What are the component's primary channels of communication to members and prospects?
10. What metrics are to be used to "define success"?

## Implementation

### *Approach collaboration as an alliance*

A successful strategy aligns the unique strengths and capabilities of numerous groups in the accomplishment of a single, larger goal. When meeting with your component leadership, realize that each of you brings a variety of resources to the table. Work with your component leaders to identify the resources they have that can help you accomplish your goals and work with them on how you can best support theirs.

### *Gain consensus*

Using components to attract new members, engage current members, deliver value to membership, and renew expiring members is easy to conceptualize, but can be complicated to implement. If consensus on the goals and tactics necessary to accomplish these goals has not been reached between association management and component leadership, things can get difficult. Therefore, bring component leadership into the process as soon as possible to have them help you develop your tactical plan.

### *Respect their motivation*

There are as many reasons for participating and volunteering in a component as there are component leaders and participants. Every one of them is valid because each individual assesses the value proposition on their own and assigns importance and relevance accordingly. Therefore, to gain consensus, it is important to understand why they are volunteering and/or participating.

### *Keep it simple*

As the saying goes, “don’t bite off more than you can chew.” Clearly define your goals and keep the tactics that you develop easy to implement and easier to track. There are many moving parts in using components for membership development, and setting goals and tactics that are loosely measured only adds to everyone’s workload.

### *Use defined metrics and provide frequent feedback*

Develop goals that are quantifiable and easily defined. Increase retention by 5%. Increase attendance by 10%. Maintain participation at 25 people per session. This serves multiple purposes: it takes “personal preference” out of the evaluation, allows for the development of a rewards structure to further stimulate participation, and allows clear communication between participating groups within

the component. Then evaluate the programs based upon the accomplishment of these goals. Many associations use a monthly e-letter format that reports on every participating group within a component and presents the results of their marketing and sales efforts.

### *Be realistic*

Life happens. Be prepared to have backup plans for every strategy and tactic.

## **How Components Can Further Your Membership Strategy**

While associations are primarily focused on supporting component strategies, the components can play a reciprocal role in supporting an association’s tangential efforts such as membership recruitment, retention, engagement, and value proposition. The following are ways to integrate components into your membership strategy:

- Components are able to identify local prospects through their own networks that your association may not be able to identify on its own, allowing you to extend your recruitment efforts.
- Component leaders act as brand ambassadors for your association. These leaders are largely invested in your organization, want to see it succeed, and are willing to share their experiences of why they belong. Through word of mouth, these leaders can advocate for your association by expressing and amplifying its value proposition, which is highly useful in recruitment and retention efforts.
- Components allow for direct peer-to-peer interaction that leads to a strong community of members. This factor can drive many aspects of your organization’s strategy and strengthen its value proposition.

- Components can serve as a sounding board and feedback point for your association when it comes to testing marketing strategies and campaigns to ensure that they will resonate with target audiences.
- Components are an easy, direct, and highly rewarding way for members to engage with your association.

## Examples

The following are a few practical examples of how to utilize the information conveyed in this white paper and implement it within your organization and its components.

Retention: Components can help further your retention efforts in a variety of ways. Provide them with resources to help reinforce your renewal efforts. Supply talking points and standard verbiage they can use on their website, in emails, and in newsletters. Using these same points, leverage peer-to-peer interaction and have members call/speak face-to-face with other members about renewing their membership. This allows for greater opportunity to reinforce your association's message from a peer standpoint and get members to renew. In the event that they don't renew, it's an opportunity to garner information as to why not. This valuable information is often missed in a termination survey and can assist in future efforts.

Recruitment: Many times components provide educational/professional development opportunities. Although these events attract mostly members, non-members also attend. Provide your components with resources to communicate with these individuals and enlighten them on how to best capture these prospects. Work with your components to create an association-wide recruitment campaign targeted at these individuals. Many times these prospects are in addition to the ones that your association is already targeting—extending your reach and efforts.

Recruitment, Engagement, and Retention: Once your association's overall membership goal is established by leadership, set a goal for the number of members you want your component organizations to acquire and retain. Provide monthly reports for each chapter that detail the activities and subsequent results as they relate to the accomplishment of these goals. Celebrate those chapters that meet or exceed their goals. One association was able to grow its membership during the 2010 economic meltdown because they were able to keep their chapters focused on the membership goals using just such an instrument.

## SUMMARY

It's human nature to want to gather together on a common issue or topic to discuss and share information, ideas, and lessons to better ourselves and our lives. History has shown this to be true from the dawn of civilization.

As citizens of the world, we gather with like-minded people to further our personal and professional goals through associations. As members of associations, we gather with other like-minded members to form components.

Unfortunately, many associations are unprepared to fully utilize the opportunity to grow their membership that their components can provide. Central to any membership program is the drive to help each individual member to realize the value of membership and benefit from it, each in his or her own way. If the goal of membership development is made a part of each component's strategic goals, both the association and the component will thrive.

Throughout this white paper we have discussed the purpose, value, strategy, and implementation that components can bring to an association's membership efforts. When incorporating components as an integrated communications channel and part of your membership strategy, instead of a separate program that the association supports, you can extend your reach, maximize your internal efforts and resources, and enhance your value proposition to current and future members.

Whether components are organized/defined by location, industry, interest, or other delineators, they are a valuable untapped resource. Those that work with them, leverage their power, and unlock their potential are positioned for success.

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## REFERENCES

<sup>1</sup> <http://www.csae.com/AboutCSAE/AHistoryofAssociations.aspx>

<sup>2</sup> <http://www.asaecenter.org/Advocacy/content/ASAEOOnly.cfm?ItemNumber=16341>

<sup>3</sup> *2013 Membership Marketing Benchmarking Report*, Marketing General Incorporated, May, 2013.

<sup>4</sup> [https://en.wikipedia.org/wiki/History\\_of\\_time\\_in\\_the\\_United\\_States](https://en.wikipedia.org/wiki/History_of_time_in_the_United_States)

<sup>5</sup> *Component Relations Handbook 2nd edition - Component Relations Handbook: A Guide to Successfully Managing and Motivating Chapters, Affiliates, and other Member Groups*, American Society of Association Executives, 2012.



## AUTHORS

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Trevor oversees the growth, development, engagement, and ongoing relationships with ARMA International membership, covering 120 chapters and 11 regions. He directs the leadership, development, and training for 1000+ volunteer leaders; membership strategy around recruitment, retention, and engagement; various association conferences and events; IT resources; as well as global expansion and customer service of the association.

Trevor has spoken on membership and component relation topics at various ASAE conferences and was co-Executive Editor and Contributing Author to the ASAE publication, *Component Relation Handbook, 2<sup>nd</sup> Edition*. He is currently involved with the American Society of Association Executives (ASAE) and is the current Vice Chair of the ASAE Component Relations Council. He also serves on the Kansas City Society of Association Executives Board of Directors.

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Erik is an experienced strategic planner and a seasoned tactician who mixes direct marketing, media placement, branding, creative design, and web marketing into multi-channel campaigns.

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Erik regularly presents at meetings and conferences including the ASAE Annual Conference, ASAE *GreatIdeas*, CESSE Annual Conference, and the ASAE Marketing & Membership Conference. He is the author of many professional articles and MGI white papers on membership acquisition and development, and has launched his own blog entitled [Experts in Membership Marketing](#)—examining membership marketing best practices, research and analysis, communication theories, and sales techniques.

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